

MAC CHARLES (INDIA) LIMITED

31st Annual Report 2010-11





CORONET



ORCHID

BOARD OF DIRECTORS

Mr. C. B. Pardhanani	Chairman
Mr. J. Matthan	Director
Mr. P. B. Appiah	Director
Mr. M. R. Prasanna (w.e.f. 30.03.2011)	Director
Mr. M. R. B. Punja (w.e.f. 29.06.2011)	Director
Ms. Sangeeta C. Pardhanani	Managing Director

VICE PRESIDENT FINANCE & COMPANY SECRETARYMr. M.S. Reddy *B.Com., L.L.B., MBIM, FCA, FCS***REGISTERED OFFICE**

Le MERIDIEN - BANGALORE
 28, Sankey Road, Bangalore - 560 052
 Tel : 080-2226 2233 / 2228 2828
 Fax : 080-2226 7676 / 2226 2050
 e-mail : leme.bangalore@lemeridien.com
 Visit us at : www.lemeridien-bangalore.com

PRINCIPAL BANKERS

State Bank of India, Bangalore
 State Bank of Mysore, Bangalore

AUDITORS

K. B. Nambiar & Associates
 101, President Chambers
 # 8, Richmond Road
 Bangalore - 560 025

REGISTRARS & SHARE TRANSFER AGENTS

BgSE Financials Limited
 (Subsidiary of Bangalore Stock Exchange Ltd.,)
 Registrar & Transfer Agent (RTA Division)
 No. 51, 1st Cross, J.C. Road,
 Bangalore - 560 027.
 Tel : 080 - 4132 9661 / 4157 5234
 Fax : 080 - 2227 6674
 Email : manager_rta@bfsi.co.in

INVESTORS' QUERIES

e-mail : secretarial.bangalore@lemeridien.com

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Thirtyfirst Annual General Meeting of MAC CHARLES (INDIA) LTD. will be held on MONDAY the 5th SEPTEMBER 2011 at Hotel Le Meridien, No. 28, Sankey Road, Bangalore - 560 052 at 3 p.m.

Note:

(a) As a measure of economy, copies of Annual Report will not be distributed at the Meeting. Members are requested to kindly bring their copies to the Meeting.

(b) Children accompanying a member/proxy will not be allowed inside the meeting hall.

MAC CHARLES (INDIA) LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN TO THE MEMBERS THAT the 31st Annual General Meeting of **MAC CHARLES (INDIA) LIMITED** will be held at Hotel Le Meridien, No. 28, Sankey Road, Bangalore – 560 052, on Monday the 5th September, 2011 at 3p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the audited accounts of the Company for the year ended 31 March 2011 together with the Directors' and Auditors' report thereon.
2. To declare dividend on equity shares for the year ended 31 March 2011.
3. To appoint a Director in place of Mr. P.B. Appiah, who retires by rotation, and being eligible, seeks re-election.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

5. To consider, and if thought fit, to pass with or without modification, the following Resolution as Ordinary Resolutions:-

Issue of Bonus Shares

“RESOLVED

- (i) THAT subject to statutory norms, SEBI Guidelines for bonus issues and to the terms and conditions thereof a sum of Rs.6,55,05,260/- comprising (i) the entire amount of Rs.1,75,11,237/- lying in the share premium account and (ii) the balance of Rs.4,79,94,023/- from out of the general reserve be capitalised by issue of bonus equity shares;
- (ii) THAT the Board of Directors of the Company (hereinafter referred to as “the Board”) be and is hereby authorised to appropriate the said sum of Rs.6,55,05,260/- as equity capital to and among the holders of the equity shares in the Capital of the Company (hereinafter referred to as “the Equity Shareholders”) whose names appear on the Register of Members of the Company at the close of business on such date as the Board may determine in the proportion in which they would have been entitled thereto if such sum had been distributed as dividend on the issued equity shares of the Company and to apply such sum on their behalf in paying up in full at par 6550526 new equity shares of Rs.10 each in the capital of the Company;
- (iii) THAT such new equity share shall be allotted, distributed and credited as fully paid-up to and among such equity shareholders in the proportion of one new equity share for every equity share held by them respectively on that date;
- (iv) THAT such new equity shares be issued upon the terms that they shall rank pari passu in all respects with and carry the same rights as the existing fully paid up equity shares of the Company and notwithstanding the date of allotment thereof shall be entitled to participate in full in any dividend to be declared in respect of the financial year in which the allotment of the new equity shares pursuant to this resolution is made and be treated for all purposes as an increase in nominal amount of capital held by each such equity shareholder and not as income;

(v) THAT the allotment of new equity shares and payment in respect of fractional entitlement, if any, in terms hereof to the non-resident equity shareholders shall be subject to the provisions of the Regulations made under the Foreign Exchange Management Act, 1999;

(vi) THAT the Board be and are hereby also authorised to do all such acts as may be found necessary for giving effect to the resolution for issue of new fully paid bonus equity shares including settling any questions, doubt or difficulty that may arise with regard to or in relation to the issue or allotment of the bonus shares;

(vii) THAT the Board be authorised to accept on behalf of the company any conditions and modifications relating to the issue of bonus shares prescribed by any Authority and which the Board in its discretion thinks fit and proper to accept.”

6. To consider, and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:-

“RESOLVED THAT Mr. M. R. Prasanna, in respect of whom the Company has received a notice from a Member of the Company proposing his candidature for the Office of a Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.”

7. To consider, and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:-

“RESOLVED THAT Mr. M. R. B. Punja, in respect of whom the Company has received a notice from a Member of the Company proposing his candidature for the Office of a Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.”

8. To consider, and if thought fit, to pass with or without modification, the following Resolution as a Special Resolutions:

“RESOLVED THAT subject to Sections 198, 269, 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 and Schedule XIII thereto, approval of the shareholders be and is hereby accorded to the appointment and remuneration of Ms. Sangeeta C. Pardhanani, as ‘Managing Director’ of the Company for a further period of five years with effect from December 5, 2011 to December 4, 2016, on the salary of Rs.2,50,000/- per month with annual increment of 10% on the last drawn salary together with house rent, other perquisites and allowances from 05.12.2011 to 04.12.2016 along with 3% commission on net profits of the Company as set out in the memorandum of emoluments, a copy of whereof initialed by the Chairman for the purpose of identification, which memorandum is hereby specifically approved for a period of five years with effect from 05.12.2011.”

“FURTHER RESOLVED THAT where in any financial year during the tenure of Ms. Sangeeta C. Pardhanani, the Company incurs a loss or profits are inadequate, the Company shall pay to Ms. Sangeeta C. Pardhanani the above remuneration by way of salary with annual increment of 10% on the last drawn salary together with house rent, other perquisites and allowances as a minimum remuneration subject to the limits specified under Section II of Part II of the Schedule XIII to the Companies Act, 1956 (including any statutory modifications or re-enactments

- thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time as minimum remuneration.”
9. To consider, and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:-
“**RESOLVED THAT** subject to the provisions of Section 309(4) and other applicable provisions if any of the Companies Act, 1956, the Board of Directors be and is hereby authorised to pay Mr. C. B. Pardhanani, Chairman of the Company, commission equivalent to 1% of the net profits of the Company for each financial year for a period of 5 (five) years with effect from 01.04.2012.”
10. To consider, and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:-
“**RESOLVED THAT** subject to the provisions of the Companies Act, 1956, the Board of Directors be and is hereby authorized to pay compensation not exceeding Rs.2 Lakhs for each Court case per financial year towards professional services for attending and handling the Court cases pertaining to the Company.”
- By Order of the Board of Directors
- Bangalore
28 July 2011
- M. S. REDDY
Company Secretary
-
- NOTES:**
- a) The explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of the above-mentioned special business is annexed hereto.
- b) The Register of Members and Share Transfer Book will remain closed on 13th August 2011 (one day only) for the purpose of payment of dividend, if any, to be declared at this meeting to those members whose names appear on the Company's Register of Members on 12th August, 2011.
- c) A member entitled to attend and vote is entitled to appoint a proxy (whether a member or not) to attend and vote instead of himself but a proxy so appointed has no right to speak at the meeting. Proxy form duly completed and signed by all Members should be deposited at the Registered Office of the Company not less than forty-eight (48) hours before the commencement of the Meeting. Blank proxy form is annexed hereto.
- d) Members holding shares in multiple folios in Physical category are requested to apply for consolidation to the Registrar and Transfer Agent (R&T Agent)/Company along with relevant Share Certificates.
- e) Members desirous of changing their shareholding from physical category to electronic category (dematerialization) may apply with their respective Depository Participants (DP's). The Company's shares are already admitted with CDSL and NSDL for dematerialization purpose and the ISIN allotted to your Company's equity shares is INE435D01014.
- f) The dividend, if any, in respect of Equity Shares held in electronic category will be paid on basis of beneficial ownership, details of which are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), for the said purpose.
- g) For effecting change of Address/Bank details/Electronic Clearing Services (ECS) Mandate, if any, Members are requested to notify the same to the following :
- (i) If shares are held in Physical category, to the Company/ R&T Agent of the Company, i.e., BgSE Financials Limited, RTA Division, Stock Exchange Tower, No.51, 1st Cross, J.C. Road, Bangalore – 560 027.
- (ii) If shares are held in electronic electronic, to their respective Depository Participant (DP). The Company/ R&T Agent will not entertain request for noting change of Address/Bank details/ECS Mandate, if any.
- h) Pursuant to the Section 205A(5) of the Companies Act, 1956, dividend for the financial year ended on 31 March 2004 which remain unclaimed is due for transfer to the Investor Education & Protection Fund (IEPF) on 30.10.2011. Members who have so far not encashed the Dividend Warrants for the above mentioned dividend year are advised to submit their claim to the Company's R&T Agents namely BgSE Financials Limited, Bangalore, by quoting their folio number / DP Id & Client Id. On or before 30.09.2011 It may be noted that once the unclaimed dividend amount is transferred to IEPF as aforesaid, no claim shall lie on the Company in respect of such unclaimed dividend amount.
- i) Members are requested to :-
- (i) bring their copy of Annual Report and Attendance Slip at the venue of the meeting.
- (ii) Quote their folio/DP & Client Id No. in all correspondence with the R&T Agent/Company.
- (iii) Note that briefcase, mobile phone, bag, eatables and other belongings will not be allowed to be taken inside the venue of the meeting for security purpose and shareholders will be required to take care of their belongings.
- (iv) As part of the “Green Initiative in Corporate Governance”, the Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos.17/2011 and 18/2011, dated April 21, 2011 and April 29,2011 respectively, has allowed companies to send official documents to their shareholders electronically considering its legal validity under the Information Technology Act, 2000. Being a Company with strong focus on green initiatives, Mac Charles (India) Limited proposes to send all shareholder communications such as the Notice of General Meetings, Audited Financial Statements, Director's Report, Auditors' Report, etc., henceforth to shareholders in electronic form to the E-mail Id provided by them and made available to us by the Depositories. Members are requested to register their E-mail Id. with their Depository Participant and inform them of any changes to the same from time to time. However, Members who prefer physical copy to be delivered may write to the Company at its Registered Office or send an E-mail to secretarial.bangalore@lemeridien.com secretarial@lemeridien-bangalore.com by providing their Folio Number / DP Id and Client Id as reference.
- (v) Members having specific queries regarding accounts are requested to deposit their queries in writing at the Registered Office of the Company not less than forty-eight (48) hours before the commencement of the meeting, so as to make the management to furnish the clarification.

MAC CHARLES (INDIA) LIMITED

ADDITIONAL INFORMATION ON DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING

ITEM No.3 : Mr. P. B. APPIAH

Mr. P. B. Appiah is a practicing Advocate and legal advisor.

Companies/Institutions in which Mr. P. B. Appiah holds Directorship and Committee memberships.

Mac Charles (India) Ltd.,
Director

Audit Committee – Member
Share Transfer & Investor Grievance Committee – Member
Remuneration Committee – Member

Integrated Finance Co. Ltd.,
Director

Audit Committee – Member
Remuneration Committee – Member

Mr. P. B. Appiah does not hold any equity shares of Mac Charles (India) Limited.

ITEM No.6 : Mr. M. R. PRASANNA

Mr. M.R.Prasanna is a Corporate Advocate and legal advisor. He is associated with various medium and large corporations in India and overseas as a corporate legal advisor and Director.

Companies/Institutions in which Mr. M.R.Prasanna holds Directorship and Committee memberships.

A. Director of the Public / Private Limited Companies

- 1 Aditya Birla Minerals Ltd
- 2 Dakshin Cements Limited
- 3 Aditya Birla India Real Estate Vision Fund, Mauritius
- 4 RE Phoenix Fund, Mauritius
- 5 Runeecha Textiles
- 6 RSB Transmissions (I) Limited
- 7 UltraTech Cement Lanka (Pvt). Ltd.
- 8 UltraTech Cement Middle East Investments Limited
- 9 Sanguine RE Venture, Mauritius
- 10 Chess Management Services Pvt Ltd

B. As Committee Member

- a. Aditya Birla Minerals Ltd - Audit Committee, Mt.Gordon Environment Committee

- b. Runeecha Textiles Ltd - Audit Committee, Investor Grievance Committee, Remuneration Committee

Others:

Co-Chairman, Legal Affairs Committee, ASSOCHAM, New Delhi.

Member – FICCI Corporate Law Committee

Member, Advisory Board of the Corporate Counsel Forum (CCF) of the International Bar Association (IBA).

Life Member of the International Centre for Alternative Dispute Resolution (ICADR), New Delhi.

Arbitrator on the India Panel Of Arbitrators of The Singapore International Arbitration Centre and

The Kuala Lumpur Regional Arbitration Centre.

On the Editorial Board of India Business Law Journal and India IP Law Journal.

Chairman of the Academic Council for “Business Management for Legal Professional” – Welinkar Institute Mumbai.

Mr. M. R. Prasanna does not hold any equity shares of Mac Charles (India) Limited.

ITEM No.7 : Mr. M.R.B.PUNJA

Mr. M.R.B.Punja is a former Chairman of IDBI.

Companies/Institutions in which Mr. M.R.B.Punja holds Directorship and Committee memberships.

Andhra Petrochemicals Ltd	{
Chowgule Steamships Ltd	{ Director
Sushruta Medical Aid	{
Research Hospital Ltd	{
Deepak Nitrite Ltd	{ Audit Committee – Member
Apollo Tyres Ltd	{ Director
	{ Audit Committee – Member
	{ Remuneration Committee – Member

Mr. M.R.B.Punja does not hold any equity shares of Mac Charles (India) Limited.

EXPLANATORY STATEMENT

pursuant to Sec. 173(2) of the Companies Act, 1956.

The following Explanatory Statement sets out all material facts relating to the items of the accompanying notice of the Annual General Meeting to be held on Monday, the 5th September 2011.

ITEM No. 5 :

In deference to the requests of the shareholders at the General body Meetings ever year, the Board of Directors have considered the request of the shareholders and have proposed the issue of bonus equity shares in the ratio of 1:1 to all the existing equity shareholders. For this purpose the entire amount of Rs.175.11 lakhs lying in the share premium account and Rs.479.94 lakhs being a portion out of the total General Reserve of Rs.19697.67lakhs as on 31.03.2011, will be utilized for issuing the 65,50,526 fully paid up bonus equity shares of Rs.10/- each.

None of the Directors except Mr. C. B. Pardhanani, Miss. Sangeeta C. Pardhanani and Mr.J. Matthan to the extent of their rights to bonus share in proportion to their existing shareholding are concerned or interested in this Resolutions pertaining to issue bonus shares.

If the resolution is passed, Record Date will be fixed for the purpose of issue and allotment of Bonus Shares to those shareholders, whose name shall appear on the Register of Members on the Record Date.

In case of Shareholders holding shares in Demat form on the Record Date, their Demat Account(s) will be automatically credited with the entitled number of Bonus Shares.

Shareholders have an OPTION to receive the Bonus Shares either in Physical Form or in Demat Form by indicating their choice in the form – Annexed to this Annual Report at the end and mailing it to BgSE Financials Limited, RTA Division, No.51, Stock Exchange Towers, J.C. Road, Bangalore-560027, the Company's Registrars and Share Transfer Agents on or before 10th September, 2011.

In case of no option of receiving the shares is exercised by the Shareholders, the Bonus Shares will be issued ONLY in Physical form to those Shareholder's holding shares in physical form in marketable lot of 50 equity shares and ONLY in demat form to those Shareholder's holding shares in demat form.

ITEM No. 6 :

The Board of Directors of your Company appointed Mr. M. R. Prasanna as an Additional Independent Director on March 30, 2011 as per the provisions of Article 107 of the Article of Association read with Section 260 of the Companies Act, 1956

Your Company is extremely pleased to have a seasoned professional of Mr. M. R. Prasanna's caliber and experience on the Board. His enriched expertise will aid in driving your Company's momentous growth to the desired level while ensuring the highest levels of Corporate Governance.

Mr. M. R. Prasanna holds office until this Annual General Meeting. As required under 257 of the Companies Act, 1956, a notice alongwith the requisite deposit has been received from a Member signifying his intention to propose Mr. M. R. Prasanna as a candidate for the office of Director at this Annual General Meeting. Mr. M. R. Prasanna's profile has been given in an earlier section of this notice.

None of the Directors of the Company, expect Mr. M. R. Prasanna, are in any way concerned or interested in this resolution.

Your Directors, therefore, recommended the resolution to be passed as an Ordinary Resolution by the Members.

ITEM No. 7 :

The Board of Directors of your Company appointed Mr. M. R. B. Punja as an Additional Independent Director on June 29, 2011 as per the provisions of Article 107 of the Article of Association read with Section 260 of the Companies Act, 1956

Your Company is extremely pleased to have a seasoned professional of Mr. M. R. B. Punja's caliber and experience on the Board. His enriched expertise will aid in driving your Company's momentous growth to the desired level while ensuring the highest levels of Corporate Governance.

Mr. M. R. B. Punja holds office until this Annual General Meeting. As required under 257 of the Companies Act, 1956, a notice alongwith the requisite deposit has been received from a Member signifying his intention to propose Mr. M. R. B. Punja as a candidate for the office of Director at this Annual General Meeting. Mr. M. R. B. Punja's profile has been given in an earlier section of this notice.

None of the Directors of the Company, expect Mr. M. R. B. Punja, are in any way concerned or interested in this resolution.

Your Directors, therefore, recommended the resolution to be passed as an Ordinary Resolution by the Members.

ITEM No. 8 :

Ms. Sangeeta C. Pardhanani was appointed as a Director of the Company from 23.03.1990 and re-appointed from time to time. Ms. Sangeeta C. Pardhanani has rich and varied experience in the areas of finance, sales and marketing and hotel operations. Ms. Sangeeta C. Pardhanani, Managing Director has been taking active interest and initiative to oversee the operations of the Hotel. The Board of Directors felt it beneficial to the Company and accordingly she has been re-appointed as 'Managing Director' of the Company for five years on the salary of Rs.2,50,000/- per month with annual increment of 10% on the last drawn salary together with house rent, other perquisites and allowances from 05.12.2011 to 04.12.2016 along with 3% commission on net profits of the Company. As per the provisions of the Companies Act, the shareholders approval by way of special resolution is necessary for appointment of Managing Director and for payment of salary and other perquisites. Hence this special resolution is commended for the shareholders approval for appointment and payment of salary and other perquisites. The said remuneration has been recommended by the Remuneration Committee constituted by the Board vide its resolution dated 25.07.2011. The emoluments payable to Ms. Sangeeta C. Pardhanani are set out in the Memorandum of Emoluments mentioned in this Resolution shall be as follows :

EMOLUMENTS :

Basic Salary : Rs.2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) per month with annual increment of 10% on last drawn salary effective from 05.12.2011 to 04.12.2016.

Commission : 3 percent of the net profits of the Company (computed under and subject to the Companies Act, 1956) provided further that the commission shall be payable to the Managing Director, on an annual basis but only after company's annual accounts and balance sheet u/s 210 of the Companies Act, 1956 are approved by the Company's Annual General Meeting and adopted by the Company.

MAC CHARLES (INDIA) LIMITED

Perquisites :

Category I :

- (a) House Rent of Rs.95,000/- per month with reimbursement of electricity and water Charges, will be paid to the Managing Director in lieu of housing benefits. This component will not be added into basic salary or other perks and benefits.
- (b) Reimbursement of Medical Expenses : For self and family subject to a ceiling of one month basic salary or three months basic salary over a period of 3 years.
- (c) Club fees : Fees of one club.
- (d) Group Personal Accident, Group Medical and Group Term Insurance : As per rules of the Company and recommendations of the Chairman of the Company

Category II :

- (a) Provident Fund : Company's contribution to Provident Fund as per rules of the Company.
- (b) Gratuity : Payable in accordance with rules of the Company but not exceeding half months basic salary for each completed year of service.

Category III :

- (a) Car(s) and telephone(s) will be provided at the residence for official use. However provision of these facilities will be subject to tax as per prevailing Income Tax rules. The Company will bill Ms. Sangeeta C. Pardhanani for all personal long distance telephone calls.
- (b) The contribution to Provident Fund will not be included as perquisites to the extent these are not taxable under the Income Tax Act, 1961.
- (c) Earned leave : On full pay and allowances as per the rules of the Company, but not exceeding 18 working days per year.
- (d) All emoluments and perquisites will be taxable as per the provisions of Income Tax Act, 1961.

The aforesaid Memorandum of Emoluments which has been approved by the Board of Directors setting out the terms of remuneration of the Managing Director, is available for inspection by any member of the Company between 11:00 a.m. to 1:00 p.m. on any working day before the ensuing Annual General body Meeting.

Miss. Sangeeta C. Pardhanani is also a Director on the Board of the following Companies :

1. Pardhanani International Investments & Holdings Private Limited ;
2. Pardhanani International Properties Private Limited ;
3. Airport Golf View Hotels and Suites Private Limited ;
4. Sanko Properties Private Limited.

Ms. Sangeeta C. Pardhanani is the daughter of Mr. C. B. Pardhanani, the Chairman of the Company.

The Remuneration is within the limits prescribed under Schedule XIII to the Companies Act, 1956, and therefore requires no further permission or approval.

The Board recommends adoption of this special resolution in the best interest of the Company.

None of the Directors except Mr. C. B. Pardhanani and Ms. Sangeeta C. Pardhanani is concerned or interested in this resolution.

ITEM No. 9 :

Mr. C. B. Pardhanani, Chairman of the Company, although not a whole-time Director has been devoting considerable time towards the affairs of the Company and has been the guiding force of the Company. The Company has built up substantial reserves and surplus, and renovated the Hotel to the international standards of Le Meridien group of Hotels. He has been largely instrumental in the Company making steady progress over the years. He has not been drawing any salary from the Company. In view of his rich experience gained in the hotel industry and in recognition of his contribution made to the Company, the Board is of the opinion that Mr. C. B. Pardhanani should be continued to be given token payment and hence proposal is placed before you to continue to pay him a commission based on the net profits of the Company as per the provisions of the Companies Act. The remuneration committee recommended to continue the said payment of commission @ 1% to the Chairman. Such payment of commission on net profits requires the approval of the shareholders in the general meeting/extra ordinary general meeting. Hence, the special resolution is placed before you, which the Board recommends adoption of this Resolution by the shareholders in the best interest of the Company.

Except Mr. C. B. Pardhanani and Ms. Sangeeta C. Pardhanani, no other Director is concerned or interested in this resolution.

ITEM No. 10 :

Mr. P. B. Appiah, is a reputed practicing Advocate for more than two decades who handles Court cases in the City Civil Courts and High Court of Karnataka. He has got a rich knowledge and experience in handling various types of court cases. He has been handling our Company's cases in the City Civil Court, Bangalore and the Hon'ble High Court of Karnataka. In view of his effective handling of court cases the Board is of the opinion to compensate him for his professional services not exceeding Rs.2 lakhs per court case per financial year. Hence, the special resolution is placed before you, which the Board recommends adoption of this Resolution by the shareholders in the best interest of the Company.

Except Mr. P. B. Appiah, no other Director is concerned or interested in this resolution.

By Order of the Board of Directors

Bangalore
28 July 2011

M.S. REDDY
Company Secretary

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the 31st Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31 March 2011

FINANCIAL RESULTS

(Rs. in Lakhs)

	2010-11	2009-10
Sales Turnover	5095.77	4152.08
Other Income	2850.90	2776.26
Expenditure	4416.90	3707.51
Provision for Taxation	720.88	696.04
Profit for the year	2808.89	2524.79
Profit brought forward from previous year	737.30	555.52
Dividend including Corporate Dividend Tax	913.84	843.02
Transfer to General Reserve	1500.00	1500.00
Profit transfer to Balance Sheet	1132.35	737.30
Earning Per Share	42.88	38.54

HOTEL OPERATIONS

During the year under report, the economy recovered partly from economic recession especially in the developed countries. The Indian economy has also recovered resulting in higher Hotel room occupancy and average room rate. Hence, sales turn over has increased from Rs.4152 lakhs to Rs.5096 lakhs. During the current financial year 2011-12, the hotel business is hit by the entry of new five star hotels in the city of Bangalore resulting in stiff competition and undercutting of room tariffs. Hence, it will be difficult to maintain the same working results in current financial year.

FUTURE PROSPECTS

The future of the hotel industry is entirely dependant on the state of the country's economy. The outlook for the Financial Year 2011-12 is tough due to severe competition with added new five star hotels in the city of Bangalore.

FINANCE

During the year under report, the financial position of the Company has further been consolidated with significantly increased reserves and surplus. However, the ongoing renovation of the Hotel is consuming the major surplus funds of the Company.

DIVIDEND

The Board of Directors have recommended a dividend of Rs.12/- per share on share capital of Rs.6.55 crores divided into 65,50,526 equity shares of Rs.10/- each. The said dividend, if approved at the ensuing Annual General Meeting, will be paid to those shareholders whose names appear in the Register of Members as on 12th August, 2011.

BONUS ISSUE

The Board of Directors have recommended issue of bonus shares to all the existing shareholders in the ratio of 1:1 shall rank *pari passu* with the existing shares which will be placed at the ensuing Annual General Meeting for approval.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

- a) Applicable accounting standards have been followed in the preparation of annual accounts. Material departures therefrom, if any, are properly explained in the notes on accounts ;
- b) The Board of Directors has selected such accounting policies and applied them consistently and made judgements 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 of the Company for the period ;
- c) The Board has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities ; and
- d) The Annual Accounts have been prepared for the financial year ended 31 March 2011 on a going concern basis.

FOREIGN EXCHANGE EARNINGS

Foreign Exchange Earnings during the year were Rs.2952 lacs which is 58% of the Hotel Sales Turnover. The Foreign Exchange utilisation during the year was Rs.765 lacs.

SUBSIDIARY COMPANIES

At the beginning of the year, the Company had one Subsidiary Company, Airport Golf View Hotels & Suites Pvt. Ltd. (*formerly known as Nedstar Hotels Pvt. Ltd.*)

As required under the Listing Agreements with the Stock Exchanges, a Consolidated Financial Statement of the Company and its Subsidiary is attached. The Consolidated Financial Statements have been prepared in accordance with the relevant Accounting Standards as prescribed under Section 211(3C) of the Companies Act, 1956 ("Act"). These financials statements disclose the assets, liabilities, income, expenses and other details of the Company, its subsidiary.

Pursuant to the provision of Section 212(8) of the Act, the Ministry of Corporate Affairs vide its circular dated February 8, 2011 has granted general exemption from attaching the Balance Sheet, Profit and Loss Account and other documents of the subsidiary Company with the Balance Sheet of the Company. A statement containing brief financial details of the Company's subsidiaries for the financial year ended March 31, 2011 is included in the Annual Report. The annual accounts of these subsidiary and the related detailed information will be made available to any member of the Company/ its subsidiary seeking such information at any point of time and are also available for inspection by any member of the Company/its subsidiary at the registered office of the Company. The annual accounts of the said subsidiary will also be available for inspection, as above, at the Head Office/Registered Office of the respective subsidiary company. The Company shall furnish a copy of details of annual accounts of subsidiary to any member on demand.

MAC CHARLES (INDIA) LIMITED

DUES TO SMALL SCALE UNDERTAKINGS

There are no dues payable to small scale undertakings.

CORPORATE GOVERNANCE

Members are aware that the Corporate Governance code has become a statutory requirement as per listing guidelines framed by the Stock Exchanges. Members will be happy to know that their Company is complying with the stipulations of the new code as on date. In line with this requirement of the code, a Corporate Governance Report and a Management Discussion and Analysis Report of the Company is furnished elsewhere in this Annual Report.

ENERGY CONSERVATION

Conservation of energy continues to be on top priority of the management. The following energy conservation measures have been taken:

- During the year under report, placed order for one more Wind Turbine Generator with a capacity of 2.10 MW apart from existing one number of 2.10 MW and two numbers of 1.50 MW each environment friendly Wind Turbine Generators which generate electricity of about 1.20 crore units p.a. of green power which will be utilized partially for captive consumption of the Hotel and the balance units generated is being sold to Govt. of Karnataka/third parties.
- an effective key-tag system is in vogue in all guest rooms to switch off lights & power connections automatically.
- substantially switched over to PL lamps from conventional lamps with a view to saving energy upto 60% on lighting.
- installed solar panels which are feeding hot water required for the guest rooms.
- imported and installed three highly fuel efficient screw chillers for our AC plant.

- replaced windows with double glazed reflective glass with a view to save power on AC consumption.
- installed two on load tap charger transformers for stabilising voltage fluctuations and thereby to save power and prevent damage to electric motors and other installations.
- thermostatic Controls, Timers and Photo Cell Switches have been installed wherever necessary to control power consumption.
- imported and installed two temperature control systems to reduce power consumption.
- constituted an energy conservation committee to monitor power consumption regularly.

TECHNOLOGY ABSORPTION

In the opinion of the Board, the required particulars, pertaining to technology absorption in terms of Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable as hotel forms part of the service industry and the Company does not have any significant manufacturing operations. However, the management has been adopting the latest technology like LCD TV systems, high speed internet installed in all the guest rooms, latest high speed computers, modern guest amenities, best audio-video equipment, newest model transport vehicles for complimentary transport of hotel guests, video conferencing facility, latest models of soundfree fridges in guest rooms and various latest hotel operational equipments. Further the Hotel has been conforming to the stringent Le Meridien's International Standards.

PARTICULARS OF EMPLOYEES

Information under section 217(2A) of the Companies Act, 1956, read with Companies (particulars of employees) Rules, 1975, is appended below :

Particulars of employees pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 :

Employed throughout the year :

Name	Ms.Sangeeta C. Pardhanani	Mr. M.S. Reddy	Mr. G. Vijay
Age	42 Years	57 Years	49 years
Remuneration	Rs.1,08,27,801/-	Rs.17,90,577/-	Rs.25,92,528/-
Qualification	B.Com., DBM	B.Com.,L.L.B., MBIM., from London, UK, FCA, FCS	B.com.,Diploma in Hotel Mgmt.from Florida, USA, Advance Mgmt. from Cornell University, USA
Experience	9 Years	31 years	25 years
Date of commencement of employment	01.10.2002	13.08.1983	01.10.2005
Last Employment held	Executive Director – Mac Charles (India) Ltd.	Company Secretary & Chief Accounts Officer, Sri Krishna Rajendra Mills Ltd., Mysore	Director of Operation, Harsha Hospitality Management, USA
Designation	Managing Director	Vice President Finance and Company Secretary	Vice President and Director of Development

Note : Ms.Sangeeta C. Pardhanani, Managing Director is the daughter of Mr. C.B.Pardhanani, the Chairman of the Company.

EMPLOYEES

The relationship with employees has been cordial. The total number of persons employed by the Company is 411 as at 31 March 2011.

DIRECTORS

During the year, Mr. K. R. Sampath, ceased to be Director with effect from 31st August, 2010, as he retired by rotation at the previous Annual General Meeting held on 31st August, 2010 and did not seek reappointment. Mr. J. Matthan resigned from the Board on 28th July, 2011 due to his old age. Your Directors place on record their appreciation for the services rendered by Mr. K. R. Sampath and Mr. J. Matthan during their tenure as Directors of your Company. During the year, the Board has co-opted Mr. M. R. Prasanna and Mr. M. R. B. Punja as independent Directors till the ensuing Annual General Meeting.

AUDIT COMMITTEE

The Audit Committee comprising of Mr. C.B. Pardhanani, Mr. J. Matthan, Mr. M.R.B. Punja (w.e.f. 29th June, 2011) and Mr. P.B. Appiah, all Directors of the Company with Mr. J. Matthan as the Chairman, discharged its duties and functions in consultation with the Internal and Statutory Auditors: (a) To review the adequacy of the internal control system and internal Audit Reports and their compliance thereof: (b) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible: and (c) To review with the management, the financial statements before submission to the Board.

AUDITORS' REPORT ON CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement, the Auditor's Certificate is given as an annexure to Directors Report.

AUDITORS

M/s. K.B. Nambiar & Associates, Chartered Accountants, retire at the forthcoming Annual General Meeting and being eligible offer

themselves for re-appointment.

INTERNAL AUDITORS

M/s. B.P. Rao & Company, Internal Auditors have been conducting quarterly audits of all operations of the Company and their findings have been reviewed regularly by the Audit Committee. Your Directors note with satisfaction that no material deviations from the prescribed policy and procedures have been observed.

SECRETARIAL AUDIT

As per SEBI Regulations, secretarial audit is being carried out at the specified periods by a practicing Company Secretary. The findings of the secretarial audit are satisfactory.

DEMATERIALISATION

The equity shares of the Company have been admitted for dematerialization with both the Depositories viz., Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). The ISIN allotted to your Company's equity shares is INE435D01014.

ACKNOWLEDGEMENTS

Your Directors are grateful to the Shareholders for their support and co-operation extended to the Company for many years. The Directors also thank the Banks namely State Bank of India and State Bank of Mysore for their co-operation and support. The Directors wish to place on record the support and encouragement received from the Department of Tourism, Government of India, Karnataka State Government and Foreign collaborators M/s.Le Meridien. The Directors also acknowledge the dedicated services rendered by the officers and all the staff of the Company.

For and on behalf of the Board

Bangalore
28 July 2011

C.B. Pardhanani
Chairman

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
THE MEMBERS OF MESSRS. MAC CHARLES (INDIA) LIMITED

We have examined the compliance of conditions of Corporate Governance by MAC CHARLES (INDIA) LIMITED, for the year ended 31 March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement, except Professional (legal) fee paid to an independent Director of the Company, exceeded the amount approved by the share holder by Rs.20,000/-.

We state that no investor grievance is pending for a period exceeding one month as at 31 March 2011, as per the records maintained by the Company and as taken on record by the Share Transfer cum Share Holders Grievance Committee.

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

For K. B. NAMBIAR & ASSOCIATES
Chartered Accountants
(Firm Regn. No. 002313S)

Bangalore
28 July 2011

V. V. GABRIEL
Partner (M.No.213936)

MAC CHARLES (INDIA) LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the attached Balance Sheet of MESSRS.MAC CHARLES (INDIA) LIMITED ('the Company') as at 31 March 2011 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As required by the Companies (Auditor's Report) Order, 2003, ('the Order') as amended, issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956, ('the Act') we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that :

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit, subject to Note No.20 of Schedule No.19 – Notes on Accounts – regarding non-confirmation of balances ;
- (ii) 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 ;

- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account ;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ;
- (v) On the basis of written representations received from the Directors, as on 31 March 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31 March 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 ;
- (vi) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2011 ;
 - (b) in the case of the Profit and Loss Account, of the PROFIT for the year ended on that date ; and
 - (c) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For **K. B. Nambiar & Associates**
Chartered Accountants
(Firm Regn. No. 002313S)

Bangalore
28 July 2011

V. V. Gabriel
Partner (M.No.213936)

ANNEXURE TO THE AUDITORS' REPORT DATED 28 JULY 2011

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed during such verification.
 - (c) Fixed Assets disposed off during the year were not substantial.
- (ii) (a) Physical verification of inventory has been conducted by the management at reasonable intervals.
 - (b) In our opinion, the procedures, of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of its inventory. The discrepancies noticed on physical verification of stocks as compared to book records are not material and have been properly dealt with in the books of account.
- (iii) (a) The Company has granted an unsecured loan to its wholly owned subsidiary. The maximum amount outstanding during the year was Rs.3,44,70,430/- and the year-end balance of the loan is Rs.3,25,98,614/-.
 - (b) Having regard to the fact that the loan granted to its wholly owned subsidiary is interest free and unsecured and also that no agreement/contract is entered into with the subsidiary, the terms and conditions of loan granted to the subsidiary are in our opinion prima facie not prejudicial to the interests of the Company.
 - (c) In the absence of an agreement/contract there is no stipulation as to repayment and as such paragraph 4(iii)(c) of the order is not applicable to the Company in respect of repayment of the principal amount.
 - (d) Since there is no stipulation regarding repayment of principal, paragraph 4(iii)(d) of the order is not applicable to the Company in respect of overdue amount in excess of rupees one lakh.
 - (e) The Company has not taken any loans, secured or unsecured from companies, firms or parties covered in the register maintained under Section 301 of the Act. Accordingly, paragraphs 4(iii)(e) to 4(iii)(g) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the company's explanations that some of the items purchased are of special nature and suitable alternative

sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.

- (v) In respect of contracts or arrangements entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us :
- a) the particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said section have been so entered.
 - b) where each of such transaction is in excess of Rs.5/- Lakhs in respect of any party, we are unable to comment whether such transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time since such transactions are in respect of certain purchases for which comparable quotations are not available.

- (vi) The Company has not accepted deposits to which the directives issued by Reserve Bank of India and provisions of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder apply.
- (vii) The Company has an internal audit system commensurate with its size and the nature of its business.
- (viii) As informed to us, the Central Government has not prescribed maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956, for the Company.
- (ix) (a) According to the records of the Company and the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities during the year.
- (b) To the best of our knowledge and belief and according to the information and explanations given to us, details of disputed statutory dues which has not been deposited in the case of Income Tax are given in the table below :

Sl. No.	Nature of Dues	Period to Which the Dispute relates	Amount in Rupees	Forum where the Dispute is Pending	Remarks
1	Income Tax	A.Y. 1997-98	9,55,691	Honourable High Court of Karnataka	The amount in dispute is adjusted by the Income Tax Department out of refund due to the Company
2	Income Tax	A.Y.2001-02	9,54,168	Honourable High Court of Karnataka	The amount in dispute is adjusted by the Income Tax Department out of refund due to the Company
3	Income Tax	A.Y.2007-08	14,90,801	CIT (Appeals) - III	The amount in dispute is adjusted by the Income Tax Department out of refund due to the Company
4	Income Tax	A.Y.2008-09	27,01,461	CIT (Appeals) - III	---

- (x) The Company has neither accumulated loss as at 31 March 2011 nor has it incurred any cash loss during the financial year ended on that date or in the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to financial institution or bank.
- (xii) According to the information and explanations given to us, and records examined by us, during the year the company has not granted loan or advance on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute as specified under clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the Company has not obtained any term loan during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment by the Company.
- (xviii) The Company has not made any preferential allotment of shares during the year.
- (xix) The Company has not issued any debenture during the year.
- (xx) The Company has not raised money by public issue during the year.
- (xxi) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **K. B. Nambiar & Associates**
Chartered Accountants
(Firm Regn. No. 002313S)

Bangalore
28 July 2011

V. V. Gabriel
Partner (M.No.213936)

MAC CHARLES (INDIA) LIMITED

BALANCE SHEET AS AT 31 MARCH 2011

	Schedule No.	2011 Rupees	2010 Rupees
SOURCES OF FUNDS			
Shareholder's funds			
Share Capital	1	6,55,32,010	6,55,32,010
Reserves and Surplus	2	210,05,13,306	191,10,07,883
Loan Funds			
Secured Loans	3	1,56,13,240	1,68,36,345
Net Deferred Tax liability	4	7,19,11,648	6,31,09,904
TOTAL		225,35,70,204	205,64,86,142
APPLICATIONS OF FUNDS			
Fixed Assets			
Gross Block	5	114,14,79,195	110,11,78,696
Less : Depreciation		42,79,64,800	38,99,33,299
Net Block		71,35,14,395	71,12,45,397
Capital Work-in-progress		8,13,061	8,13,061
Investments	6	66,45,15,792	90,88,10,732
Current Assets, Loans and Advances			
Inventories	7	74,59,795	60,02,670
Sundry Debtors	8	2,63,94,345	1,55,21,941
Cash and Bank Balances	9	3,82,37,287	3,33,60,769
Loans and Advances	10	101,01,44,545	71,88,09,479
		108,22,35,972	77,36,94,859
LESS: CURRENT LIABILITIES AND PROVISIONS			
Current liabilities	11	10,99,61,313	24,47,04,938
Provisions		9,75,47,703	9,33,72,969
		20,75,09,016	33,80,77,907
NET CURRENT ASSETS		87,47,26,956	43,56,16,952
TOTAL		225,35,70,204	205,64,86,142
NOTES ON ACCOUNTS	19		

The Schedules 1 to 11 and 19 form an integral part of Balance Sheet

In terms of our report of even date

For **K.B. Nambiar & Associates**
Chartered Accountants
(Firm Regn. No. 002313S)

V.V. Gabriel
Partner (M.No. 213936)

Bangalore
28 July 2011

M.S. Reddy
Vice President Finance &
Company Secretary

Bangalore
28 July 2011

On behalf of the Board

C.B. Pardhanani
Chairman

Sangeeta C. Pardhanani
Managing Director

P.B. Appiah
Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2011

	Schedule No.	2011 Rupees	2010 Rupees
INCOME			
Rooms, Restaurants, Banquets and Other services	12	50,95,77,078	41,52,07,752
Other Income	13	<u>28,50,90,015</u>	<u>27,76,26,550</u>
		79,46,67,093	69,28,34,302
EXPENDITURE			
Consumption of provisions, food supplies and beverages	14	5,21,50,308	4,13,48,129
Remuneration and benefits to employees	15	7,52,59,542	7,26,63,690
Maintenance, upkeep and services	16	12,14,61,097	5,20,65,285
Operating and administrative expenditure	17	8,89,57,659	9,27,01,819
Interest and financial expenses	18	7,07,462	5,61,291
Provision for Diminution in value of investments		17,78,035	25,95,837
Depreciation		5,38,41,295	4,01,19,351
Loss on Sale of Investments - Long Term		14,39,731	2,97,53,228
- Short Term		4,46,94,444	3,76,72,697
Provision for Donations		14,00,000	12,70,000
		<u>44,16,89,573</u>	<u>37,07,51,327</u>
Profit Before Tax		35,29,77,520	32,20,82,975
Provision for Income Tax - Current Tax	7,00,00,000		
<i>Less</i> : Excess Provision of earlier years	<u>67,13,170</u>	(6,32,86,830)	(5,26,26,284)
- Deffered Tax		(88,01,744)	(1,69,77,670)
Profit after Tax for the Year		28,08,88,946	25,24,79,021
Profit brought forward from Previous Year		7,37,29,638	5,55,52,284
Profit available for appropriation		35,46,18,584	30,80,31,305
APPROPRIATION			
General Reserve		(15,00,00,000)	(15,00,00,000)
Proposed Dividend		(7,86,06,312)	(7,20,55,786)
Corporate Dividend Tax		(1,27,77,211)	(1,22,45,881)
Balance Carried to Balance Sheet		<u>11,32,35,061</u>	<u>7,37,29,638</u>
Earnings per Share Basic & Diluted (Face Value of Rs.10/- each)		42.88	38.54

NOTES ON ACCOUNTS 19

The Schedules 12 to 19 form an integral part of Profit and Loss account

In terms of our report of even date

For **K.B. Nambiar & Associates**
Chartered Accountants
(Firm Regn. No. 002313S)

V.V. Gabriel
Partner (M.No. 213936)

Bangalore
28 July 2011

M.S. Reddy
Vice President Finance &
Company Secretary

Bangalore
28 July 2011

On behalf of the Board

C.B. Pardhanani
Chairman

Sangeeta C. Pardhanani
Managing Director

P.B. Appiah
Director

MAC CHARLES (INDIA) LIMITED

SCHEDULES TO BALANCE SHEET

	2011 Rupees	2010 Rupees
1. SHARE CAPITAL		
AUTHORISED		
2,00,00,000 (2,00,00,000) Equity Shares of Rs.10/- each	20,00,00,000	20,00,00,000
ISSUED, SUBSCRIBED AND PAID UP		
65,50,526 (65,50,526) Equity shares of Rs.10/- each	6,55,05,260	6,55,05,260
Add : Forfeited Shares	26,750	26,750
	6,55,32,010	6,55,32,010
2. RESERVES AND SURPLUS		
Security Premium Account	1,75,11,237	1,75,11,237
	1,75,11,237	1,75,11,237
General Reserve		
At the commencement of the year	181,97,67,008	166,97,67,008
Add : Transfer from Profit & Loss Account	15,00,00,000	15,00,00,000
	196,97,67,008	181,97,67,008
Profit and Loss Account		
Surplus	11,32,35,061	7,37,29,638
	11,32,35,061	7,37,29,638
	210,05,13,306	191,10,07,883
3. SECURED LOANS		
From Banks		
Over Draft	-	6,59,400
Cash Credit	1,56,13,240	1,61,76,945
	1,56,13,240	1,68,36,345
The Cash Credit from Bank are secured by company's immovable property at No 28 sankey road Bangalore and first charge by way of hypothecation and / or pledge of the company's entire goods, movables and other assets present and future including documents of title to the goods and other assets, such as Book Debts, outstanding monies, receivables, bills, invoices, documents, contracts, insurance policies, guarantees, engagements, securities, investments and rights and uncalled capital and all machinery present and future and personal guarantee of one of the Directors of the Company.		
4. NET DEFERRED TAX LIABILITY		
Deferred Tax Liability:		
Accumulated Depreciation	7,31,83,055	6,45,59,369
Less : Deferred Tax Assets :		
Accrued Expenses deductible on payment	12,71,407	14,49,465
	7,19,11,648	6,31,09,904

SCHEDULES TO BALANCE SHEET (Contd...,)

5. FIXED ASSETS

.(Amount in Rs.)

DESCRIPTION	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK	
	As at 1.4.2010	Additions / (Disposals)	As at 31.3.2011	Up to 31.3.2010	For the year (Withdrawal)	Up to 31.3.2011	As at 31.3.2011	As at 31.3.2010
Land	33,31,65,755	—	33,31,65,755	—	—	—	33,31,65,755	33,31,65,755
Building	18,99,82,650	1,46,62,314 (1,58,67,480)	18,87,77,484	12,34,41,355	55,39,314 (43,47,507)	12,46,33,162	6,41,44,322	6,65,41,295
Plant & Machinery	45,65,96,527	2,46,35,859 (93,946.00)	48,11,38,440	1,703,05,555	3,88,36,531 (93,946)	20,90,48,140	27,20,90,300	28,62,90,972
Sanitary Fittings	1,63,85,821	2,35,230.00	1,66,21,051	1,12,09,824	7,79,828	1,19,89,652	46,31,399	51,75,997
Computers	96,10,994	7,04,440 (24,960)	1,02,90,474	86,15,656	5,68,552 (23,766)	91,60,442	11,30,032	9,95,338
Furniture, Fixtures & Interiors	6,57,65,386	2,63,92,108 (9,91,978)	9,11,65,516	5,69,15,834	49,69,427 (9,91,978)	6,08,93,283	3,02,72,233	88,49,552
Vehicles	2,96,71,563	12,74,811 (1,06,25,899)	2,03,20,475	1,94,45,075	31,47,643 (1,03,52,597)	1,22,40,121	80,80,354	1,02,26,488
Total	110,11,78,696	6,79,04,762 (2,76,04,263)	114,14,79,195	38,99,33,299	5,38,41,295 (1,58,09,794)	42,79,64,800	71,35,14,395	71,12,45,397
Previous Year	97,00,64,331	13,27,31,017 (16,16,652)	110,11,78,696	35,13,75,669	4,01,19,351 (15,61,721)	38,99,33,299	71,12,45,397	61,86,88,662

6. INVESTMENTS

(Value in Rupees)

PARTICULARS	FACE VALUE	AS ON 01.04.2010 QUANTITY	AS ON 01.04.2010 VALUE	BOUGHT DURING THE YEAR QUANTITY	BOUGHT DURING THE YEAR VALUE	SOLD DURING THE YEAR QUANTITY	SOLD DURING THE YEAR VALUE	AS ON 31.03.2011 QUANTITY	AS ON 31.03.2011 VALUE
LONG TERM									
TRADE - QUOTED - AT COST									
1. In Fully Paid Equity Shares									
Indian Hotels Company Ltd.	1/-	10000	405277	5000	400716	—	—	15000	805993
TRADE - UNQUOTED - AT COST									
2. In Fully Paid Equity Shares									
SUBSIDIARIES :									
Airport Golf View Hotels & Suites Pvt. Ltd.	1000/-	29988	74500000	—	—	—	—	29988	74500000
NON TRADE - UNQUOTED - AT COST									
3. In Fully Paid Equity Shares									
Electrex (India) Ltd.	10/-	600	25040	—	—	—	—	600	25040
Silverline Animation Technologies Ltd.	10/-	152	—	—	—	—	—	152	—
4. In Fully Paid Units of Mutual Fund -									
EQUITY FUND									
Franklin Templeton Mutual Fund									
Index Fund Nifty Plan Growth	10/-	123193.673	5000000	—	—	—	—	123193.673	5000000
Sundaram BNP Paribas Mutual									
Capex Opportunities Fund - Dividend	10/-	794146.234	20100000	—	—	—	—	794146.234	20100000
Sundaram BNP Paribas Mutual									
Global Advantage Fund - Dividend	10/-	3000000.000	30000000	—	—	3000000.000	30583500	—	—
DEBT FUND									
* Franklin Templeton Mutual Fund									
Short Term Income Fund Institutional-Gr.	10/-	69273.891	100000000	—	—	—	—	69273.891	100000000

MAC CHARLES (INDIA) LIMITED

SCHEDULES TO BALANCE SHEET (Contd....)

6. INVESTMENTS (Contd....)

(Value in Rupees)

PARTICULARS	FACE	AS ON 01.04.2010		BOUGHT DURING THE YEAR		SOLD DURING THE YEAR		AS ON 31.03.2011	
	VALUE	QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE	QUANTITY	VALUE
5. PORTFOLIO MANAGEMENT SERVICES									
Deutsche Bank Direct Equities		—	189572318	—	1047301	—	51000000	—	165016539
Credit Suisse		—	—	—	30328927	—	142847	—	30328927
JM Financial Services		—	—	—	41231470	—	921225	—	41231470
Morgan Stanley India Financial Services		—	—	—	11715096	—	285378	—	11715096
6. In Fully Paid Units of									
Real Estate Venture Capital Fund									
Kotak Real Estate Fund	1 lac	220.010	22001571	—	—	74.94	23782562	145.070	14507039
Pru.ICICI India Advantage Fund - III	100/-	500000.000	50000000	—	—	18007	2859942	481993.000	48199300
NON-TRADE - QUOTED - AT COST									
7. In Fully Paid Equity Shares									
Ballarpur Industries	2/-	3000	97092	—	—	3000	107165	—	—
BHEL	10/-	—	—	500	1098282	—	—	500	1098282
Bombay Dyeing & Mfg. Company Ltd.	10/-	1000	469118	—	—	—	—	1000	469118
Britannia Industries Ltd.	2/-	431	752843	1724	—	—	—	2155	752843
Essel Propack Ltd.	2/-	10000	817458	—	—	—	—	10000	817458
GMR Infrastructure	1/-	30000	1975203	—	—	—	—	30000	1975203
Godrej Consumer Products Ltd.	1/-	4000	717538	—	—	4000	1700134	—	—
Great Offshore Ltd.	10/-	500	523713	—	—	—	—	500	523713
Gujarat Alkalies and Chemicals Ltd.	10/-	2000	452181	—	—	—	—	2000	452181
HCL TECH	2/-	4000	1284165	—	—	4000	1652391	—	—
Housing Development Finance Corporation	2/-	750	1532647	2000	—	2750	2519979	—	—
HOV Services	10/-	5000	995820	—	—	—	—	5000	995820
ICICI Bank	10/-	3250	2594524	22000	20196252	17000	15827233	8250	8329668
Industrial Development Finance Corporation	10/-	1000	215714	—	—	—	—	1000	215714
Indiabulls Financial Services	2/-	5000	5049787	—	—	—	—	5000	5049787
Indiabulls Securities	2/-	5000	0	—	—	—	—	5000	0
Jaiprakash Associates	2/-	1125	326663	—	—	—	—	1125	326663
Jindal Steel and Power Ltd	1/-	1000	614970	—	—	—	—	1000	614970
Lakshmi Overseas Industries	2/-	1994	540589	—	—	—	—	1994	540589
Larsen & Tourbo	2/-	2000	2898929	—	—	1000	1999788	1000	1345229
Mastek Ltd.	5/-	1800	1455550	—	—	—	—	1800	1455550
Mercator Lines	1/-	1149	132451	—	—	—	—	1149	132451
NHPC	10/-	25571	920556	—	—	—	—	25571	920556
NTPC	10/-	1500	359027	—	—	—	—	1500	359027
Polaris Software Lab Ltd.	5/-	2350	361800	—	—	—	—	2350	361800
Purvankara Projects	5/-	43651	10256560	—	—	—	—	43651	10256560
Radha Madhav Corporation	10/-	10000	851752	—	—	—	—	10000	851752
Ratnamani Metals & Tubes Ltd	2/-	10000	1132478	—	—	10000	1329780	—	—
Reliance Communications Ltd.	5/-	750	517406	—	—	—	—	750	517406
Reliance Industries Ltd.	10/-	55643	25725621	11000	10946369	—	—	66643	36671990
Silverline Technologies Ltd.	10/-	380	1401191	—	—	—	—	380	1401191
Sobha Developers Ltd.	10/-	26433	13704356	—	—	—	—	26433	13704356
Sterlite Industries Ltd.,	2/-	1000	822922	—	—	1000	868378	—	—
Sterlite Industries Ltd.,	1/-	2000	1495468	42000	6600229	22000	3750591	22000	0
Subex Azure Ltd.	10/-	4000	1875529	—	—	—	—	4000	1875529
Tata Consultancy Services Ltd.	1/-	4000	2963595	6000	4486671	10000	8540772	—	—
Tata Steel	10/-	2000	1124625	6000	2909393	6000	3721889	2000	904964
Wockhardt Ltd.	5/-	1000	411206	—	—	—	—	1000	411206
8. In Fully Paid Non Convertible Debentures									
Britannia Industries Ltd.	170/-	431	—	—	—	—	—	431	—

SCHEDULES TO BALANCE SHEET (Contd....)

6. INVESTMENTS (Contd....)

(Value in Rupees)

PARTICULARS	FACE VALUE	AS ON 01.04.2010 QUANTITY	AS ON 01.04.2010 VALUE	BOUGHT DURING THE YEAR QUANTITY	BOUGHT DURING THE YEAR VALUE	SOLD DURING THE YEAR QUANTITY	SOLD DURING THE YEAR VALUE	AS ON 31.03.2011 QUANTITY	AS ON 31.03.2011 VALUE
SHORT TERM -									
NON TRADE - UNQUOTED - AT COST									
9. In Fully Paid Equity Shares									
Aban Offshore	2/-	—	—	2000	1679250	2000	1786929	—	—
ONGC	5/-	—	—	200000	64991001	100000	28340582	100000	0
Patni Computer Services Ltd	2/-	—	—	21000	11259770	21000	9932421	—	—
Rural Electrification Corporation	10/-	—	—	1000	307450	1000	346414	—	—
10. In Fully Paid Non-Convertible Debentures									
Morgan Stanley NCD		—	—	50.000	51865400	50.000	50000000	—	—
11. In Fully Paid Units of Mutual Fund -									
DEBT FUND									
Deutsche Asset Management									
Cash Opportunities Regular Plan - Growth	10/-	17954231.424	209284512	—	—	17954231.424	213938283	—	—
Deutsche Asset Management									
Treasury Fund Investment Institutional-Gr.	10/-	12697493.831	130000000	11562243.525	120000000	24259737.356	256379821	—	—
Deutsche Asset Management									
Ultra Short Term Fund Investment- Gr.	10/-	—	—	5123129.064	57000000	5123129.064	57170534	—	—
Deutsche Asset Management									
Treasury Fund Cash - Institutional-Gr.	10/-	—	—	29111631.243	310850355	22579457.676	242000000	6532173.567	70981880
Sundaram BNP Paribas									
Flexible Fund - Short Term Instl.Plan - DDR	10/-	—	—	3047584.106	30634011	3047584.106	30634011	—	—
			918259765						675742860
Less : Provision for diminution in value of Investments			9449033						11227068
			908810732		779547943		1042122549		664515792

Aggregate amount of Company's Quoted

Investments is Rs.9,41,37,570/- (Rs.8,77,76,324/-)

Total Market value of Quoted Investments

as on 31 March 2011 is Rs.13,75,48,332/- (Rs.10,05,12,545/-)

Aggregate amount of Company's Unquoted

Investments is Rs58,16,05,292/- (Rs..83,04,83,441/-)

MAC CHARLES (INDIA) LIMITED

SCHEDULES TO BALANCE SHEET (Contd....)

	2011 Rupees	2010 Rupees
7. INVENTORIES		
Provisions, Food supplies and Beverages	48,06,452	31,09,479
Other stores and operational supplies	26,53,343	28,93,191
	<u>74,59,795</u>	<u>60,02,670</u>
8. SUNDRY DEBTORS		
UNSECURED - CONSIDERED GOOD		
Debts outstanding for a period exceeding six months	81,105	2,14,427
Other debts	2,63,13,240	1,53,07,514
	<u>2,63,94,345</u>	<u>1,55,21,941</u>
9. CASH AND BANK BALANCES		
Cash on hand	12,95,012	13,25,805
Balances with Scheduled Banks		
On Current account	3,54,34,275	3,01,18,964
On deposit account	15,08,000	19,16,000
	<u>3,82,37,287</u>	<u>3,33,60,769</u>
10. LOANS & ADVANCES		
UNSECURED - CONSIDERED GOOD		
Loans to Subsidiary Company	3,25,98,614	2,30,00,000
Advances recoverable in cash / kind / for value to be recd.	95,66,68,659	65,55,69,347
Advance Income Tax	1,15,31,698	3,26,60,279
Advance FBT	27,059	27,059
Deposits	93,18,515	75,52,794
	<u>1,01,01,44,545</u>	<u>71,88,09,479</u>
11. CURRENT LIABILITIES & PROVISIONS		
A) Current Liabilities		
Sundry Creditors:		
a. Dues to Micro and Small Enterprises	-	-
b. Others	3,28,60,181	3,55,35,723
Unclaimed Dividend	3,24,00,104	2,81,45,684
Due to Directors	67,68,150	56,56,611
Other Liabilities	3,79,32,878	17,53,66,920
	<u>10,99,61,313</u>	<u>24,47,04,938</u>
	A	
B) Provisions		
Proposed Dividend	7,86,06,312	7,20,55,786
Corporate Dividend Tax	1,30,55,526	1,22,45,881
Provision for Income Tax	11,26,379	25,39,537
Provision for Fringe Benefit Tax	1,55,980	1,55,980
Provision for Gratuity	-	9,05,829
Provision for Leave encashment	46,03,506	54,69,956
	<u>9,75,47,703</u>	<u>9,33,72,969</u>
	B	
	A+B	
	<u>20,75,09,016</u>	<u>33,80,77,907</u>

SCHEDULES TO PROFIT AND LOSS ACCOUNT

	2011 Rupees	2010 Rupees
12. ROOMS, RESTAURANTS, BANQUETS AND OTHER SERVICES		
Rooms	34,42,65,157	28,49,49,580
Food, Beverage & Banquets	13,09,63,927	10,83,84,310
Other Services	3,43,47,994	2,18,73,862
	<u>50,95,77,078</u>	<u>41,52,07,752</u>
13. OTHER INCOME		
Interest received [TDS:Rs.1,27,867/-(Rs.1,29,758/-)]	1,14,53,077	90,23,462
Dividend Income [Non Trade]	61,13,039	70,75,089
Profit on sale of Fixed Assets	1,25,68,610	5,50,000
Profit on sale of investments - Short term	1,97,46,004	3,10,95,295
- Long term	4,64,45,873	12,81,25,214
Profit on Relinquishment of rights in immovable Properties	10,38,49,356	6,49,25,000
Income Rent [TDS:Rs.7,78,682/-(Rs.13,46,368/-)]	77,85,133	81,85,800
Income Licence Fees [TDS:Rs./- Rs.4,32,577/-(Rs.7,52,986/-)]	41,01,791	38,82,256
Sale of Electricity Generated from Wind Turbine Genarators	3,29,70,123	2,01,15,184
Compensation Received	3,57,50,000	
Liabilities Written Back	38,90,676	33,11,278
Miscellaneous Income	4,16,333	13,37,972
	<u>28,50,90,015</u>	<u>27,76,26,550</u>
14. CONSUMPTION OF PROVISIONS, SUPPLIES & BEVERAGES		
Opening Stock	31,09,479	31,32,554
Add : Purchases	5,38,47,281	4,13,25,054
	<u>5,69,56,760</u>	<u>4,44,57,608</u>
Less : Closing Stock	48,06,452	31,09,479
	<u>5,21,50,308</u>	<u>4,13,48,129</u>
15. REMUNERATION & BENEFITS TO EMPLOYEES		
Salaries, Wages & Bonus	6,63,24,650	6,23,72,091
Contribution towards provident & other funds	55,03,767	45,38,701
Gratuity	5,60,347	16,19,087
Welfare Expenses	28,70,778	38,06,448
Unavailed Leave Encashment	-	3,27,363
	<u>7,52,59,542</u>	<u>7,26,63,690</u>
16. MAINTENANCE, UPKEEP AND SERVICES		
Guest Accomodation Board and Kitchen	93,46,328	71,27,512
Linen, Uniforms & Laundry	89,57,057	66,51,683
REPAIRS & MAINTENANCE		
Building	3,31,63,871	1,18,90,937
Plant & Machinery	1,16,51,687	1,06,90,086
Interiors, Furniture, Furnishings & others	5,02,37,290	89,26,944
Housekeeping expenses	41,84,481	32,03,709
Music, Entertainment & Banquet Expenses	39,20,383	35,74,414
	<u>12,14,61,097</u>	<u>5,20,65,285</u>

MAC CHARLES (INDIA) LIMITED

SCHEDULES TO PROFIT AND LOSS ACCOUNT (Contd...,)

	2011 Rupees	2010 Rupees
17. OPERATING & ADMINISTRATIVE EXPENDITURE		
Power & Fuel	1,58,20,655	2,91,47,333
Water Charges	37,23,759	36,23,206
Commission to Travel & Other Agencies	59,75,497	38,25,833
Postage & Telephones	38,90,812	38,08,468
Printing & Stationery	31,62,571	22,19,868
Sales & Promotional Expenses	5,11,789	5,43,870
Administrative & General Expenses	1,08,32,666	91,78,350
Travel & Conveyance	35,44,071	28,47,022
Rent	19,03,753	15,66,930
Rates & Taxes	60,67,530	60,72,469
Insurance	14,19,229	17,48,002
Royalty	1,51,90,266	1,25,71,976
Foreign Currency Fluctuations	95,119	2,23,655
Freight & Transport	3,21,483	1,52,123
Professional & Consultancy fees	60,35,689	69,73,183
Miscellaneous Expenses	7,21,729	6,01,388
Payment to Auditors		
Audit Fee	2,42,660	2,20,214
Tax Audit Fee	70,923	78,742
Other Services	83,994	39,901
Reimbursement of Expenses	12,464	19,286
Director's Sitting Fees	85,000	1,10,000
Commission to Chairman & Managing Director	92,46,000	71,30,000
	<u>8,89,57,659</u>	<u>9,27,01,819</u>
18. INTEREST & FINANCIAL EXPENSES		
Cash credit / over draft	3,80,886	3,67,497
Bank Charges	3,26,576	1,93,794
	<u>7,07,462</u>	<u>5,61,291</u>

SCHEDULE TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd...,)

19. NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES :

The accounts have been prepared on historical cost convention under mercantile system of accounting and generally complies with mandatory accounting standards.

a. Fixed Assets :

Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of the assets capitalized.

b. Depreciation :

Depreciation is provided on straight line method on buildings at triple the rates and on other fixed assets at double the rates specified in Schedule XIV to the Companies Act, 1956, based on technical evaluation.

c. Impairment of Assets :

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on Internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value. A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

d. Investments :

- i. Current Investments are stated at lower of cost and fair value.
- ii. Long Term Investments are stated at cost. However provision for diminution is made to recognize a decline, other than temporary in the value of the investments.

e. Inventories :

- i. To value inventories of provisions, food supplies, crockery, cutlery, glassware, beverages, stores and operational supplies at cost on Weighted Average Method. Cost includes freight and other incidental expenses.
- ii. To charge to revenue the value of crockery, cutlery and glassware at the time of first issue.

f. Miscellaneous Expenditure :

To amortize the preliminary expenses and other deferred revenue expenditure over a period of 10 years.

g. Foreign Currency Transactions :

- i. Transactions in foreign currencies are accounted at the average exchange rate prevailing on the date of transaction.
- ii. To account for gain or loss on foreign exchange rate fluctuations relating to assets and liabilities as at the date of the Balance Sheet at the convertible rate of exchange prevailing on that date.
- iii. To account for all exchange difference arising from foreign currency transactions in the Profit and Loss Account.

h. Revenue Recognition :

- i. Room revenue is recognized on actual occupancy and is net off, of cost of complimentary airport pick-up and drop.
- ii. Food and Beverage at the point of supply.
- iii. Other services on rendering such services.
- iv. Sale of Electricity generated from Wind Turbine Generators is recognized on the basis of electricity units metered and invoiced.

i. Employee Benefits :

i. Provident Fund :

The Company contributes to the statutory provident fund of the Regional Provident Fund Commissioner, in accordance with Employees provident fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the employee renders service.

ii. Gratuity :

Gratuity is a post employment benefit and is defined benefit plan. The liability recognized in the balance sheet represents the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets together with adjustments for unrecognized actuarial gains or losses and past service costs. Independent actuaries using the projected unit credit method calculate the defined benefit obligation annually.

iii. Leave Encashment :

Provision for unavailed leave to the credit of the employees at the end of the year is made on the basis of the actuarial valuation.

MAC CHARLES (INDIA) LIMITED

SCHEDULE TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd...,)

j. Taxation :

Current Tax is determined as the amount of tax payable in respect of taxable income for the period.

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

Deferred Tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2. As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

	2011	2010
Employer's Contribution to Provident Fund	Rs.35,95,257/-	Rs.33,38,192/-

Defined Benefit Plan

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

I. Reconciliation of opening and closing balances of Defined Benefit obligation

(Rs. in Lakhs)

	Gratuity		Leave Encashment	
	2011	2010	2011	2010
Defined Benefit obligation at beginning of the year	146.66	132.85	54.70	55.49
Current Service Cost	10.25	18.70	4.02	6.03
Interest Cost	11.33	10.09	3.99	4.13
Actuarial (gain) / loss	(17.88)	(1.41)	(7.20)	(3.23)
Benefits paid	(10.01)	(13.57)	(9.47)	(7.73)
Defined Benefit obligation at year end	140.35	146.66	46.04	54.70

II. Reconciliation of opening and closing balances of fair value of plan assets :

Fair value of plan assets at beginning of the year	137.60	130.20
Expected return on plan assets	11.14	10.24
Actuarial gain/ (loss)	1.54	1.62
Employer's contributions	13.27	9.11
Benefits paid	(10.01)	(13.57)
Fair value of plan assets at year end	153.53	137.60
Actual return on plan assets	12.68	11.86

III. Reconciliation of fair value of assets and present value of obligation :

Fair value of plan assets	153.53	137.60	-	-
Present value of obligation	140.35	146.66	46.04	54.70
Amount recognized in Balance Sheet	-	9.06	46.04	54.70

SCHEDULE TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd...,)

(Rs. in Lakhs)				
	Gratuity		Leave Encashment	
	2011	2010	2011	2010
IV. The amounts recognized in the Profit and Loss Account are as follows :				
Current Service Cost	10.25	18.70	4.02	6.03
Interest Cost	11.33	10.09	3.99	4.13
Expected return on plan assets	(11.14)	(10.24)	-	-
Actuarial (gain) / loss	(19.41)	(3.04)	(7.20)	(3.23)
Net Cost	8.97	15.52	0.81	6.93
	Amount	% invested	Amount	% invested
V. Composition of Plan Assets :				
Insurance Managed Funds	153.53	100 %	-	-
	(137.60)	(100%)		
VI. Actuarial assumptions :				
Interest rate	8%	8%	8%	8%
Discount rate (per annum)	8%	8%	8%	8%
Expected rate of return on plan Assets (per annum)	8%	8%	0%	0%
Rate of escalation in salary (per annum)	8%	10%	8%	10%
Attrition rate	10%	5%	10%	5%
Retirement Age	58	58	58	58
3. Disclosure required by Clause 32 of the Listing Agreement :				
The Company has advanced interest free loan of Rs.1,35,00,000/- during the year to its 100% subsidiary company namely Messrs. Airport Golf View Hotels and Suites Private Limited, Kochi.				
4. Advances recoverable in cash / kind / for value to be received includes Rs.85,95,62,166/- (Rs.54,05,04,712/-), being advance given for investments in Immovable Properties.				
5. Compensation received Rs.3,57,50,000/- included in Schedule 13 - Other Income represents the amount received from M/s. Embassy Property Developments Ltd. (Developers) for delay in handing over the Property.				
6. Liabilities written back Rs.38,90,676/- (Rs.33,11,278/-) is after netting off of irrecoverable advances of Rs.6,69,036/- (Rs.33,23,000/-) written off during the year.				
7. Considering the nature of operations of the Company, it is not practicable to give quantitative details of turnover and consumption in terms of the requirement under Part-II of Schedule - VI to the Companies Act, 1956.				
8. Prior period items debited/credited to Profit and Loss Account:				
	2011		2010	
	Rs. in lakhs		Rs. in lakhs	
Prior period expenses				
Laundry Expenses	-		5.07	

MAC CHARLES (INDIA) LIMITED

SCHEDULE TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd...,)

	2011 Rs. in lakhs	2010 Rs. in lakhs
9. a. Computation of Net Profit (in accordance with Section 349 read with Section 309(5) and Section 198 of the Companies Act, 1956)		
Profit for the year	2808.89	2524.79
Add : Provision for Taxation	720.89	696.04
Wealth Tax	0.30	0.37
Depreciation Charged	538.41	401.19
Commission to the Chairman and the Managing Director	92.46	71.30
Remuneration to Managing Director	38.93	36.84
Loss on Sale of Investments	461.34	674.26
Provision for Diminution in value of Investments	17.78	25.96
	<u>4679.00</u>	<u>4430.75</u>
Less : Depreciation under Section 350	538.41	401.19
Profit on Sale of Investments	661.92	1592.21
Profit on Sale of Fixed Assets	125.69	5.50
Profit on relinquishment of rights	<u>1038.49</u>	<u>649.25</u>
	<u>2364.51</u>	<u>2648.15</u>
	<u>2314.49</u>	<u>1782.60</u>
Commission @ 1% of the above payable to the Chairman and 3% to the Managing Director included under the head "Operating and Administrative Expenditure"	<u>92.46</u>	<u>71.30</u>
b. Managerial Remuneration to the 'Chairman' and 'Managing Director'		
Remuneration to the Managing Director	38.93	36.84
Commission to the Managing Director	69.35	53.48
Commission to the Chairman	23.11	17.82
	<u>131.39</u>	<u>108.14</u>
10. Earnings in Foreign Exchange	<u>2951.70</u>	<u>2325.49</u>
11. Expenditure in Foreign Currency :		
Royalty	151.90	125.72
Sales Promotion and General Expenses	103.40	81.97
Agents Commission for Room Bookings	22.06	11.18
12. CIF Value of Imports :		
Stores, Components and Spare Parts	287.83	137.49
Capital Goods	201.78	54.37
13. Information as per Order No.46/22/98 CL III Dated 24 February 1998, issued by the Ministry of Finance, Department of Company Affairs :		
a. Income From :		
i. Wines and Liquor	108.44	90
ii. Telephone and Telex	88.20	76.75
b. Consumption of :		
i. Provision, Beverages (excluding Wine and Liquor)	473.63	369.17
ii. Wine and Liquor	47.87	44.31

SCHEDULE TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd...,)

14. Dividends remitted in Foreign Currency to Non Resident Shareholders Rs.5,02,06,486/- (Rs.4,56,42,260/-).

Number of Non Resident Shareholders	Number of Shares held by them on which Dividends remitted
2 (2)	4564226 (4564226)

15. Related Party Disclosures :

(A) Related Parties and their Relationships :

(I) Subsidiary :

Airport Golf View Hotels & Suites Private Limited

(II) Others :

1. Kapi Investment Ink Limited, Mauritius, Shareholder.
2. M.K.Trading L.L.C. , Dubai, UAE a Company in which Chairman of the Company is a shareholder.
3. C. Pardhanani's Education Trust, a Trust in which the Chairman of the Company is a Trustee.
4. Pardhanani International Investments }
And Holdings Private Limited } a Private Company in which the Chairman of the Company is a Director
Managing Director of the Company is a Director and shareholder.
5. Pardhanani International Properties }
Private Limited } a Private Company in which the Chairman of the Company is a Director
and Managing Director of the Company is a Director and shareholder.
6. Sanko Properties Private Limited } a Private Company in which the Chairman of the Company is a Director
and Managing Director of the Company is a Director and shareholder..

(B) Transaction with Related Parties:

Name of the Transacting Related party	Relationship between the transacting party	Nature of transactions	Volume of transactions during the Year (Rs.)	Amount Outstanding as on 31.3.2011 (Rs.)	Payable (P) OR Receivable (R)
Kapi Investment Ink Limited	Overseas Body Corporate	Dividend	8,80,000 (8,00,000)	Nil (Nil)	Nil (Nil)
Mr.C.B.Pardhanani	Chairman	Commission based on profit	23,11,500 (17,82,500)	20,90,150 (18,24,584)	(P) (P)
		Dividend	4,93,26,486 (4,48,42,260)	Nil (Nil)	Nil (Nil)
Ms.Sangeeta C.Pardhanani	Managing Director	Dividend	35,66,750 (32,42,500)	Nil (Nil)	Nil (Nil)
		Remuneration	38,93,301 (36,84,000)	Nil (Nil)	Nil (Nil)
		Commission based on profit	69,34,500 (53,47,500)	46,78,000 (38,32,027)	(P) (P)
C Pardhanani's Education Trust	Trust in which Chairman of the Company is a trustee	Donation	5,50,000 (7,00,000)	Nil (Nil)	Nil (Nil)
Mr. M. B. Pardhanani	Related to Director	Dividend	6,62,200 (6,02,000)	43,34,400 (36,72,200)	(P) (Under dispute and subjudice)
Mrs.Uma M. Pardhanani	Related to Director	Dividend	11,27,500 (10,25,000)	73,80,000 (62,52,500)	(P) (Under dispute and subjudice)
Ms.Arti M. Pardhanani	Related to Director	Dividend	3,30,000 (3,00,000)	21,60,000 (18,30,000)	(P) (Under dispute and subjudice)

MAC CHARLES (INDIA) LIMITED

SCHEDULE TO BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd...,)

16. Disclosure as per Accounting Standard 29 :

(In Rupees)

Srl. No.	Particulars	Balance as at 01.04.2010	Additional Provision made during the year	Provision Reversed/utilised during the year	Balance as at 31.03.2011
1.	Provision for Gratuity	9,05,829	---	9,05,829	---
2.	Provision for Leave Encashment	54,69,957	---	8,66,450	46,03,506
3.	Proposed Dividend	7,20,55,786	65,50,526	---	7,86,06,312
4.	Corporate Dividend Tax	1,22,45,881	8,09,645	---	1,30,55,526

17. Contingent Liabilities :

	2011 Rupees	2010 Rupees
a) Disputed Income Tax Liability against which Appeals are pending		
(i) Assessment Year 1997-98	9,55,691	9,55,691
(ii) Assessment Year 2001-02	9,54,168	9,54,168
(iii) Assessment Year 2007-08	14,90,801	14,90,801
(iv) Assessment Year 2008-09	27,01,461	-

18. Estimated amount of contract remaining to be executed on capital account not provided for Rs.1000.70 lacs (Rs.20.94 lacs)

19. In the absence of information as regard to the status / classification of the Relevant enterprises into Micro, Small and Medium Enterprises, information as Required under Notification No. G.S.R 719[E] dated 16.11.2007 issued by the Department of Company Affairs in respect of the total amount payable at the end of the year to the Sundry Creditors could not be disclosed.

20. Confirmation of balances has not been received from parties covered under Sundry Debtors, Loans and Advances and Current Liabilities.

21. Earnings Per Share has been computed as under :

	2011 Rupees in Lakhs	2010 Rupees in Lakhs
Net Profit	2808.89	2524.79
Weighted Average Number of Equity Shares Outstanding	65,50,526	65,50,526
Earnings Per Share in rupees – Basic and Diluted (Face Value of Rs.10/- each)	42.88	38.54

22. Previous year's figures have been regrouped / rearranged wherever necessary.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2011

(Rs. in '000s)

PARTICULARS	2011	2010
A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax & Extraordinary Items	35,29,78	32,20,83
Adjustment for :		
Depreciation	5,38,41	4,01,19
Profit on sale of fixed assets	(1,25,69)	(5,50)
Profit on sale of investments	(6,61,92)	(15,92,21)
Loss on sale of investments	4,61,34	6,74,26
Provisions for diminution in value of Investment	17,78	25,96
Dividend received	(61,13)	(70,75)
Interest Paid	3,81	3,67
Interest received on Debentures	(64,61)	-
Profit from relinquishment of rights in immovable properties	(10,38,49)	(6,49,25)
Operating profit before working capital changes	25,99,28	20,08,20
Adjustment for :		
Trade and other receivables	(15,37,37)	7,97,78
Inventories	(14,57)	(99)
Trade Payables	(13,65,16)	5,31,63
Cash generated from operations	(3,17,82)	33,36,62
Direct Tax (paid)/refund	(4,35,71)	3,70,66
Net Cash from/(used) in Operating Activities	(7,53,53)	37,07,28
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Loan to subsidiary	(95,99)	(2,30,00)
Purchase of Fixed assets	(6,79,05)	(13,27,31)
Sale of Fixed assets	2,43,63	6,05
Advance towards Investment in Properties	(60,00,00)	(22,27,95)
Purchase of Investments	(77,95,48)	(1,22,74,97)
Sale of Investments	1,04,21,23	1,06,15,61
Proceeds from relinquishment of rights in immovable properties	54,38,49	23,99,25
Dividend Received	61,13	70,75
Interest received on Debentures	64,61	-
Net Cash from/(used) in Investing Activities	16,58,57	(29,68,57)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid including Corporate Dividend Tax	(8,40,24)	(7,66,38)
Interest paid	(3,81)	(3,67)
Increase in cash credit / overdraft	(12,23)	65,41
Net cash from/(used) in Financing Activities	(8,56,28)	(7,04,64)
Net increase / (decrease) in cash/cash equivalent	48,76	34,07
Opening cash / cash equivalent	3,33,61	2,99,54
Closing cash / cash equivalent	3,82,37*	3,33,61*
*includes cash and cash equivalents, being amounts lying in the unpaid dividend accounts which are not available for use by the company amounting to Rs.3,24,00 (Rs.2,81,46)		

In terms of our report of even date

On behalf of the Board

For **K.B. Nambiar & Associates****M.S. Reddy****C.B. Pardhanani**

Chartered Accountants

Vice President Finance &

Chairman

(Firm Regn. No. 002313S)

Company Secretary

V.V. Gabriel**Sangeeta C. Pardhanani**

Partner (M.No. 213936)

Managing Director

Bangalore

Bangalore

P.B. Appiah

28 July 2011

28 July 2011

Director

MAC CHARLES (INDIA) LIMITED

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the social, legal and economic process by which companies function and are held accountable. Messrs. Mac Charles (India) Ltd., is committed in implementing corporate governance in true letter and spirit, maximizing shareholder value and paving way for good partnership and alliances. The company believes in having a long term partnership with investors by having transparency and fairness in the dealings and placing an uncompromising emphasis on integrity and regularity of compliance

The functions of the Board of Directors and the executive management are well defined and are distinct from one another. The Chairman of the company is a non-executive Director. More than one-half strength of the Board of Directors is independent. Various (presently three) Committees of the Board of Directors, consist of non-executive Directors and have been formed to oversee the functions of the executive management and impart professionalism to the Board.

Details of attendance of each Director at various meetings of the company and their Directorship held at other corporate bodies are as follows:

Sl. No	Name of Director	Category	No. of Board Meetings Attended	Last AGM attended	No. of Committee Member	No. of Chairmanship in Board / Committee	No. of Other Directorships (Public Ltd Companies)	No. of Other Directorships (Private Ltd. Companies)	Number of Shares Held
1.	Mr. C.B. Pardhanani	Non- Executive	4	YES	3	2	NONE	4	4484226
2.	Mr. J. Matthan	Independent Non- Executive	3	YES	3	2	NONE	1	200
3.	Mr. K.R.Sampath	Independent Non- Executive	1	YES	NONE	NONE	NONE	NONE	–
4.	Mr. P.B. Appiah	Independent Non- Executive	4	YES	2	NONE	1	NONE	–
5.	Mr. M. R. Prasanna (Director w.e.f. 30.03.2011)	Independent Non-Executive	–	–	–	–	1	4	–
6.	Ms. Sangeeta C. Pardhanani	Executive	4	YES	NONE	NONE	NONE	4	324250

None of the Directors is a Member of more than ten Board-level Committees, or a Chairman of more than five such Committees, as required under clause 49 of the listing agreement.

COMMITTEES OF THE BOARD

The following committees of the Board of Directors of the Company have been constituted :

a) AUDIT COMMITTEE

The Company has complied with the requirements of Clause 49 of the Listing Agreement of the Stock Exchange and Section 292A of the Companies Act, 1956 as regards composition of Audit Committee.

During the year four meetings of the committee were held on 17 June 2010, 16 October 2010, 11 February 2011 and 30 March 2011. The Composition of the Audit Committee as on 31st March 2011 and the attendance of members at the meeting of the Audit Committee held during the financial year 2010-2011 are as follows :

Name of the Directors	Designation	Category	No. of meeting attended
Mr. J. Matthan	Chairman	Independent - Non-Executive	4
Mr. C. B. Pardhanani	Member	Non – Executive	2
Mr. P. B. Appiah	Member	Independent - Non-Executive	4

Mr.J. Matthan, Chairman of Audit Committee is a former Chairman of LIC with a wide experience in finance and administration. The Committee regularly keeps a watch on the adequacy of internal control systems. It reviews the company's financial reporting systems, the monthly and quarterly financial results, half yearly results and ensures that the financial statements prepared by the company give a true and fair view of the affairs of the company.

BOARD OF DIRECTORS

The Company has an appropriate mix of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and the executive management. During the year the Board comprised of Chairman, one Managing Director and three Non-Executive Directors who are independent Directors. During the year, Mr. K. R. Sampath, Director of the Company has not sought re-appointment from the date of last Annual General Meeting held on 31st August, 2010. During the year, Mr. M. R. Prasanna, has been appointed as additional independent Director of the Company with effect from 30th March, 2011.

Board Meetings are scheduled well in advance. Agenda papers along with explanatory notes are distributed in a timely manner to Board members. The Board meets at least once in every quarter to review the quarterly financial results and discuss issues of import. During the year under review four Board Meetings have taken place on 30 June 2010, 31 August 2010, 21 December 2010 and 30 March 2011. As per Clause 49 of the Listing Agreement, the gap between two Board Meetings should not exceed four months.

b) SHARE TRANSFER & SHAREHOLDERS GRIEVANCE COMMITTEE

This committee comprises of Mr. C. B. Pardhanani – Chairman and Mr. J. Matthan, who is an independent and Non-executive Director. The committee approves and monitors transfers, transmissions of shares, transposition of names, and investigates and directs redressal of shareholders’ grievances. Share transfers are processed in not more than a month’s time. The Committee endeavors to attend to the investors’ grievances / correspondences within a period of fortnight from the date of receipt of the same, except in cases which are constrained by disputes or legal impediments..

Compliance Officer : Mr. M. S. REDDY, *Company Secretary*

Communication Address : No. 28, Sankey Road, P.B. No. 174, Bangalore - 560 052.

Details as to the shareholders complaints received and handled during the year is given under :

NATURE OF COMPLAINT	OPENING BALANCE OF COMPLAINTS	NO. OF COMPLAINTS RECEIVED DURING THE YEAR	NO. OF COMPLAINTS RESOLVED TO THE SATISFACTION	NO. OF PENDING COMPLAINTS
With regard to share transfer/ Transmission/ Transposition/ Dividend / Annual Reports / Dematerialization etc.,	1	87	88	Nil

c) REMUNERATION COMMITTEE :

This committee comprises of Mr. J. Matthan – Chairman of Remuneration Committee and Mr. C. B. Pardhanani and Mr. P. B. Appiah as Members of the Committee. No stock option has been offered to the Directors or Executives or Staffs of the Company. The remuneration policy of the Company is based on individual employee’s merit and performance in particular and the Company’s working results in general.

Details of remuneration disbursed to Directors, during the Financial Year 2010-2011 are as under :

(In Rupees)

Srl.No.	Name of the Director	Sitting Fees	Professional Fees	Remuneration	Commission
1.	Mr. C.B. Pardhanani	–	–	–	23,11,500
2.	Mr. J. Matthan	40,000	–	–	–
3.	Mr. K.R. Sampath	5,000	–	–	–
4.	Mr. P.B. Appiah	40,000	4,44,000	–	–
5.	Ms. Sangeeta C Pardhanani	–	–	38,93,301	69,34,500
		85,000	4,44,000	38,93,301	92,46,000

NON-MANDATORY REQUIREMENTS

The Chairman of the Company, who is a Non-Executive Director, is devoting considerable time and energy towards the success of the Company and hence 1% commission based on profit is paid. He is entitled to maintain a Chairman’s Office and is allowed to reimbursement of expenses incurred in performance of his duties.

GENERAL BODY MEETING

The Company has held last three AGM’s as per the details furnished below :

Financial Year (ended)	Date	Time	Venue	No. of Special Resolutions passed
31 March 2008	27 September 2008	3:00 p.m.	Hotel Le Meridien, No.28, Sankey Road, Bangalore – 560 052.	–
31 March 2009	30 July 2009	3:00 p.m.	Hotel Le Meridien, No.28, Sankey Road, Bangalore – 560 052.	–
31 March 2010	31 August 2010	3:00 p.m.	Hotel Le Meridien, No.28, Sankey Road, Bangalore – 560 052.	–

No Postal Ballot was conducted during the financial year 2010-2011.

A. CODE OF CONDUCT

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, all listed Companies are required to adopt a Code of Conduct for Board of Directors and members of the Senior Management. Accordingly, the Board of Directors of the Company has laid down a Code of Conduct applicable to all the Board Members and Senior Management Personnel. All those governed by the said Code of Conduct have made the following declaration with respect to adoption of the Code of Conduct.

MAC CHARLES (INDIA) LIMITED

Dear All (or Members)

This is to certify that all Board Members and Senior Management Personnel, to whom the Code of Conduct of the Company applies, are complying / abiding by the same and no instance of non-compliance with the same has been reported till date.

Bangalore
28 July 2011

Sangeeta C. Pardhanani
Managing Director

B. CEO CERTIFICATION

As per the requirement of Corporate Governance Code, the Managing Director and Chief Financial Officer have furnished a necessary certificate to the Board of Directors with respect to financial statements and Cash flow statement for the year ended 31 MARCH 2011.

DISCLOSURES

Under related party transactions :

The Company has contributed a sum of Rs.5,50,000/- to C. Pardhanani's Education Trust wherein Mr. C. B. Pardhanani, Chairman is a Trustee.

MEANS OF COMMUNICATION

The Company is publishing unaudited quarterly results in the newspaper namely, Financial Express.

GENERAL SHAREHOLDER INFORMATION

a. Date, Time and Venue of Annual General Meeting

Date	Time	Venue
5th September 2011	3 p.m.	Hotel Le Meridien, No.28, Sankey Road, Bangalore – 560 052.

b. Financial Calendar

- Annual General Meeting 5th September 2011
- Quarterly Results - 30.06.2011 Last week of 31 July, 2011
- Quarterly Results - 30.09.2011 Last week of October, 2011
- Quarterly Results - 31.12.2011 Last week of January, 2012
- Quarterly Results - 31.03.2012 Last week of April, 2012

c. Book Closure dates - Dividend & AGM 13th August 2011

d. Dividend payment on or after September 10, 2011 but within the statutory limit.

e. Listing of Equity Shares on the Stock Exchanges at

Your Company's shares are listed in Bombay Stock Exchange and Bangalore Stock Exchange and the Annual listing fees for these two stock exchanges have already been paid.

f. Stock Code : Trading Symbol & Code :

Bombay Stock Exchange MAC CHARLES 507836
Bangalore Stock Exchange MAC

g. Demat ISIN numbers in NSDL & CDSL INE435D01014

h. Registrars & Transfer Agents

Shares Transfer and communication regarding share certificates, demat, dividends, change of address etc.,

BgSE Financials Limited
RTA Division, No.51, 1st Cross, J.C. Road,
Bangalore – 560 027.

i. Share Transfer System

In compliance of SEBI requirement, share transfers are entertained, both under demat form and physical form.

Share Transfers in respect of physical shares are normally effected within 10-15 days from the date of receipt.

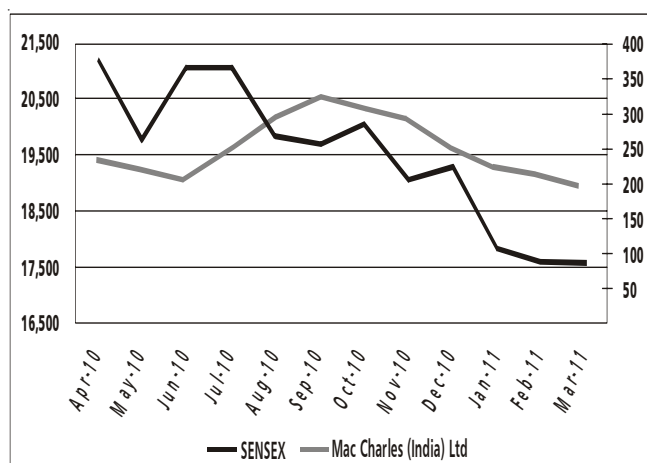
Demat requests are put through as per NSDL / CDSL guidelines.

j. Stock Market Data on Bombay Stock Exchange :

MONTH	MONTHLY HIGH (Rs.)	MONTHLY LOW (Rs.)
APRIL 2010	243.50	199.55
MAY	232.00	206.10
JUNE	230.00	206.00
JULY	258.95	220.25
AUGUST	285.90	248.50
SEPTEMBER	318.55	265.00
OCTOBER	300.00	271.35
NOVEMBER	294.90	245.50
DECEMBER	250.00	230.30
JANUARY 2011	244.00	213.00
FEBRUARY	235.00	201.55
MARCH	227.00	207.15

No shares are traded on Bangalore Stock Exchange Limited from 01.04.2010 to 31.03.2011

k. Stock performance Vs BSE Sensex :



l. Distribution of Shareholding as on 31 March 2011

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
Up to – 500	12520	98.33	10,34,447	15.79
501 – 1000	122	0.96	95,700	1.46
1001 – 2000	59	0.46	82,903	1.27
2001 – 3000	10	0.08	24,900	0.38
3001 – 4000	2	0.02	6,600	0.10
4001 – 5000	1	0.01	5,000	0.08
5001 – 10000	8	0.06	45,650	0.70
10001 – 50000	4	0.03	98,550	1.50
50001 and above	6	0.05	51,56,776	78.72
Total	12732	100	65,50,526	100

m. Categories of Shareholders as on 31 March 2011

Category	No. of Share Holders	Total Shares	% of Total Equity
Overseas Corporate Bodies	1	80,000	1.22
FI's & Banks	3	1,600	0.02
Bodies Corporate	65	1,27,807	1.95
Non-Resident Indian public	369	65,450	1.00
Directors	3	48,08,676	73.41
Resident Indian Public	12291	14,66,993	22.40
Total	12732	65,50,526	100.00

The Company has not issued any GDRs/ ADRs, Warrants & Convertible Instruments.

n. Dematerialisation of Shares and Liquidity as on 31 March 2011

	No. of Share holders	No. of Shares	% of shares
No. of Shareholders in Physical Mode	10328	1229350	18.76
No. of Shareholders in Electronic Mode	2404	5321176	81.24
Total	12732	6550526	100

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY STRUCTURE & DEVELOPMENTS

During the year under report, the global economic turmoil especially in the western countries has caused unprecedented recession and job losses all around the world. The Indian economy too suffered heavily with lower export of goods and services. The Indian IT and BPO business is languishing. Hospitality industry too is badly affected pushing the room occupancy and average room rate significantly lower levels.

REVIEW OF OPERATIONS

During the year under report, the economy recovered partly from economic recession especially in the developed countries. The Indian economy has also recovered resulting in higher Hotel room occupancy and average room rate. Hence, sales turn over has increased from Rs.4152 lakhs to Rs.5096 lakhs. During the current financial year 2011-12, the hotel business is hit by the entry of new five star hotels in the city of Bangalore resulting in stiff competition and undercutting of room tariffs. Hence, it will be difficult to maintain the same working results in current financial year.

SEGMENT WISE PERFORMANCE

The Company is currently operating only one integrated business at one geographical location viz., Le Meridien, Bangalore.

FUTURE OUTLOOK, RISK AND CONCERNS

The future of the hotel industry is entirely dependant on the state of the country's economy. The outlook for the Financial Year 2011-12 is tough due to severe competition with added new five star hotels in the city of Bangalore.

OPPORTUNITIES AND THREATS

The Company is presently affected by Indian economic recession in general and Bangalore's slow IT growth in particular. Other factors that may retard the hotel industry are :

- a) global recession
- b) the growing competition due to impending entry of many new hotels
- c) high taxation
- d) inadequate infrastructure facilities
- e) global terrorism
- f) general slump in five star hotel business
- g) other global factors

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal information systems ensure smooth information flow to facilitate proper control. Adherence to the systems is then validated through the process of internal audit. The Company has adequate system of internal audit control to ensure that all the assets are safeguarded and protected. Regular internal audits are conducted by the professional Chartered Accountant firm and reports submitted by these Internal Auditors are periodically reviewed by the Audit Committee of the Board. The findings and compliance/s are reported to the apex level management on a periodic basis. The Company has constituted an in-house Audit Committee for timely implementation of internal audit recommendations. The Company has clear systematic process and well-defined roles and responsibilities for people at different hierarchical levels. This ensures appropriate information flow to facilitate monitoring.

CAUTIONARY STATEMENT

The views and futuristic statements contained in this report are the perception of management and subject to certain risks and uncertainty that could cause actual results to differ materially from those reflected in such statements. Readers should carefully review the other information in this Annual Report and in the Company's periodic reports. The Company undertakes no obligation to publicly update or revise any of these futuristic statements, whether as a result of new information, future events, or otherwise.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Information as Required Under Part IV of Schedule VI to The Companies Act, 1956

I REGISTRATION DETAILS :

Registration Number	U55101KA1979PLC003620	State Code	08
Balance Sheet Date	31-03-2011		

II CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Preferential Issue	Nil

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)

Total Liabilities	2,25,35,70	Total Assets	2,25,35,70
-------------------	------------	--------------	------------

Sources of Funds

Paidup Capital	6,55,32	Reserves & Surplus	2,10,05,13
Secured Loans	1,56,13	Deferred Tax Liability	7,19,11

Applications of Funds

Net Fixed Assets	71,35,14	Investments	66,45,16
Net Current Assets	87,47,27		

IV PERFORMANCE OF THE COMPANY (Amount in Rs. Thousands)

Turnover (including Other Income)	79,46,67	Total Expenditure	44,16,90
Profit Before Tax	35,29,78	Profit After Tax	28,08,89
Earnings per Share (in Rs.) (Basic and Diluted)	Rs. 42.88	Dividend (%)	120

V. GENERIC NAME OF THREE PRINCIPAL PRODUCTS/SERVICE OF COMPANY

The Company is in the business of Hoteliering which is not covered under ITC Classification.

M.S.Reddy
Vice President Finance and
Company Secretary

Bangalore
28 July 2011

P.B. Appiah
Director

On behalf of the Board
C.B.Pardhanani
Chairman

Sangeeta C.Pardhanani
Managing Director

MAC CHARLES (INDIA) LIMITED

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956,
RELATING TO SUBSIDIARY COMPANY

Name of the Subsidiary Company	Airport Golf View Hotels & Suites Private Limited
Financial Year of the Subsidiary Company ended on	31 MARCH 2011
Number of Shares in the Subsidiary Company held by Messrs. MAC CHARLES (INDIA) LIMITED, Bangalore, as the above dated	29988
The net aggregate of Profit, less losses, of the Subsidiary Company so far as it concerns the members of Messrs. MAC CHARLES (INDIA) LIMITED	Rs. in Lakhs
(i) Dealt with in the accounts of Messrs. MAC CHARLES (INDIA) LIMITED, amount to :	
(a) for the subsidiary's financial year ended 31st March 2011	30.64
(b) for previous financial years of the subsidiary since it became subsidiary of Messrs. MAC CHARLES (INDIA) LIMITED	14.97
(ii) Not deal with in the accounts of Messrs. MAC CHARLES (INDIA) LIMITED, amount to :	
(a) for the subsidiary's financial year ended 31st March 2011	Nil
(b) for previous financial years of the subsidiary since it became subsidiary of Messrs. MAC CHARLES (INDIA) LIMITED	Nil
Changes in the interest of Messrs. MAC CHARLES (INDIA) LIMITED, between the end of the subsidiary's financial year ended 31 March 2011 : Number of shares acquired	N.A.
Material changes between the end of the subsidiary's financial year ended 31 March 2011	
1. Fixed Assets (net addition)	
2. Investments	N.A.
3. Moneys lent by the subsidiary	
4. Moneys borrowed by the subsidiary company other than for meeeting current liabilities	

AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF M/S. MAC CHARLES (INDIA) LIMITED

We have audited the attached Consolidated Balance Sheet of M/S.MAC CHARLES (INDIA) LIMITED ('the Company') and its subsidiary (the Company and its subsidiary constitute 'the Group') as at 31 March 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets (net) of Rs.4,64,65,591/- and total liabilities of Rs.4,84,65,616/- as at 31 March 2011, total revenues of Rs.93,24,423/- and total expenditure of Rs.1,23,88,287/- for the year ended on that date as considered in the Consolidated Financial Statements. The financial statements of the subsidiary is audited by another auditor whose report is furnished to us and our opinion, is so

far as it relates to the amounts included in respect of the subsidiary, is based solely on the reports of the other auditor.

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, 'Consolidated Financial Statements' prescribed by the Companies (Accounting Standards) Rules, 2006.

Based on our audit and on consideration of the separate audit report on individual financial statement of the subsidiary, and to the best of our information and according to the explanations given to us, in our opinion, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India :

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31 March 2011 ;
- (b) in the case of the consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date ; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For K. B. Nambiar & Associates

Chartered Accountants

(Firm Regn. No. 002313S)

Bangalore

28 July 2011

V. V. Gabriel

Partner (M.No.213936)

MAC CHARLES (INDIA) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2011

	Schedule No.	2011 Rupees	2010 Rupees
SOURCES OF FUNDS			
Shareholders' funds			
Share Capital	1	6,55,32,010	6,55,32,010
Reserve and Surplus	2	209,59,52,962	190,95,11,402
Loan Funds			
Secured Loans	3	1,57,05,374	1,74,28,244
Unsecured Loans		1,57,24,868	1,59,14,117
Net Deferred Tax Liability	4	7,19,11,648	6,31,09,904
TOTAL		226,48,26,862	207,14,95,677
APPLICATIONS OF FUNDS			
Fixed Assets			
Gross Block	5	127,08,80,227	122,63,55,104
Less : Depreciation		44,53,33,022	40,47,70,418
Net Block		82,55,47,205	82,15,84,686
Capital Work-in-progress		8,13,061	8,13,061
Investments	6	59,00,15,792	83,43,10,732
Current Assets, Loans and Advances			
Inventories	7	75,24,838	60,39,065
Sundry Debtors	8	2,83,16,210	1,79,97,825
Cash and Bank Balances	9	3,85,41,880	3,40,18,464
Loans and Advances	10	9,82,78,19,97	6,96,36,71,54
		105,71,64,925	75,44,22,508
LESS: CURRENT LIABILITIES AND PROVISIONS			
Current liabilities	11	11,11,66,418	24,62,62,341
Provisions		9,75,47,703	9,33,72,969
		20,87,14,121	33,96,35,310
NET CURRENT ASSETS		84,84,50,804	41,47,87,198
TOTAL		226,48,26,862	207,14,95,677
NOTES ON ACCOUNTS			
	19		

The Schedules 1 to 11 and 19 form an integral part of Consolidated Balance Sheet

In terms of our report of even date

For **K.B. Nambiar & Associates**
Chartered Accountants
(Firm Regn. No. 002313S)

V.V. Gabriel
Partner (M.No. 213936)

Bangalore
28 July 2011

M.S. Reddy
Vice President Finance &
Company Secretary

Bangalore
28 July 2011

On behalf of the Board

C.B. Pardhanani
Chairman

Sangeeta C. Pardhanani
Managing Director

P.B. Appiah
Director

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2011

	Schedule No.	2011 Rupees	2010 Rupees
INCOME			
Rooms, Restaurants, Banquets and Other services	12	51,88,00,446	42,03,52,219
Other Income	13	28,51,91,071	27,76,26,550
		<u>80,39,91,517</u>	<u>69,79,78,769</u>
EXPENDITURE			
Consumption of provisions, food supplies and beverages	14	5,39,58,887	4,26,15,989
Remuneration and benefits to employees	15	7,70,42,782	7,31,40,963
Maintenance, upkeep and services	16	12,23,00,783	5,20,65,285
Operating and administrative expenditure	17	9,42,82,735	9,51,72,203
Interest and financial expenses	18	8,08,065	13,74,536
Provision for Diminution in value of investments		17,78,035	25,95,837
Depreciation		5,63,72,398	4,17,31,537
Loss on Sale of Investments - Long Term		14,39,731	2,97,53,228
- Short Term		4,46,94,444	3,76,72,697
Provision for Donations		14,00,000	12,70,000
		<u>45,40,77,860</u>	<u>37,73,92,275</u>
Profit Before Tax		34,99,13,657	32,05,86,494
Provision for Income Tax - Current Tax	7,00,00,000		
Less : Excess Provision of earlier years	<u>67,13,170</u>	(6,32,86,830)	(5,26,26,284)
- Deferred Tax		(88,01,744)	(1,69,77,670)
Profit after Tax for the Year		27,78,25,083	25,09,82,540
Profit brought forward from Previous Year		7,22,33,157	5,55,52,284
Profit available for appropriation		35,00,58,240	30,65,34,824
APPROPRIATION			
General Reserve		(15,00,00,000)	(150,000,000)
Proposed Dividend		(7,86,06,312)	(7,20,55,786)
Corporate Dividend Tax		(1,27,77,211)	(1,22,45,881)
Balance Carried to Balance Sheet		10,86,74,717	7,22,33,157
Earnings per Share Basic & diluted (Face Value of Rs.10/- Per Share)		42.41	38.31

NOTES ON ACCOUNTS 19

The schedules 12 to 19 form an integral part of the profit and loss account

In terms of our report of even date

For **K.B. Nambiar & Associates**
Chartered Accountants
(Firm Regn. No. 002313S)

V.V. Gabriel
Partner (M.No. 213936)

Bangalore
28 July 2011

M.S. Reddy
Vice President Finance &
Company Secretary

Bangalore
28 July 2011

On behalf of the Board

C.B. Pardhanani
Chairman

Sangeeta C. Pardhanani
Managing Director

P.B. Appiah
Director

MAC CHARLES (INDIA) LIMITED

SCHEDULES TO CONSOLIDATED BALANCE SHEET

	2011 Rupees	2010 Rupees
1. SHARE CAPITAL		
AUTHORISED		
2,00,00,000 (2,00,00,000) Equity Shares of Rs.10/- each	<u>20,00,00,000</u>	<u>20,00,00,000</u>
ISSUED, SUBSCRIBED AND PAID UP		
65,50,526 (65,50,526) Equity shares of Rs.10/- each	<u>6,55,05,260</u>	<u>65,505,260</u>
Add : Forfeited Shares	<u>26,750</u>	<u>26,750</u>
	<u>6,55,32,010</u>	<u>65,532,010</u>
2. RESERVES AND SURPLUS		
Security Premium Account	<u>1,75,11,237</u>	<u>1,75,11,237</u>
	<u>1,75,11,237</u>	<u>1,75,11,237</u>
General Reserve		
At the commencement of the year	<u>181,97,67,008</u>	<u>166,97,67,008</u>
Add : Transfer from Profit & Loss Account	<u>15,00,00,000</u>	<u>15,00,00,000</u>
	<u>196,97,67,008</u>	<u>181,97,67,008</u>
Profit and Loss Account		
Surplus	<u>10,86,74,717</u>	<u>7,22,33,157</u>
	<u>10,86,74,717</u>	<u>7,22,33,157</u>
	<u>209,59,52,962</u>	<u>190,95,11,402</u>
3. LOAN FUNDS		
SECURED LOANS		
From Banks		
Over Draft	-	6,59,400
Cash Credit	<u>1,56,13,240</u>	<u>16,176,945</u>
From Others		
Vehicle Loans	<u>92,134</u>	<u>1,65,343</u>
Term Loan	-	4,26,556
	<u>1,57,05,374</u>	<u>1,74,28,244</u>
UNSECURED LOANS		
Other than from Banks	<u>1,57,24,868</u>	<u>1,59,14,117</u>
<p>The Cash Credit from Bank are secured by company's immovable property at No 28 sankey road Bangalore and first charge by way of hypothecation and / or pledge of the company's entire goods, movables and other assets present and future including documents of title to the goods and other assets, such as Book Debts, outstanding monies, receivables, bills, invoices, documents, contracts, insurance policies, guarantees, engagements, securities, investments and rights and uncalled capital and all machinery present and future and personal guarantee of one of the Director of the Company.</p> <p>Vehicle loans are secured by hypothecation of vehicles.</p>		
4. NET DEFERRED TAX LIABILITY		
Deferred Tax Liability:		
Accumulated Depreciation	<u>7,31,83,055</u>	<u>6,45,59,369</u>
Less : Deferred Tax Assets :		
Accrued Expenses deductible on payment	<u>12,71,407</u>	<u>14,49,465</u>
	<u>7,19,11,648</u>	<u>6,31,09,904</u>

SCHEDULES TO CONSOLIDATED BALANCE SHEET (Contd...,)

5. FIXED ASSETS

(Amount in Rs.)

DESCRIPTION	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK	
	As at 1.4.2010	Additions / (Disposals)	As at 31.3.2011	Up to 01.04.2010	For the year (Withdrawal)	Up to 31.3.2011	As at 31.3.2011	As at 31.3.2010
INTANGIBLE ASSETS								
Goodwill	7,19,39,681		7,19,39,681	—	—	—	7,19,39,681	7,19,39,681
TANGIBLE ASSETS								
Land	33,65,64,276		33,65,64,276	—	—	—	33,65,64,276	33,65,64,276
Buildings	22,74,44,383	1,83,39,821 (1,58,67,480)	22,99,16,724	13,11,83,040	70,25,316 (43,47,507)	13,38,60,849	9,60,55,875	9,62,61,343
Plant & Machinery	46,38,04,657	2,49,53,351 (93,946)	48,86,64,062	17,40,00,683	3,93,59,856 (93,946)	21,32,66,593	27,53,97,469	28,98,03,974
Sanitary Fittings	1,63,85,821	2,35,230	1,66,21,051	1,12,09,824	7,79,828	1,19,89,652	46,31,399	51,75,997
Computers	99,49,332	7,04,440 (24960)	1,06,28,812	88,85,657	5,95,887 (23766)	94,57,778	11,71,034	10,63,675
Furniture, Fixtures & Interiors	6,98,59,191	2,66,21,733 (991978)	95,48,89,46	5,97,01,687	53,62,445 (991978)	6,40,72,154	3,14,16,792	1,01,57,504
Vehicles	3,04,07,763	12,74,811 (1,06,25,899)	2,10,56,675	1,97,89,527	32,49,066 (1,03,52,597)	1,26,85,996	83,70,679	1,06,18,236
Total	122,63,55,104	7,21,29,386 (2,76,04,263)	127,08,80,227	40,47,70,418	5,63,72,398 (1,58,09,794)	44,53,33,022	82,55,47,205	82,15,84,686
PREVIOUS YEAR	102,30,09,431	20,49,62,325 (16,16,652)	122,63,55,104	36,46,00,602	4,17,31,537 (15,61,721)	40,47,70,418	82,15,84,686	61,86,88,662

6. INVESTMENTS

	2011 (Rupees)	2010 (Rupees)
Aggregate amount of quoted Investments	9,41,37,570	8,77,76,324
Aggregate amount of un-quoted Investments	50,71,05,290	75,59,83,441
	60,12,42,860	84,37,59,765
<i>Less: Provision for diminution in value of Investments</i>	1,12,27,068	94,49,033
	59,00,15,792	83,43,10,732

7. INVENTORIES

Provisions, Food supplies and Beverages	48,71,495	31,45,874
Other stores and operational supplies	26,53,343	28,93,191
	75,24,838	60,39,065

8. SUNDRY DEBTORS

UNSECURED - CONSIDERED GOOD		
Debts outstanding for a period exceeding six months	81,106	2,14,427
Other debts	2,82,35,104	1,77,83,398
	2,83,16,210	1,79,97,825

9. CASH AND BANK BALANCES

Cash on hand	13,28,685	13,59,076
Balances with Scheduled Banks		
On Current account	3,57,05,195	3,07,43,388
On deposit account	15,08,000	19,16,000
	3,85,41,880	34,018,464

10. LOANS & ADVANCES

UNSECURED-CONSIDERED GOOD		
Advances recoverable in cash / kind / for value to be recd.	95,92,77,137	65,55,79,347
Advance Income Tax	1,15,31,698	3,26,60,279
Advance FBT	27,059	27,059
Deposits	1,19,46,103	81,00,469
	98,27,81,997	69,63,67,154

SCHEDULES TO CONSOLIDATED PROFIT AND LOSS ACCOUNT (Contd...,)

	2011 Rupees	2010 Rupees
14. CONSUMPTION OF PROVISIONS, SUPPLIES & BEVERAGES		
Opening Stock	31,09,479	31,32,554
Add: Purchases	5,56,55,860	4,25,92,914
	<u>5,87,65,339</u>	<u>4,57,25,468</u>
Less: Closing Stock	4,806,452	31,09,479
	<u>53,9,58,887</u>	<u>4,26,15,989</u>
15. REMUNERATION & BENEFITS TO EMPLOYEES		
Salaries, Wages & Bonus	6,77,65,985	6,28,49,364
Contribution towards provident & other funds	57,23,410	45,38,701
Gratuity	5,60,347	16,19,087
Welfare Expenses	29,93,040	38,06,448
Unavailed Leave Encashment	-	3,27,363
	<u>7,70,42,782</u>	<u>7,31,40,963</u>
16. MAINTENANCE, UPKEEPAND SERVICES		
Guest Accomodation Board and Kitchen	93,46,328	71,27,512
Linen, Uniforms & Laundry	89,57,057	66,51,683
Repairs & Maintenance		
Building	33,189,407	1,18,90,937
Plant & Machinery	1,18,22,950	1,06,90,086
Interiors, Furniture, Furnishings & others	5,08,11,677	89,26,944
Housekeeping expenses	42,52,981	32,03,709
Music, Entertainment & Banquet Expenses	39,20,383	35,74,414
	<u>12,23,00,783</u>	<u>5,20,65,285</u>
17. OPERATING & ADMINISTRATIVE EXPENDITURE		
Power & Fuel	1,61,65,818	3,03,76,044
Water Charges	58,93,976	36,23,206
Commission to Travel & Other Agencies	59,75,497	38,25,833
Postage & Telephones	40,04,026	38,40,868
Printing & Stationery	33,18,692	22,98,017
Sales Promotional Expenses	9,90,492	5,43,870
Administrative & General Expenses	1,11,97,767	97,93,565
Travel & Conveyance	43,44,235	30,63,315
Rent	19,03,753	16,04,735
Rates & Taxes	60,81,678	61,07,529
Insurance	15,11,641	17,60,086
Royalty	1,51,90,266	1,25,71,976
Foreign Currency Fluctuations	95,119	2,23,655
Freight & Transport	3,46,637	1,59,348
Professional & Consultancy fees	61,21,889	70,24,405
Miscellaneous Expenses	14,00,208	7,57,608
Payment to Auditors		
Audit Fee	2,42,660	2,20,214
Tax Audit Fee	70,923	78,742
Other Services	83,994	39,901
Reimbursement of Expenses	12,464	19,286
Director's Sitting Fees	85,000	1,10,000
Commission to Chairman & Managing Director	92,46,000	71,30,000
	<u>9,42,82,735</u>	<u>9,51,72,203</u>
18. INTEREST & FINANCIAL EXPENSES		
On Fixed Loans	-	7,80,621
Others	3,80,886	4,00,121
Bank Charges	4,27,179	1,93,794
	<u>8,08,065</u>	<u>13,74,536</u>

MAC CHARLES (INDIA) LIMITED

SCHEDULE TO CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (*Contd...*)

19. NOTES ON ACCOUNTS

1. BASIS OF CONSOLIDATION :

The Consolidated Financial Statements relate to Mac Charles (India) Limited ('the Company') and its subsidiary. The Company and its subsidiary together constitute 'the Group'. The Consolidated Financial Statements have been prepared on the following basis :

- The financial statements of the Company and its Subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealised profits or losses as per Accounting Standard 21 'Consolidated Financial Statements', as notified by the Companies (Accounting Standards) Rules, 2006.
- The financial statements of Subsidiary, used in the consolidation are drawn upto the same reporting date as that of the Company.
- The excess of cost to the Company of its investment in the Subsidiary over the Company's portion of equity as at the date of making the investment is recognised in the financial statements as Goodwill.
- Goodwill arising out of consolidation is not amortized. However, the same is tested for impairment at each Balance Sheet date.

Disclosure under Accounting Standard 21 :

List of Subsidiary :

- (a) Name : Airport Golf View Hotels and Suites Private Limited
(Formerly known as Nedstar Hotels Private Limited)
- (b) Country of Incorporation : India
- (c) Proportion of Ownership : 100%

2. SIGNIFICANT ACCOUNTING POLICIES :

The accounts have been prepared on historical cost convention under mercantile system of accounting and generally complies with mandatory accounting standards.

a. Fixed Assets :

Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of the assets capitalized.

b. Depreciation :

Depreciation is provided on straight line method on buildings at triple the rates and on other fixed assets at double the rates specified in Schedule XIV to the Companies Act, 1956, based on technical evaluation.

In case of subsidiary Company, depreciation is provided on written down value at the rates specified in schedule XIV of the Companies Act, 1956. The proportion of gross block of assets of the subsidiary is 4.79% of the gross block of assets of the Group.

c. Impairment of Assets :

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on Internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value. A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

d. Investments :

- i. Current Investments are stated at lower of cost and fair value.
- ii. Long Term Investments are stated at cost. However provision for diminution is made to recognize a decline, other than temporary in the value of the investments.

e. Inventories :

- i. To value inventories of provisions, food supplies, crockery, cutlery, glassware, beverages, stores and operational supplies at cost on Weighted Average Method. Cost includes freight and other incidental expenses.
- ii. To charge to revenue the value of crockery, cutlery and glassware at the time of first issue.

f. Miscellaneous Expenditure :

To amortize the preliminary expenses and other deferred revenue expenditure over a period of 10 years.

g. Foreign Currency Transactions :

- i. Transactions in foreign currencies are accounted at the average exchange rate prevailing on the date of transaction.
- ii. To account for gain or loss on foreign exchange rate fluctuations relating to assets and liabilities as at the date of the Balance Sheet at the convertible rate of exchange prevailing on that date.
- iii. To account for all exchange difference arising from foreign currency transactions in the Profit and Loss Account.

SCHEDULE TO CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd...,)

h. Revenue Recognition :

- i. Room revenue is recognized on actual occupancy and is net off, of cost of complimentary airport pick-up and drop.
- ii. Food and Beverage at the point of supply.
- iii. Other services on rendering such services.
- iv. Sale of Electricity generated from Wind Turbine Generators is recognized on the basis of electricity units metered and invoiced.

i. Employee Benefits :

i. Provident Fund :

The Company contributes to the statutory provident fund of the Regional Provident Fund Commissioner, in accordance with Employees provident fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the employee renders service.

ii. Gratuity :

Gratuity is a post employment benefit and is defined benefit plan. The liability recognized in the balance sheet represents the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets together with adjustments for unrecognized actuarial gains or losses and past service costs. Independent actuaries using the projected unit credit method calculate the defined benefit obligation annually.

iii. Leave Encashment :

Provision for unavailed leave to the credit of the employees at the end of the year is made on the basis of the actuarial valuation.

j. Taxation :

Current Tax is determined as the amount of tax payable in respect of taxable income for the period.

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

Deferred Tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

3. As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

	2011	2010
Employer's Contribution to Provident Fund	Rs.37,46,249/-	Rs.34,00,426/-

Defined Benefit Plan

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

I. Reconciliation of opening and closing balances of Defined Benefit obligation

(Rs. in Lakhs)

	Gratuity 2011	Gratuity 2010	Leave Encashment 2011	Leave Encashment 2010
Defined Benefit obligation at beginning of the year	146.66	132.85	54.70	55.49
Current Service Cost	10.25	18.70	4.02	6.03
Interest Cost	11.33	10.09	3.99	4.13
Actuarial (gain) / loss	(17.88)	(1.41)	(7.20)	(3.23)
Benefits paid	(10.01)	(13.57)	(9.47)	(7.73)
Defined Benefit obligation at year end	140.35	146.66	46.04	54.70

MAC CHARLES (INDIA) LIMITED

SCHEDULE TO CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd...)

	(Rs. in Lakhs)			
	Gratuity 2011		Gratuity 2010	
II. Reconciliation of opening and closing balances of fair value of plan assets :				
Fair value of plan assets at beginning of the year	137.60		130.20	
Expected return on plan assets	11.14		10.24	
Actuarial gain/ (loss)	1.54		1.62	
Employer's contributions	13.27		9.11	
Benefits paid	(10.01)		(13.57)	
Fair value of plan assets at year end	153.53		137.60	
Actual return on plan assets	12.68		11.86	
III. Reconciliation of fair value of assets and present value of obligation :				
	Gratuity		Leave Encashment	
	2011	2010	2011	2010
Fair value of plan assets	153.53	137.60	-	-
Present value of obligation	140.35	146.66	46.04	54.70
Amount recognised in Balance Sheet	-	9.06	46.04	54.70
IV. The amounts recognized in the Profit and Loss Account are as follows :				
	Gratuity		Leave Encashment	
	2011	2010	2011	2010
Current Service Cost	10.25	18.70	4.02	6.03
Interest Cost	11.33	10.09	3.99	4.13
Expected return on plan assets	(11.14)	(10.24)	-	-
Actuarial (gain) / loss	(19.41)	(3.04)	(7.20)	(3.23)
Net Cost	8.97	15.52	0.81	6.93
V. Composition of Plan Assets :				
	Amount	% invested	Amount	% invested
Insurance Managed Funds	153.53	100%	-	-
	(137.60)	(100%)		
VI. Actuarial assumptions :				
Interest rate	8%	8%	8%	8%
Discount rate (per annum)	8%	8%	8%	8%
Expected rate of return on plan Assets (per annum)	8%	8%	0%	0%
Rate of escalation in salary (per annum)	8%	10%	8%	10%
Attrition rate	10%	5%	10%	5%
Retirement Age	58	58	58	58
4. Advances recoverable in cash / kind / for value to be received includes Rs.85,95,62,166/- (Rs. 54,05,04,712/-), being advance given for investments in Immovable Properties.				
5. Liabilities written back of Rs.38,90,676/- (Rs.33,11,278/-) is after netting off of irrecoverable advances of Rs.6,69,036/- (Rs.33,23,000/-) written off during the year.				
6. Compensation received Rs. 3,57,50,000/- included in Schedule No 13 - Other Income represents the amount received from M/s Embassy Property Developments Limited (Developers) for delay in handing over the Property.				
7. Considering the nature of operations of the Company, it is not practicable to give quantitative details of turnover and consumption in terms of the requirement under Part- II of Schedule -VI to the Companies Act, 1956.				

SCHEDULE TO CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd...,)

	2011	2010
	Rs. in lakhs	Rs. in lakhs
8. Prior period items debited/credited to Profit and Loss Account:		
Prior period expenses		
Laundry Expenses	-	5.07
9. a. Computation of Net Profit (in accordance with Section 349 read with Section 309(5) and Section 198 of the Companies Act, 1956)		
Profit for the year	2808.89	2524.79
Add : Provision for Taxation	720.89	696.04
Wealth Tax	0.30	0.37
Depreciation Charged	538.41	401.19
Commission to the Chairman and the Managing Director	92.46	71.30
Remuneration to Managing Director	38.93	36.84
Loss on Sale of Investments	461.34	674.26
Provision for Diminution in value of Investments	17.78	25.96
	4679.00	4430.75
<i>Less</i> : Depreciation under Section 350	538.41	401.19
Profit on Sale of Investments	661.92	1592.21
Profit on Sale of Fixed Assets	125.69	5.50
Profit on relinquishment of rights in immovable properties	1038.49	649.25
	2364.51	2648.15
	2314.49	1782.60
Commission @ 1% of the above payable to the Chairman and 3% to the Managing Director included under the head "Operating and Administrative Expenditure"	92.46	71.30
b. Managerial Remuneration to the 'Chairman' and 'Managing Director'		
Remuneration to the Managing Director	38.93	36.84
Commission to the Managing Director	69.35	53.48
Commission to the Chairman	23.11	17.82
	131.39	108.14
10. Earnings in Foreign Exchange	2951.70	2325.49
11. Expenditure in Foreign Currency :		
Royalty	151.90	125.72
Sales Promotion and General Expenses	103.40	81.97
Agents Commission for Room Bookings	22.06	11.18
12. CIF Value of Imports :		
Stores, Components and Spare Parts	287.83	137.49
Capital Goods	201.78	54.37
13. Information as per Order No.46/22/98 CL III Dated 24 February 1998, issued by the Ministry of Finance, Department of Company Affairs :		
a. Income From :		
i. Wines and Liquor	108.44	90.00
ii. Telephone and Telex	88.20	76.75
b. Consumption of :		
i. Provision, Beverages (excluding Wine and Liquor)	473.63	369.17
ii. Wine and Liquor	47.87	44.31
14. Dividends remitted in Foreign Currency to Non Resident Shareholders Rs.5,02,06,486/- (Rs.4,56,42,260/-)		

Number of Non Resident Shareholders	Number of Shares held by them on which Dividends remitted
2 (2)	4564226 (4564226)

MAC CHARLES (INDIA) LIMITED

SCHEDULE TO CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd...,)

15. Related Party Disclosures :

(A) Related Parties and their Relationships :

1. Kapi Investment Ink Limited, Mauritius, Shareholder.
2. M.K.Trading L.L.C. , Dubai, UAE a Company in which Chairman of the Company is a shareholder.
3. C. Pardhanani's Education Trust, a Trust in which the Chairman of the Company is a Trustee.
4. Pardhanani International Investments } a Private Company in which the Chairman of the Company is a Director
And Holdings Private Limited } Managing Director of the Company is a Director and shareholder.
5. Pardhanani International Properties } a Private Company in which the Chairman of the Company is a Director
Private Limited } and Managing Director of the Company is a Director and shareholder.
6. Sanko Properties Private Limited } a Private Company in which the Chairman of the Company is a Director
and Managing Director of the Company is a Director and shareholder.

(B) Transaction with Related Parties:

Name of the Transacting Related party	Relationship between the transacting party	Nature of transactions	Volume of transactions during the Year (Rs.)	Amount Outstanding as on 31.3.2011 (Rs.)	Payable (P) OR Receivable (R)
Kapi Investment Ink Limited	Overseas Body Corporate	Dividend	8,80,000 (8,00,000)	Nil (Nil)	Nil (Nil)
Mr.C.B.Pardhanani	Chairman	Commission based on profit	23,11,500 (17,82,500)	20,90,150 (18,24,584)	(P) (P)
Ms.Sangeeta C.Pardhanani	Managing Director	Dividend	4,93,26,486 (4,48,42,260)	Nil (Nil)	Nil (Nil)
		Dividend	35,66,750 (32,42,500)	Nil (Nil)	Nil (Nil)
		Remuneration	38,93,301 (36,84,000)	Nil (Nil)	Nil (Nil)
C Pardhanani's Education Trust	Trust in which Chairman of the Company is a trustee	Commission based on profit	69,34,500 (53,47,500)	46,78,000 (38,32,027)	(P) (P)
		Donation	5,50,000 (7,00,000)	Nil (Nil)	Nil (Nil)
Mr. M. B. Pardhanani	Related to Director	Dividend	6,62,200 (6,02,000)	43,34,400 (36,72,200)	(P) (Under dispute and subjudice)
Mrs.Uma M. Pardhanani	Related to Director	Dividend	11,27,500 (10,25,000)	73,80,000 (62,52,500)	(P) (Under dispute and subjudice)
Ms.Arti M. Pardhanani	Related to Director	Dividend	3,30,000 (3,00,000)	21,60,000 (18,30,000)	(P) (Under dispute and subjudice)

SCHEDULE TO CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT (Contd...,)

16. Disclosure as per Accounting Standard 29 :

(In Rupees)

Srl. No.	Particulars	Balance as at 01.04.2010	Additional Provision made during the year	Provision Reversed/utilised during the year	Balance as at 31.03.2011
1.	Provision for Gratuity	9,05,829	-	9,05,829	-
2.	Provision for Leave Encashment	54,69,957	-	8,66,450	46,03,506
3.	Proposed Dividend	7,20,55,786	65,50,526	-	7,86,06,312
4.	Corporate Dividend Tax	1,22,45,881	8,09,645	-	1,30,55,526

2011	2010
Rupees	Rupees

17. Contingent Liabilities :

Disputed Income Tax Liability against which Appeals are pending

(i) Assessment Year 1997-98	9,55,691	9,55,691
(ii) Assessment Year 2001-02	9,54,168	9,54,168
(iii) Assessment Year 2007-08	14,90,801	14,90,801
(iv) Assessment Year 2008-09	27,01,461	-

18. Estimated amount of contract remaining to be executed on capital account not provided for Rs.1000.70 lacs.(Rs.20.94 lacs)

19. In the absence of information as regard to the status/classification of the Relevant enterprises into Micro, Small and Medium Enterprises, information as Required under Notification No.G.S.R719[E] dated 16.11.2007 issued by the Department of Company Affairs in respect of the total amount payable at the end of the year to the Sundry Creditors could not be disclosed.

20. Confirmation of balances has not been received from parties covered under Sundry Debtors, Loans and Advances and Current Liabilities.

21. Earnings Per Share has been computed as under :

	2011	2010
Net Profit (Rs. in Lakhs)	2778.25	2509.82
Weighted Average Number of Equity Shares Outstanding	6550526	6550526
Earnings Per Share in rupees – Basic and Diluted (Face Value of Rs.10/- each)	42.41	38.31

22. Previous year's figures have been regrouped / rearranged wherever necessary.

MAC CHARLES (INDIA) LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2011

(Rs. in '000s)

PARTICULARS	2011	2010
A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax & Extraordinary Items	34,99,14	32,05,87
Adjustment for :		
Depreciation	5,63,72	4,17,31
Profit on sale of fixed assets	(1,25,69)	(5,50)
Profit on sale of investments	(6,61,92)	(15,92,21)
Loss on sale of investments	4,61,34	6,74,26
Provisions for diminution in value of Investment	17,78	25,96
Dividend received	(61,13)	(7075)
Interest Paid	3,81	3,67
Interest received on Debentures	(64,61)	-
Profit from relinquishment of rights in immovable properties	(10,38,49)	(6,49,25)
Operating profit before working capital changes	25,93,95	20,09,36
Adjustment for :		
Trade and other receivables	(15,78,62)	8,15,39
Inventories	(14,86)	(1,00)
Trade Payables	(13,68,68)	5,11,10
Cash generated from operations	(3,68,21)	33,34,85
Direct Tax (paid)/refund	(4,35,71)	3,70,66
Net Cash from/(used) in Operating Activities	(8,03,92)	37,05,51
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed assets	(7,21,29)	(13,29,78)
Sale of Fixed assets	2,43,63	6,05
Advance towards Investment in immovable Properties	(60,00,00)	(22,27,95)
Purchase of Investments	(77,95,48)	(1,22,74,97)
Sale of Investments	1,04,21,23	1,06,15,61
Proceeds from relinquishment of rights in immovable properties	54,38,49	23,99,25
Dividend Received	61,13	70,75
Interest received on Debentures	64,61	-
Net Cash from/(used) in Investing Activities	17,12,32	(27,41,04)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid including Corporate Dividend Tax	(8,40,24)	(7,66,38)
Interest paid	(3,81)	(3,67)
Increase in cash credit / overdraft	(5,64)	65,41
Decrease in Secured Loans	(1,89)	(2,00,50)
Decrease in Unsecured Loans	(11,59)	(21,41)
Net cash from/(used) in Financing Activities	(8,63,17)	(9,26,55)
Net increase / (decrease) in cash/cash equivalents	45,23	37,92
Opening cash / cash equivalents	3,40,19	3,02,27
Closing cash / cash equivalents	3,85,42*	3,40,19*

*includes cash and cash equivalents, being amounts lying in the unpaid dividend accounts which are not available for use by the company amounting to Rs.3,24,00 (Rs.2,81,46)

In terms of our report of even date

On behalf of the Board

For **K.B. Nambiar & Associates**
Chartered Accountants
(Firm Regn. No. 002313S)

M.S. Reddy
Vice President Finance &
Company Secretary

C.B. Pardhanani
Chairman

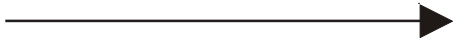
V.V. Gabriel
Partner (M.No. 213936)

Sangeeta C. Pardhanani
Managing Director

Bangalore
28 July 2011

Bangalore
28 July 2011

P.B. Appiah
Director

Mail this Form to 
(on or before 10th September 2011)

BgSE Financials Limited
(Subsidiary of Bangalore Stock Exchange Ltd.,)
Registrar & Transfer Agent (RTA Division)
No. 51, 1st Cross, J.C. Road,
Bangalore - 560 027.
Email : rta_admin@bfsi.co.in

Name of the Shareholder and Joint Shareholder(s) :

Srl. No.	Name of the Shareholder(s)	PAN (Permanent Account Number)

DEMAT ACCOUNT DETAILS

DP ID.	CLIENT ID.	NO. OF SHRES HELD

(The above columns to be filled up, only if the holding is in demat form)

Folio Number	Number of Equity Shares held	Share Certificate Nos.	Distinctive Number From	To

(The above columns to be filled up, only if the holding is in Physical form)

I/We, the undersigned, wish to receive the Bonus Shares of MAC CHARLES (INDIA) LIMITED, in :
(Please (✓) at the appropriate box)

(I) Physical Form

I/We authorise MAC CHARLES (INDIA) LIMITED, to issue **one Consolidated Bonus Shares Certificate** for my/our entire shareholding in my/our Folio Number.

(II) Demat Form

I/We, authorize MAC CHARLES (INDIA) LIMITED, to credit the Bonus shares directly to my/our following Demat Account.

Name of the Depository : NSDL CDSL (Please (✓) whichever is applicable)

Name of the Depository Participant	
DP ID.	
Beneficiary Account No. (Client ID.)	
E-mail ID. of the Shareholder	

I/We, understand that if the shares cannot be credited to my/our above stated Beneficiary Account for any reason whatsoever, I/We have no objection to the Shares being received in Physical Form.

Signature(s)

Sole/First Holder

Second Holder

Third Holder

Date :



Date :

To,
BgSE Financials Limited
(Subsidiary of Bangalore Stock Exchange Ltd.,)
Registrar & Transfer Agent (RTA Division)
No. 51, 1st Cross, J.C. Road,
Bangalore - 560 027.
Tel : 080-4132 9661 / 4157 5234
Fax : 080-2227 6674
Email : manager_rta@bfsi.co.in

Dear Sir,

Subject : Green Initiative - registration of email address

Reference : Folio No.

I/we hereby give my / our consent to register the following email address (es) to receive documents such as, notice calling annual general meeting, annual report comprising of balance sheet, profit and loss account, cash flow statement, directors' report, auditors' report, etc. or to receive any other document prescribed under any law, through electronic mode.

Email Address :

Thanking you,

Yours faithfully,

Name : Signature of First shareholder	Name : Signature of Second shareholder	Name : Signature of Third shareholder
---	--	---

MAC CHARLES (INDIA) LIMITED

Registered Office : 28, Sankey Road, Bangalore - 560 052

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

I hereby record my presence at the THIRTYFIRST ANNUAL GENERAL MEETING of the Company held at the Hotel Le Meridien No. 28, Sankey Road, Bangalore - 560 052 on **Monday the 5th September, 2011 at 3 p.m.**

Full Name of Member (in Block Letters)

Reg. Folio No. No. of Shares held

Full Name of Proxy (in Block Letters)

Member's /Proxy's Signature

NOTE: Shareholders are requested to bring this slip to the Meeting duly filled up including Folio Number & Number of Shares held.

MAC CHARLES (INDIA) LIMITED

Registered Office : 28, Sankey Road, Bangalore - 560 052

PROXY FORM

I/We

of

being a Member / Members of Mac Charles (India) Limited hereby appoint

of or failing him/her of as my/our proxy of

vote for me/us on my/our behalf at the THIRTYFIRST ANNUAL GENERAL MEETING of the Company to be held on **Monday the 5th September, 2011 at 3 p.m.**

Reg. Folio No.

No. of Shares Signed this

Affix
Re. 1/-
Revenue
Stamp

NOTE: This form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before Meeting.



BUSINESS CENTRE



SPORTS BAR

STANDARD TWIN BEDDED ROOM



GOLF VIEW HOTELS & SUITES COCHIN

BOOK-POST

If undelivered please return to :
MAC CHARLES (INDIA) LTD.
28, Sankey Road,
Bangalore - 560 052.