



**THE MAHARASHTRA AGRO-INDUSTRIES DEVELOPMENT CORPORATION LTD.  
( A GOVERNMENT OF MAHARASHTRA UNDERTAKING )  
( REGISTERED OFFICE : KRUSHI UDYOG BHAWAN, AAREY MILK COLONY, DINKARRAO DESAI  
MARG, GOREGAON EAST, MUMBAI – 400 065 )**

**CIN : U05000MH1965SGCO13380**

**ANNUAL ACCOUNTS**

**2015 - 2016**

## **ANNUAL REPORT 2015-16**

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## **BOARD OF DIRECTORS**

### **CHAIRMAN:**

Shri Pandurang Fundkar  
Hon'ble Minister (Agril.) & Chairman  
MAIDC LTD.

### **DIRECTORS:**

Shri Sadashiv Khot  
Hon'ble Minister of State (Agril.)

Shri, Bijay Kumar IAS  
Principal Secretary (Agril.) G.O.M.

Shri Vikas Deshmukh, IAS  
Commissioner (Agril.) G.O.M.

Shri C.R. Lohi  
Dy. Commissioner of Agril.,  
Co-op & Farmers Welfare, G.O.I

Dr. Ashok Karanjkar, IAS  
Managing Director

### **M. D. OFFICE:**

Rajan House, 2nd Floor,  
Near Century Bazar, Prabhadevi,  
MUMBAI – 400 025  
Telephone: 022-24300823  
Fax: 022-24324221  
E-mail: [patomd@maidcmumbai.com](mailto:patomd@maidcmumbai.com)  
Website: <http://www.maidcmumbai.com>

### **REGISTERED OFFICE :**

“Krishi Udyog Bhavan”  
Dinkarrao Desai Marg,  
Aarey Milk Colony,  
Goregaon (East), Mumbai – 400 065  
Telephone: 022- 29272027  
Fax: 022-28719398/99  
E-mail: [headoffice@maidcmumbai.com](mailto:headoffice@maidcmumbai.com)  
Website: <http://www.maidcmumbai.com>  
CIN: U05000MH1965SGC013380

### **BANKERS:**

State Bank of India  
Syndicate Bank  
Maharashtra State Co-op Bank Ltd.  
HDFC Bank  
Indian Bank

### **AUDITORS:**

M/s Ford, Rhodes, Parks and Co.  
Chartered Accountants  
Mumbai

**The Maharashtra Agro Industries Development Corporation Limited**

**50<sup>th</sup> Annual Report 2015-16**

**DIRECTOR'S REPORT**

To,

The Members  
The MAIDC Ltd.,

Gentleman,

On behalf of the Board of Directors of The Maharashtra Agro Industries Development Corporation Limited, I have pleasure in presenting the 50<sup>th</sup> Annual Report on the working of your Corporation for the year 2015-16 together with audited stand alone statement of accounts for the year ended 31st March 2016 along with report of the Auditors thereon. I also present herewith audited consolidated statement of accounts for the year ended 31st March 2016 along with report of the Auditors thereon

**1. FINANCIAL RESULTS :-**

(`. in Crore)

	Stand Alone		Consolidated	
	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
<b>A. Sales</b>	<b>1165.12</b>	<b>1420.93</b>	<b>1165.17</b>	<b>1418.77</b>
<b>B. Other Income</b>	<b>25.25</b>	<b>30.62</b>	<b>25.71</b>	<b>30.52</b>
<b>C. Gross Contributions</b>	<b><u>62.18</u></b>	<b><u>102.51</u></b>	<b><u>62.02</u></b>	<b><u>111.76</u></b>
<b>D. Expenses</b>				
R.O. Expenses	15.26	13.94	15.26	13.94
H.O. Expenses	22.24	29.38	22.24	29.38
Interest	1.15	1.16	0.52	0.54
	<b>38.65</b>	<b>44.48</b>	<b>38.02</b>	<b>43.86</b>
<b>E. Provisions</b>				
Depreciation	1.98	2.14	2.11	2.35
Provision for Doubtful debts / Advance	1.43	1.28	1.43	15.34
Taxation	8.71	22.00	8.79	17.19
	<b>12.12</b>	<b>25.42</b>	<b>12.33</b>	<b>34.88</b>
<b>F. Total Expenses</b>	<b>50.77</b>	<b>69.90</b>	<b>50.35</b>	<b>78.74</b>
<b>G. Net Contribution (C-F)</b>	<b>11.41</b>	<b>32.61</b>	<b>11.67</b>	<b>33.02</b>

**The salient features of the accounts for the year 2015-16 were as under.**

During the year 2015-16, the Corporation has achieved sales turnover of ` . 1165.12 Crore (`. 1420.93 Cr.) and contribution at Division level ` . 62.18 Crore (`. 102.51 Cr.). The performance of the Corporation during the year 2015-16 has been satisfactory with Cash Profit of ` . 23.53 Crore (`. 57.47 Core). There is 18.00% decreased in Sales Turnover during 2015-16 over previous year, while contribution also has decreased by 39.34% over previous year. Sales of fertilizer decreased by 1.78% Agro Engineering Activity recorded

decreased in sales turnover by 37.27% over previous year. Animal Feed sales increased in year 2015-16 by 108.79%. Pesticide sales have decreased by ₹ 34.17 Crore over previous year which is 40.09%. RO expenses of ₹ 15.26 Crore are marginally on higher side compared to previous year. As regards to HO expenses was decrease of ₹ 5.89 Crore. The accounts for 2015-16 shows Profit after Tax (PAT) at ₹ 11.41 Crore (₹ 32.61 Crore) and Profit before Depreciation, Interest & Tax (PBDIT) at ₹ 23.25 Crore (₹ 57.91 Crore).

Selling expenses incurred during the year ₹ 5.92 Crore (₹ 7.24 Crore). Better cash management and trade policies vis-a-vis vendors, facilitated Company good trade terms leading to commission and discounts of ₹ 4.45 Crore in 2015-16 (₹ 4.54 Crore).

## **2. CONSOLIDATED FINANCIAL STATEMENT :**

As required under Section 129 (3) of Companies Act 2013, the consolidated financial statements has been prepared by taking in consideration subsidiary Company i.e. Maharashtra Insecticides Limited. Net Profit after Tax as per Consolidated Financial Statements is ₹ 11.67 Crore (P.Y. ₹ 33.03 Crore).

## **3. DIVIDEND:-**

While the profit during the year is reasonable and it is necessary to conserve the resources, which are required to finance the capital expenditure and to have sufficient working capital. The Board has desired to pay the dividend of ₹ 5/- per share. The total dividend amount will be ₹ 27.50 lakh. (₹ 27.50 lakh)

## **4. REVIEW OF OPERATIONS :-** **CORPORATION :**

The turnover during the year is ₹ 1165.12 Crore as against previous year turnover of ₹ 1420.93 Crore. The performance of major activities of the Corporation is as below.

### **a) FERTILIZERS DIVISION:-**

#### **i) NPK FERTILIZERS:**

The production of NPK during the year is 1,59,150 MTs as against 1,89,046 MTs last year. NPK aggregating 152142 MTs of valuing ₹ 233.42 Crore were sold during the year as against 1,97,564 MTs of valuing ₹ 294.55 Crore in the previous year.

#### **ii) STRAIGHT FERTILIZERS AND COMPLEXES:**

Straight Fertilizers and Complexes aggregating to 3,45,522 MTs of valuing ₹ 508.16 Crore were sold during the year as against 3,05,658 MTs of valuing ₹ 455.90 Crore in the previous year.

### **b) PESTICIDES DIVISION :**

The total sale of Pesticides activity during the year under consideration aggregated to ₹ 51.06 Crore as against the total sales of ₹ 85.23 Crore during the previous year.

### **c) AGRICULTURE ENGINEERING DIVISION :-**

The performance of Agriculture Engineering Division has been good with sale of ₹ 358.65 Crore against previous year sale of ₹ 571.74 Crore. The Company has sold 229 nos. of Krushivator, an R&D product of the Company. Efforts are taken to control the inventory.

### **d) ANIMAL FEED DIVISION :**

During the year under consideration, 6162 MTs of Animal Feed was produced as against 2,856 MTs in the previous year. The sales aggregated to 6162 MTs value ₹ 10.92 Crore as against 2856 MTs value ₹ 5.24

Crore. In the previous year, several steps have been taken to re-establish Sugras/Mahaagro brand and new premium quality for Sugras Gold as well as Sugras Mumbai special (Mash) has been launched and also several changes were made in the plant to save energy & improve productivity. Outsourcing and custom processing has been taken up to save transport cost. We are now approaching private dealers and milk cooperative societies with custom made products and new packaging, which will help us to increase the sale.

**e) NOGA DIVISION :**

The sale turnover of this activity is ` 7.47 Crore during the year as against ` 8.27 Crore in the previous year. Several steps have been taken to streamline the business operations of this division and NOGA is receiving a bulk order for ketchup in sachets and jams and mixed fruit pickle in blister packs from Indian Railways.

**5. BAD DEBTS WRITTEN OFF AND WRITTEN BACK OF UNCLAIMED CREDIT BALANCES:**

As per the accounting policy followed by the Company and based on prudent accounting principles an amount ` 0.17 Crore have been written off during the year & ` 0.02 Crore have been written back during the year with net accounting effect of ` 0.15 Crore during 2015-16.

**6. Change in the method of Depreciation**

The method of calculation of depreciation on assets has been changed, as per the Companies Act 2013 from F.Y. 2014-15. Accordingly, the usable life of assets is taken into consideration while calculating the depreciation as per Straight Line Method (SLM) w.e.f. F.Y. 2014-15.

**7. FUTURE PLANS :-**

Keeping in view the changing economic environment in the country, more particularly with regard to the concept of liberalization, it has become necessary to take a fresh look at the Corporation's objectives and activities. In view of this, I propose:-

**a) Product Diversifications:**

- i) The Corporation added Micronutrients like Zinc Sulphate, Ferrous sulphate and Microriza in the list of its products. It is also proposed to start trading in new products like water soluble fertilizers, Liquid fertilizers etc. considering the estimated increase in drip / micro irrigation area in near future.
- ii) To sign MOU with Punjabrao Krishi Vidyapeeth, Akola and Mahatma Phule Krishi Vidyapeeth, Rahuri for production of Custard Apple Pulper, Wheat Grass Powder Machine and Pneumatic Planter respectively. These items will be produced under MAIDC Brand name through vendors. The Corporation has also proposed to produce Sugarcane Bud Chipper for the open market as well.
- iii) Low cost Urea Briquetting Machine has also been developed by us. Necessary Certificate has been obtained from the Agriculture University. This item can be included under proposals for procurement by Commissioner Agriculture. Corporation could also explore the possibility of selling this item to the Primary Agriculture Credit Societies and Farmer Groups in paddy growing areas.
- iv) Corporation also considering entering into marketing of fruits and vegetables on a pilot basis as a new activity. This would assist us in reaching out directly to farmers and thereby assist in the sale of our fertilizers, pesticides and animal feed products.

**b) Setting up of New Customized Plants:-**

i) MAIDC is in process of setting up of Customized Fertilizers plant on PPP model basis at Rahata-Puntamba, Dist. Ahmednagar. The customized Fertilizers concept provides / stands for fertilizers as per the need of soil/ crop etc. This will help the farmers to lower the fertilizer cost with optimum use of fertilizers and maximize the crop yield.

ii) So far as NOGA is concerned, we have planned to set up PET bottling / Tetra pack facility for juices, squashes and liquid products since cans are no longer acceptable in the retail market. With this facility, we could increase our presence in the market.

iii) Developing R&D infrastructure testing laboratory facilities for various agril implements required under various GOM /GOI schemes at Pachora, Dist. Jalgaon.

iv) Establishment of Agro Engineering Service Centre (AESC) at each taluka level for sales and service to the farmers such as custom hiring centre, storage and distribution of inputs under various GOM / GOI schemes.

**c) Restructuring of Corporation:-**

i) In the light of ever changing economic environment, it has become necessary for the Corporation to review and restructure its existing activities and business. Accordingly, Corporation is looking to strengthen itself through significant restructure of its present business & products in all respects through -

1. Business stratification.
2. Human Resource Management Development & Automation.
3. Business process redevelopment and automation mainly using the latest IT enabled technology.
4. Financial re-engineering and development of system and packages including MIS and Financial Accounting.

To achieve above, the Corporation is in the process of appointing consultant, who would oversee the process at micro level and would provide basic, cost effective and workable model to achieve the restructuring objectives.

ii) Switching over to fully web based ERP/ SAP system from existing single user Fox base accounting system. The objective behind computerization is to make available accurate and timely data to facilitate various statutory compliances and most importantly to facilitate timely management decisions.

**d) Additional Revenue Sources :**

Presently the Corporation is engaged in Fertilizers, Pesticides, Agril Engineering, Animal Feed and Food Processing activities. All these activities are allied to the main objective of the Company. It is to see whether Corporation could diversify or undertake viable and most importantly activities which fulfill the requirement of farmers of the state in true sense. The Corporation is exploring the possibilities to utilize the available resources for the purpose of Importing Chemical Fertilizers, creating logistic facilities, construction of Warehouses and such allied activities in near future.

**8. PROVISION FOR DOUBTFUL DEBTS & ADVANCES:**

As per the requirement of Accounting Standards & based on policy adopted by the Management the Company had made provision of ₹. 1.43 Crore (₹. 0.72 Crore) during 2015-16 for bad and doubtful debts and advances.

9. No Change in nature of business occurred between the during of the financial year to which this financial statements relate on the date of this report.
10. No material changes and commitment affecting the financial position of the company has occurred between the end of the financial year and the date of the report
11. There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future
12. No cases were filed under section 22 of the sexual harassment of women at workplace (prevention, prohibition and redressal) Act, 2013.

**13. FINANCIAL PERFORMANCE OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES :**

The Financial performance of MIL 100 % subsidiary of the Company during the year was as under:

Rs. in lakh)

	For the year ended 31 <sup>st</sup> March 2016	For the year ended 31 <sup>st</sup> March 2015
<b>A. Sales</b>	<b>1452.02</b>	<b>2049.16</b>
<b>B. Other Income</b>	<b>109.35</b>	<b>73.50</b>
<b>C. Gross Contributions</b>	<b>38.45</b>	<b>100.81</b>
<b>D. Expenses</b>		
E. Interest	0.04	0.03
<b>E. Provisions</b>		
Depreciation	13.17	35.25
Provision for Doubtful debts / Advance	0	0
Taxation	13.84	32.08
<b>F. Total Expenses</b>	<b>27.05</b>	<b>67.36</b>
<b>G. Net Contribution (C-F)</b>	<b>11.40</b>	<b>33.45</b>

**14. DEPOSITS**

Company has neither accepted nor renewed any deposits during the year under review.

**15. PARTICULARS OF LOANS GUARANTEE AND INVESTMENT BY THE CORPORATION**

Your Corporation during the year has not given any Guarantee or has not made any investment in any Corporation or other entity. However, the Corporation has given Loan by way of advance of ` NIL (PY ` NIL) by way of loan to its subsidiary MIL for running its activities.

**16. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Main Objects of the Corporation are in the nature of CSR and the Activities of the Corporation are intended towards to provide assistance to the Farmers. The Directors of the Corporation are ascertaining various options like Rural Development Projects controlled by the District Collectors in the State of Maharashtra particularly any Backward Area. Such Rural development Project will fulfill the requirements of Schedule VII of the Companies Act, 2013. The Board has appointed CSR committee as required u/s 135 of the Companies Act, 2013 consisting of the following Directors:-



Particulars	Member of Committee
Additional Chief Secretary (Agril), GOM & Director, MAIDC	Chairman of the Committee
Commissioner (Agril.), GOM & Director, MAIDC	Member
Managing Director	Member Secretary

The provision for Corporate Social Responsibility U/s.135 of the Companies Act, 2013 is 2% of average Net profit of immediately preceding three financial years. The CSR provision for the year ended on 31/03/2016 is `177.03 lakhs (out of which ` 98.78 Lakhs for the current year and `78.25 Lakhs for the previous year)

#### **17. DIRECTORS:**

Since last report of the Board the following persons were appointed and retired as Directors on the Board

Sr.No	Particulars	From	TO
1	Shri Pandurang Fundkar Hon'ble Minister (Agril) & Chairman MAIDC Ltd.	08.07.2016	Till date
2	Shri Sadashiv Khot Hon'ble Minister of State (Agril)	08.07.2016	Till Date
3	Shri Dinesh Kumar Jain IAS Additional Chief Secretary (Agril.),	30.06.2015	-----
4	Shri Bijay Kumar Pr. Secretary (Agril.)	-----	Till date
6	Shri Vikas Deshmukh IAS Commissioner (Agriculture)	06.01.2015	Till date
7	Shri C.R. Lohi Dy.Commissioner, Deptt. of Agril, coop, & Farmers Welfare, GOI	22.02.2013	Till date.
8	Dr.Ashok Karanjkar, IAS Managing Director, MAIDC Ltd.	12.08.2016	Till date

The Board is pleased to keep on record the valuable guidance extended by all the outgoing Directors. The Company held three Board meetings during the financial year under review.

#### **18. INDUSTRIAL RELATIONS:**

Overall industrial relations remained cordial in all the Units throughout the year. Efforts were taken to resolve long pending issue of application of Pay Commission recommendation to the employees and settling some old pending issues and application of time bound promotion scheme as per Govt. norms.

#### **19. PARTICULARS OF EMPLOYEES:**

As required under revised sub-rule (2) of Rule (5) of the Companies (Appointment & Remuneration to Managerial Personnel) Rules 2014 the names of the top ten employees in terms of remuneration drawn is given below. None of the employee of the Corporation has been paid remuneration in excess of the limit prescribed under Section 197 (12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment & Remuneration to Managerial Personnel) Rules 2014.

**Statement giving details of the top ten employees in terms of remuneration during 2015-16:**

1	2	3	4	5
Name of the Employee	Designation of the employee	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee
MR.R.S.BAVISKAR	D.G.M. (F & A)	1684228.00	On scale	M.Com,ICWA, DMS,DTM
MR.V.A.SAKPAL	DGM (FINAL A/C.)	1543893.00	On scale	B.Com,Dip in Com Progr
MR.R.B. JAGTAP	DY.MGR (PF)	1507530.00	On scale	B.Com
MR R.E.SHINDE	DGM (FERT)	1429584.00	On scale	D.M.E
MR.A.B. UPLENCHWAR	DGM(PEST)	1428341.00	On scale	B.Tech
MR. D. K. SURYAGAN	DGM(A.E.)	1364259.00	On scale	B.Tech (A.E)
MR.M.V. APTE	DY.MGR.(IT)	1295636.00	On scale	B.A. Dip in Com Progr
MR.V.B. PATIL	DY.MGR.(FERT)	1282666.00	On scale	D.M.E.
MR. S.N. ZADE	DY.MGR.(FERT)	1280656.00	On scale	B.Sc(Agri)
MR. B. H. SOLANKHE	DY.MGR (A.E.)	1275019.00	On scale	B.Com

6	7	8	9	10
Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the company	The percentage of equity shares held by the employee in the company	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
20.09.1993	58 Years	N.A	NIL	No
03.11.1982	56 Years	N.A	NIL	No
04.03.1982	58 Years	N.A	NIL	No
25.05.1983	57Years	N.A	NIL	No
01.06.1984	56 Years	N.A	NIL	No
07.05.1991	54 Years	N.A	NIL	No
01.06.1998	49 Years	N.A	NIL	No
08.07.1984	55 Years	N.A	NIL	No
10.01.1983	58 Years	N.A	NIL	No
01.01.1986	57 Years	N.A	NIL	No

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

Information pursuant to Section 134 of the Act read with Rule 8 of The Companies (Accounts) Rules 2014 is given in the **Annexure A** forming parts of this Report.

**21. EXTRACT OF THE ANNUAL RETURN :**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure – B** and is attached to this Report.

**22. DIRECTOR RESPONSIBILITY STATEMENT :-**

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (C) of the Companies Act, 2013:

(a) that in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

(b) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2015 and of the profit and loss of the company for the year ended on that date;

(c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) that the annual accounts have been prepared on a going concern basis;

(e) that the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**23. AUDITORS:**

Comptroller and Auditor General of India had appointed M/s. Ford, Rhodes, Parks and Co. Chartered Accountant as Statutory Auditors of the Corporation for the year 2015-16. We are thankful to M/s. Ford, Rhodes, Parks and Co. Statutory Auditors for giving us good cooperation and guidance in finalizing the accounts for the financial year 2015-16.

**24. ACKNOWLEDGEMENT:**

The Directors take this opportunity to express their thanks to the Officers and Employees in the Department of Agriculture, Maharashtra State as also in the Ministry of Agriculture, Govt. of India for their help and cooperation. Directors also thank the HDFC Bank, Indian Bank, State Bank of India, Bank of Maharashtra, Vijaya Bank, Union Bank and Syndicate Bank for the Services rendered by them. Directors also thank the Principal Accountant General and his Staff for the services, help and Co-operation rendered by them. The Board is also thankful to the Officers and Staff of the Corporation for contributing in productive way to the growth of the Company.

**For and on behalf of the Board of Directors.**

**Pandurang Fundkar  
Chairman**

**MUMBAI**

**DATED: 30<sup>th</sup> March 2017**

**ANNEXURE-A**

(FORM A)

(See Rule 2)

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY FOR  
FERTILIZER DIVISION**

A)	POWER & FUEL CONSUMPTION	CURRENT YEAR 2015-16	PREVIOUS YEAR 2014-15
1.	ELECTRICITY :- a) Unit Consumed/Purchased (Kwh) : Total Amount (₹) Rate/Unit (Kwh) (₹) b) Own Generation Diesel Generator Steam Turbine/Generator	1257830 10825070.00 8.61	1360958 10583342 7.78
2.	COAL Consumed (Mts) Total Amount (₹) Rate/Unit (Kgs) `.	2570572 12201857 4.75	2627905 13109216 4.99
3.	FURNACE OIL :- Quantity (Kilo Ltrs) Total Amount (₹) Average Rate (₹)	1.921 81046.00 42189.48	3.000 126568 42189.57
4.	CONSUMPTION PER UNIT OF PRODUCTION: - STANDARD, IF ANY – Coal (Specify Quality) Electricity Furnace Oil (Pmt) Others (Specify)	17.08 8.88 0	17.08 8.88 0
B)	PRODUCTION :-  N. P. K.(MTS) (Own) N. P. K.(MTS) (Outsourcing)	136785 22365	160667 28379
	TOTAL	159150	189046

ANNEXURE

(FORM A)

(See Rule 2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY FOR  
ANIMAL FEED DIVISION

A)	POWER & FUEL CONSUMPTION	CURRENT YEAR 2015-16	PREVIOUS YEAR 2014-15
1.	ELECTRICITY :-		
	a) Unit Consumed/Purchased (Kwh) :-	Nil	8502
	Total Amount ( ` )	Nil	97198
	Rate/Unit (Kwh) (Rs)	Nil	11.43
2.	FIREWOOD/FURNACE OIL (L.D.O.)		
A)	Firewood (Kg)	Nil	26050
	Total Amount	Nil	79200
	Average Rate ( ` )(Firewood)	Nil	3040
B)	L. D. O. Quantity (Ltrs)	0	0
	Total Amount ( ` )	0	0
	Average Rate ( ` ) (L.D.O.)	0	0
	Grand Total (A+B)	Nil	79200
3.	CONSUMPTION PER UNITS OF PRODUCTION WITH DETAILS :-		
	UNIT                      STANDARD, IF ANY		
	Electricity              (Kws/Mt)		
	Firewood                Mt	Nil	15.48
	Furnace Oil (LDO)    Ltrs	Nil	61.20
	Cost (Specify Quality)		-
	Others (Specify)		-
4.	TOTAL PRODUCTION (QTY IN MT)		
	Mash	Nil	122.970
	Pallet	Nil	425.910
	Trading/Grinding	Nil	13.905
	TOTAL	Nil	562.785

**ANNEXURE-1**

(FORM A)

(See Rule 2)

**FORM FOR DISCLOSURE OF PARTICULARS WITH RECEIPT TO N.F.N. AND BPH CONSERVATION OF ENERGY FOR FOOD PROCESSING DIVN. (NOGA)**

A)	POWER & FUEL CONSUMPTION	CURRENT YEAR 2015-16	PREVIOUS YEAR 2014-15
1.	ELECTRICITY :-		
	a) Unit Consumed/Purchased (Kwh) :-	124680	111413
	Total Amount (₹)	1220480	1111710
	Rate/Unit (Kwh) (Rs)	9.79	9.98
	b) Own Generation		
	Steam Turbine Generator	0	0
	ii) Steam Turbine/Generator	0	0
2.	STEAM COAL 'C' GRADE :-		
	Quantity In M. T.	713.830	765.420
	Total Amount	3875414.00	3344298
	Average Rate/PMT	5429.04	4369.23
3.	FURNACE OIL :-		
	Quantity (Kilo Ltrs)	0	0
	Total Amount (₹)	0	0
	Average Rate (₹)	0	0
4.	CONSUMPTION PER UNIT OF PRODUCTION:		
	STANDARD, IF ANY		
	Electricity (PMT)	62.63	59.70
	Coal	0.359	0.410
	Light Diesel Oil	0	
	Production At NFN/BPH	1990.85	1866.23

## ANNEXURE-2

FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

[Pursuant to Section92(3) of the Companies Act,2013 and Rule12(1) of the  
Companies(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	U05000MH1965SGC013380
ii.	Registration Date	15/12/1965
iii.	Name of the Company	<b>THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LIMITED</b>
iv.	Category/Sub-Category of the Company	Company Limited By Shares / State Government Company- Private Company
v.	Address of the Registered office and contact details	KRUSHI UDYOG BHAVAN, AAREY MILK COLONY,, DINKARRAO DESAI MARG, GOREGAON EAST, MUMBAI Maharashtra-400065 Tele : 22-29272027 e-mail- www.maidcmumbai.com
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

**(All the business activities contributing 10% or more of the total turnover of the company shall be stated):-**

The Revenue from Operations of the Company during the year was ` .1165.12 Crore.

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Fertilizer	9961/99611720	63.26
2	Pesticides	9986/99861193	4.38
3	Agro Engineering	9983/99833290	30.78
4	Animal Feeds	9988/99881700	0.94
5	Processed Food	9988/99881690	0.64

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.	MIL	U24210MH1984HGC032856	Subsidiary	100 %	87(ii)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	0	0	0	0	NIL	0	0	0	NIL
b) Central Govt.	NIL	250000	250000	45.45	NIL	250000	250000	45.45	NIL
c) State Govt(s)*	NIL	300000	300000	54.55	NIL	300000	300000	54.55	NIL
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A)(1):-	NIL	550000	550000	100%	NIL	550000	550000	100%	NIL
<b>2) Foreign</b>									
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
Sub-total(B)(1)									
<b>2. Non Institutions</b>									
a) Bodies Corp. (i) Indian (ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals (i) Individual shareholders holding nominal share capital upto ` . 1 lakh	0	0	0	0	0	0	0	0	0
(ii) Individual shareholders holding nominal share capital in excess of ` 1 lakh	0	0	0	0	0	0	0	0	0
c) Others(Specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(2)	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	NIL	550000	550000	100%	NIL	550000	550000	100%	NIL

\* Includes 6(Six) shares held by Nominees of the Governor of Maharashtra



ii. Share holding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Governor of Maharashtra	300000	54.55%	NIL	300000	54.55%	NIL	NIL
2.	President of India	250000	45.45%	NIL	250000	45.45%	NIL	NIL
	<b>Total</b>	550000	100.00%	NIL	550000	100.00%	NIL	NIL

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

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	550000	100%	550000	100%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<b>No Change in the Shareholdings During the Year</b>		<b>No Change in the Shareholdings During the Year</b>	
	At the End of the year	550000	100%	550000	100%

iii. Shareholding pattern of top 10 share holders other than Directors, Promoter and holders of GDRs and ADRs

Entire Paid up Share Capital is held by the Governor of Maharashtra (54.55%) with his 6(Six) Nominees and President of India (45.45%)

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL

## V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Rs in 000			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<u>Indebtedness at the beginning of the financial year</u>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total(i +ii +iii)	NIL	NIL	NIL	NIL
<u>Change in Indebtedness during the financial year</u>				
- Addition	NIL	NIL	NIL	NIL
- Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
<u>Indebtedness at the end of the financial year</u>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not	NIL	NIL	NIL	NIL
Total(i +ii +iii)	NIL	NIL	NIL	NIL

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Arvind Kumar IAS Managing Director		
1.	Gross salary  (a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b)Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary undersection17(3)Income- taxAct,1961	1,734,367  220,214  NIL		1,734,367  220,214  NIL
2.	Stock Option	0		0
3.	Sweat Equity	0		0
4.	Commission - as % of profit - others, specify...	0		0
5.	Others, please specify	0		0
6.	Total(A)	1,954,581		1,954,581
	Ceiling as per the Act	Not Applicable.		

**B. Remuneration to other directors: NIL**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u> -Fee for attending board committee meetings -Commission -Others, please specify	0	0	0	0	0
	Total(1)					
	<u>Other Non-Executive Directors</u> -Fee for attending board committee meetings -Commission -Others, please specify	0	0	0	0	0
	Total(2)	0	0	0	0	0
	Total(B)=(1+2)	0	0	0	0	0
	Total Managerial Remuneration	0	0	0	0	0
	Overall Ceiling as per the Act	Not Applicable as No Managerial Remuneration is Paid				

**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD- NIL**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary : (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
1.	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify...	0	0	0	0
5.	Others, please specify	0	0	0	0
6.	Total	0	0	0	0

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any (give details)
<b>A. Company</b>					
Penalty					
Punishment			-----NIL-----		
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment			-----NIL-----		
Compounding					
<b>C. Other Officers In Default</b>					
Penalty					
Punishment			-----NIL-----		
Compounding					

## FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	NIL
	Nature of contracts/arrangements/transaction	NIL
	Duration of the contracts/arrangements/transaction	NIL
	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
	Justification for entering into such contracts or arrangements or transactions	NIL
	Date of approval by the Board	NIL
	Amount paid as advances, if any	NIL
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length basis.

**All the transactions, if any, made are with 100% Subsidiary Company.**

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	NIL
	Nature of contracts/arrangements/transaction	NIL
	Duration of the contracts / arrangements / transaction	NIL
	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
	Date of approval by the Board	NIL
	Amount paid as advances, if any	NIL

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of The Maharashtra Agro-Industries Development Corporation Ltd**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of The Maharashtra Agro-Industries Development Corporation Ltd ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## Basis for Qualified Opinion

1. The Company has yet to assess its single super phosphate plants at Rasayani and Jalna having wdv of ` 2.10 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 2.22 lakhs) and ` 4.10 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 11.47 lakhs) and processed fruits and vegetables plant at Motibaug having wdv of ` 1.84 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 6.08 lakhs) and remaining assets at the dismantled fodder block plant at Yavatmal having wdv of ` 0.31 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 0.36 lakhs) for impairment, which have not been functioning since a long time. In the absence of such an assessment, no provision has been made for impairment on these assets, if any (Refer Note No. 38).
2. Deferred tax assets / liabilities have not been ascertained and accounted for by the Company (Refer Note No. 26(xviii)). In the absence of details, the amount thereof has not been ascertained.
3. The investment in fixed assets for the establishment of processing plant at Morshi of ` 108.61 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 107.71 lakhs) which is net of amount financed by the Government of Maharashtra has been shown by the Company under Investments instead of as fixed assets. Thus, fixed assets have been understated and investments have been overstated to that extent (Refer Note No. 29 (a)). Consequently, the depreciation charge on these fixed assets has not been accounted since its date of put to use in earlier years. The amount of this depreciation has not been ascertained. Further, the revenue expenditure incurred in earlier years after the plant has been put to operation of ` 22.63 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 21.73 lakhs) have also been added to the investment instead of being expensed out.
4. The Company has invested an amount of ` 386.20 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 386.20 lakhs) in 14% cumulative redeemable preference shares of M/s Alliance Agro India Ltd. in connection with the transfer of Katol project. No dividends have been received by the Company on this investment. The Company has filed a winding up petition against M/s Alliance Agro India Ltd. before the Hon'ble High Court. The Hon'ble High Court has appointed an official liquidator to dispose of the property. In our view, a provision for diminution in the value of investment should have been made by the Company as there are clear indications that this investment is impaired. However, the Company has not ascertained or recognized any such provision in the financial statements for reasons stated in Note No. 29 (a).
5. The Company follows the practice of providing for its old outstandings in trade receivables based on the age-wise bifurcation of the same. However, in respect of engineering division debtors, while making such provisions it has not taken into consideration the subsidies received by it from the State Government towards such outstandings in the absence of availability of necessary intimations from the concerned authorities (Refer Note No. 31 and Note No. 13 (3)). As a result, both trade receivables and liabilities towards subsidies received from the State Government are overstated. Also the provision for doubtful trade receivables is overstated. The amounts of such overstatements are not ascertained.
6. The provision lying in the books as on 31<sup>st</sup> March, 2016 towards VIth Pay arrears payable to employees of ` 1430.41 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 2797.98), shown under short- term provisions, relating to earlier years, has been made on an estimated basis and is subject to reconciliation and adjustment entries on completion of the reconciliation (Refer Note No. 7).
7. Long-term and short-term liabilities include amounts aggregating in excess of ` 1800.00 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 1100.00) towards liabilities unclaimed more than 3 years towards trade payables, unclaimed over 5 years towards earnest money and security deposit liabilities, old provisions for expenses, old advances in trade receivables, liabilities towards interest on unutilized Government subsidies not claimed and other old liabilities which the Company is still in the process of determining whether the liabilities exist in the absence of claims from the parties (Refer Note No. 3, 5 and 6). In our opinion, a substantial part of this amount will need to be written back to income once the determination is complete. Accordingly, in our opinion, the liabilities are overstated and income is understated in the financial statements. The exact amount of such overstatement / understatement has not been ascertained.

8. The unspent amount of subsidy received from the Government of India for setting up of fodder block plants at Yavatmal of ` 31.87 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 31.87 lakhs) is reflected under capital reserve. In our opinion, the same should have been reflected under current liabilities as the amount is now repayable back to the Government. As a result current liability has been understated and capital reserve has been overstated to this extent (Refer Note No. 29 (d)).
9. TDS deducted by the customers, relating to earlier years, lying in the credit of TDS claimed account as at 31<sup>st</sup> March, 2016, aggregating to ` 76.75 lacs, has not been considered while making provision for doubtful receivables since party-wise breakup of such TDS deducted is not available with the Company. This has resulted in provision for doubtful receivables being made on a higher side – amount not ascertained (Refer Note No. 13 (4)).
10. The Company does not have a process of getting balance confirmations from suppliers and reconciling the same especially with regard to major balances in respect of its Fertilizers Division. The amount of difference arising on such reconciliation when done may, in our opinion, be material (Refer Note No. 37).
11. Certain rebates of fertilizer division suppliers relating to purchases of fertilizers during the year have been accounted by the Company in the subsequent year or is yet to be accounted. Consequently, cost of materials and supplier balances have been overstated and the effect of this on these balances and on the profit for the year has not been ascertained.
12. The Company has recognized sales revenue in respect of fertilizer stocks still lying in the suppliers' godowns in the name of the Company although the stocks have not moved from the suppliers' godowns as at the year-end, either to the Company or to the customer. In our opinion, the revenue on such sales is prematurely recognized since neither the risk nor rewards of ownership nor effective control on such stocks has been transferred to the customer as at the year-end, as required by AS – 9 'Revenue Recognition'. Consequently sales revenue and trade receivables have been overstated and inventories have been understated. The amounts of the same and its effect on profit and loss have not been ascertained (Refer Note No. 41).

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in paragraphs 1 to 12 of the Basis for Qualified Opinion, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March, 2016, and its profit and its cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to:

1. Other long-term liabilities include some of the party/customer balances which are shown net of debit balances of ` 7.55 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 14.01 lakhs) against which credits are yet to be identified (Refer Note No. 3).
2. Advances received from Government of Maharashtra and Central Government for various schemes lying unutilized of ` 2116.36 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 2460.47 lakhs) are subject to confirmation / reconciliation and also audit by the Government departments (Refer Note No. 6).
3. Excess expenditure incurred against amount received under certain schemes of ` 4.62 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 4.62 lakhs) is subject to approval from respective Government Departments (Refer Note No. 6).

4. Interest earned on deposits with bank is shown net of interest paid on amount payable under various government schemes of ` 229.52 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 281.97 lakhs) (Refer Note No. 18 (a)).
5. The debit/credit balances of Sundry Debtors, Sundry Creditors, Loans and Advances, Amounts due from / payable to Governments are subject to reconciliations / confirmations (Refer Note No. 36).
6. Confirmations from dealers have not been obtained for Company's stock of fertilizers lying with them as at the year-end (Refer Note No. 12).
7. Provision for Ex-gratia to employees amounting to ` 147.47 lakhs for FY 2013-14 and ` 134.48 lakhs for FY 2014-15 is subject to approval of the State Government (Refer Note No. 7).
8. Remittance in transit includes ` 3.20 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 3.20 lakhs) which is lying in transit for the past 5 years and which is being followed up by the Company (Refer Note No. 14 (b)(iii)).

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in Annexure – I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by the directions / sub-directions issued by the Office of the Comptroller and Auditor General of India under section 143(5) of the Act, we give in Annexure – II, a statement on the matters referred to in those directions / sub-directions.
3. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches / units not visited by us.
  - d. Except for the matters described in paragraphs 2 and 11 in the Basis for Qualified Opinion relating to AS – 22 'Accounting for Taxes on Income' and AS – 9 'Revenue Recognition' respectively, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - f. The provisions of Section 164 (2) of the Companies Act, 2013 are not applicable to the Company being a Government Company.



- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure III'.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – (Refer Note No. 27 to the financial statements);
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Ford Rhodes Parks & Co. LLP  
Chartered Accountants  
Firm's Registration No. 102860W/W100089

Place : Mumbai  
Date : 30<sup>th</sup> March, 2017

CA Shrikant Prabhu  
Partner  
Membership No. 35296

## **Annexure – I to the Independent Auditor’s report**

### **Annexure to the Independent Auditor’s Report of even date on the Standalone Financial Statements of The Maharashtra Agro-Industries Development Corporation Ltd**

#### **Report on Companies (Auditor’s Report) Order, 2016, issued by the Central Government in terms of sub section (11) of section 143 of the Companies Act, 2013 (‘the Act’)**

As referred to in Paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ in our Auditors’ report of even date and as required by the Companies (Auditor’s Report) Order, 2016, issued by the Central Government in terms of sub section (11) of section 143 of the Act, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of the audit, we further report that: -

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.  
  
(b) The fixed assets of the Company have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
(c) The title deeds of immovable properties are held in the name of the Company.
2. (a) The inventory has been physically verified by the management at reasonable intervals during the year. Independent confirmations have been obtained for stock lying with third parties except for certain stock of fertilizer division.  
  
(b) In our opinion and as per the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
  
(c) In our opinion, the Company has maintained proper records of inventory and the discrepancies between the physical inventory and the book records noticed on physical verification were not material. The discrepancies noticed have been appropriately dealt with in the books of account.
3. The Company has not granted any loan or given any guarantee or provided any security to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
4. In respect of loans, investments, guarantees and security, the provisions of Section 185 and 186 of the Act have been complied by the Company.
5. The Company has not accepted any deposits from the public within the meaning of the provisions of Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder.
6. We have broadly reviewed the cost records maintained by the Company, as prescribed by the Central Government under Section 148 (1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of these records with a view to determine whether they are accurate or complete.

7. (a) According to the information and explanations given to us by the management and on the basis of examination of the books of accounts carried out by us, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues, as applicable, with the appropriate authorities. There were no undisputed arrears of statutory dues outstanding as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable,

(b) According to the information and explanations given to us by the management and the records of the Company examined by us, there were no disputed dues in respect of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31<sup>st</sup> March, 2016 except as stated below:

Sr. No	Name of Statute	Period	Amount ( in lakhs)	Forum where dispute is pending
1.	Custom Duty	F. Y. 1985-86, 1986-87 and 2001-02	4.20	Commissioner, Customs and Excise Appellate Tribunal
2.	Excise Duty	F. Y. 1991-92 and 1999-00	13.59	Hon'ble High Court Nagpur
3.	Income Tax	A. Y. 2006-07	3.51	Commissioner of Income Tax (Appeals)
4.	Income Tax	A. Y. 2007-08	4.41	Commissioner of Income Tax (Appeals)
5.	Income Tax	A. Y. 2010-11	51.31	Assessing Officer
6.	Income Tax	A. Y. 2011-12	87.40	Commissioner of Income Tax (Appeals)
7.	Income Tax	A. Y. 2012-13	37.91	Commissioner of Income Tax (Appeals)
8.	Income Tax	A. Y. 2013-14	224.72	Assessing Officer
9.	Sales Tax	F. Y. 2002-03 to 2004-05	13.86	Jt. Commissioner of Sales Tax Appeals
10.	Sales Tax	F. Y. 1990-91 to 1995-96	94.79	Maharashtra Sales Tax Tribunal

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions during the year. The Company has not issued any debentures.

9. According to the information given to us and as per the records examined by us, the Company has not made any public offer during the year and has not availed term loans from banks during the year.

10. In our opinion and according to the information and explanations given to us, one fraud amounting to ` 12.90 lakhs has been noticed and reported during the year 2005-06. An administrative action has been initiated against the concerned employee. Other than the above, no material fraud on or by the Company has been noticed or reported during the course of our audit.

11. Section 197 of the Act relating to managerial remuneration is not applicable to the Company being a Government Company.
12. Clause (xii) of the Order is not applicable to the Company since the Company is not a Nidhi Company.
13. All the transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details as required by the Accounting Standards have been disclosed in the Financial Statements.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. The Company has not entered into any non-cash transactions covered in Section 192 of the Act with Directors or persons connected with him during the year.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Ford Rhodes Parks & Co. LLP  
Chartered Accountants  
Firm's Registration No. 102860W/W100089

Place : Mumbai  
Date : 30<sup>th</sup> March, 2017

CA Shrikant Prabhu  
Partner  
Membership No. 35296

## Annexure - II to the Independent Auditor's Report

### To the Members of The Maharashtra Agro-Industries Development Corporation Ltd

As referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in our Auditors' report of even date and as required by the directions and sub-directions issued by the Office of the Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013, we give below our comments on the matters referred therein.

#### Directions u/s 143(5) of the Companies Act, 2013

1. **To report whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons thereof and the amount involved.**

The following amounts have been written off as it is not recoverable based on Management approval:

Sr. No.	Name of the Party	Amount written off ( in lakhs)	Reason
1	Scooter Advance (Various Employees)	0.55	Small Balances over 5 years
2	Education Advance (Various Employees)	0.08	
3	Long Term Loan (Various Employees)	0.02	
4	Special Advance (Various Employees)	0.12	
5	Various Parties	0.09	
6	Bhudargad Tal Sahakari Sangh Gargati	0.41	Part amount waived out for the final settlement.
7	Rajeshshree Co.	0.13	Balance no longer recoverable
8	Swati Traders	0.14	Balance no longer recoverable
9	Maharashtra Insecticides Limited	15.80	Balance no longer recoverable

2. **Whether proper records are maintained for inventories lying with third parties and assets received as gift from Government and other authorities.**

The Company has maintained proper records for inventories lying with third parties (dealers). However, confirmations from all dealers have not been obtained by the Company relating to stock of fertilizers lying with them at the year-end.

As per the information and explanation given to us, the Company has not received any assets as gift from Government and other authorities during the year.

3. **A report on age-wise analysis of pending legal/ arbitration cases, including the reasons of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.**

Based on the information and explanation given to us, a report on the age-wise analysis of pending legal/arbitration cases including the reason for pendency are attached in Statement A. The Company has in existence an effective monitoring mechanism for the expense incurred on all legal cases.

4. **If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined, including the mode and present stage of disinvestment process.**

As per the information and explanation given to us, the Company has not been selected for disinvestment.

### **Sub-directions u/s 143(5) of the Companies Act, 2013**

- 1. Whether profit/loss mentioned in Audit Report is as per Profit & Loss Accounts of the Company?**

Except for the qualification in the Independent Audit report which is not ascertainable.

- 2. Report the cases of diversion of grants / subsidies received from Central / State Government or their agencies for performing certain activities.**

During the course of our audit we haven't come across any of the cases of diversion of grant subsidies received from Central / State Government or their agencies for performing certain activities.

- 3. Cases of wrong accounting of interest earned on account of non - utilization of amounts received for certain projects / schemes may be reported.**

During the course of our audit we haven't come across any of the cases of wrong accounting of interest earned on account of non - utilization of amounts received for certain projects / schemes.

The Company has the practice of estimating the interest earned on the Fixed Deposits placed in Banks out of the unutilized portion of the subsidies received and the same is reversed from the interest income and shown as payable to Government in respect of unutilized amount on schemes which are not live and where government correspondence to pay interest is there. During the year an amount of ` 229.52 lakhs has been debited to Interest Income on Investment (Deposits with Banks) A/c being interest on unutilized amount received from Govt. under various schemes.

- 4. Examine pricing policy framed by the Company to ensure that all cost components are covered.**

As informed to us the pricing policies of the Company for its various categories of sales division wise are as follow:-

#### Fertilizer Division:

Fertilizer Sales usually take place during kharif and rabbi season. Selling rates are decided by the division on approval of the management. If the price of raw material (Urea, DAP, MOP, etc.) used in manufacturing of the finished goods are subsequently changed by the government authorities, the rates are revised on approval by the management. Selling rates are arrived after considering all the cost components as per the cost sheet prepared. In case of trading the products are sold at cost plus margin.

#### Pesticide Division:

Sales usually take place during kharif and rabbi season. Selling rate is decided by the divisional head and the same gets approved by the management. If the price of raw material (Technical Pesticide and bulk pesticides, etc.) used in manufacturing of the finished goods is subsequently changed by the government authorities, the rate gets revised and approved by the management. Selling rate is arrived after considering all the cost components as per the cost sheet prepared by the divisional head. In case of trading, the products are sold at cost plus margin.

Engineering Division:

Selling rate of agro engineering products are finalised by state level price fixation committee of State Government. Accordingly purchase prices are reworked by division after subtracting the margin of the Company and after approval of management.

Animal Feed Division:

Selling rate of animal feed products are prepared by the division and are approved by the management. Selling rates are arrived after considering the cost components as per the cost sheet prepared by the division. In case of trading, the products are sold at cost plus margin.

NOGA Division:

Selling rate of NOGA products is decided by the divisional head and the same gets approved by the management. Selling rate is arrived after considering all the cost components as per the cost sheet prepared by the divisional head. In case of trading, the products are sold at cost plus margin.

For Ford Rhodes Parks & Co. LLP  
Chartered Accountants  
Firm's Registration No. 102860W/W100089

Place : Mumbai  
Date : 30<sup>th</sup> March, 2017

CA Shrikant Prabhu  
Partner  
Membership No. 35296

**Statement A to Annexure II**

**Details of Pending Legal / Arbitration Cases**

**Status of legal cases filed by the Company as on 31<sup>st</sup> March, 2016**

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
<b>A) CIVIL SUIT</b>				
1	SHETKARI SK PARBHANI RO - Nanded Suit No. RJE 275/2011	07.49 + Interest 3.20	Nanded Court	Next Hearing is on 20/04/2016.
2	GANJEWAR KSK NAIGAON RO – Nanded Suit No. 86/2006	11.18 + Interest 7.58	Nanded Court	Next Hearing is on 22/06/2016.
3	VASUNDHARA S & P NANDED RO – Nanded Suit No. 201/2006	15.54 + Interest 8.35	Nanded Court	Next Hearing is on 07/06/2016.
4	BALAJI AGRO AGENCY, UMRI RO – Nanded Suit No. 236/2006	66.00 + Interest 26.22	Nanded Court	Next Hearing is on 09/06/2016.
5	VASUNDHARA S & F PARBHANI RO – Nanded Suit No. 48/2008	11.71 + Interest 16.11	Nanded Court	Next Hearing is on 20/04/2016.
6	J K SEEDS & PEST PARBHANI RO – Nanded Suit No. 49/2008	12.03 + Interest 9.67	Nanded Court	Next Hearing is on 13/06/2016.
7	RASHMI TRADERS PARBHANI RO – Nanded Suit No. 261/2012	01.66 + Interest 2.49	Nanded Court	Next Hearing is on 19/10/2016.
8	VENKATESH K K PARBHANI RO – Nanded Suit No. 47/2011	29.40 + Interest 59.96	Parbhani Court	Next Hearing is on 20/04/2016.
9	VENKATESH K K PARBHANI RO – Nanded Suit No. 314/2011	--	Parbhani Court	Contempt petition filed by MAIDC against Venkatesh. Next Hearing is on 18/07/2016.
10	RAHATKAR TR. CO. LOHA (CASE FILED BY RAHATKAR AGAINST MAIDC) RO – Nanded Suit No. RJE 63/2012	--	Nanded Court	Next Hearing is on 09/06/2016.
11	SHETKARI S K BASMAT RO – Nanded Suit No. 63/2013	--	Nanded Court	Next Hearing is on 18/08/2016.
12	JAIKISAN ASC HATTA RO – Nanded Suit No. 140/2012	--	Nanded Court	Next Hearing is on 06/04/2016.



Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
13	MAIDC V/S BAPURAO RO – Nanded Suit No. 139/2015	--	Parbhani Court	Next Hearing is on 20/04/2016.
14	M/s Kailash Traders Tal. Amarnar RO – Jalgaon Suit No. 42/2006	3.14 + Interest 1.98	Jalgaon Court	Decision is in the favour of the Corporation. Recovery is in Process. But party has filed appeal in district court
15	M/s Shankar and Sons Tal. Bhadgaon RO – Jalgaon Suit No. 101/2006	3.56 + Interest 2.66	Jalgaon Court	Decision is in the favour of the Corporation. Recovery is in Process.
16	M/s Raju Traders, Dhule RO – Jalgaon Suit No. 35/2007	42.65 + Interest 29.29	Jalgaon Court	Decision is in the favour of the Corporation. The Company has recovered ` 4.78 lakhs.
17	M/s Trupti Krushi Seva Kendra Tal. Dharangaon RO – Jalgaon Suit No. 54/2007	0.90 + Interest 0.85	Jalgaon Court	Decision is in the favour of the Corporation. Principal amount ` 0.90 lakhs has been recovered.
18	M/s Mahesh Fertilizers Tal. Amarnar RO – Jalgaon Suit No. 183/ 2008	4.50 + Interest 10.96	Jalgaon Court	Decision is in the favour of the Corporation. We have recovered ` 2.09 lakhs.
19	M/s Govind Krushi Vikas Kendra, Umardhed RO – Amravati Suit no. 132/2007	77.94 + Interest 59.98	Amravati District Court	` 56.25 lakh has been recovered The remaining amount will be paid in equal installment of ` 8.75 lakh within 2 years.
20	Girbane Krushi Seva Kendra, Aurad RO – Osmanabad Suit No. 109/2012	3.67 + Interest 3.49	Osmanabad Court	Next Hearing is on 27/04/2016.
21	Siddeshwar Krushi Kendra, Karkamb RO – Osmanabad Suit No. 117/2013	4.41 + Interest 4.95	Osmanabad Court	Next Hearing is on 09/06/2016.
22	New Kisan Traders, Kondi RO – Osmanabad Suit No. 128/2015	1.08 + Interest 2.02	Osmanabad Court	The Corporation is in appeal. Next Hearing is on 26/04/2016.
23	Pragati KSK, Patur RO – Akola Suit No. 87/2005	28.81 + Interest 18.05	Akola District Court	The matter is pending in the respective Court. Next Hearing is on 25/04/2016.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
24	Tasgaon Tal Kharadi Sangh, Tasagaon Dist. Sangli RO – Kolhapur Suit No. 147/90 & 76/12	0.91+ Interest 0.65	CSJD	The said Sangh have already gone in liquidation. Outstanding dues written by H.O. However, legal case is in progress. Hence, we are trying to recover the dues amount by way of legal proceedings. In this case bank has filed writ petition in High Court. Next hearing is on 25/04/2016.
25	Kolhapur Zilla Bijo Sah. Sangh RO – Kolhapur Suit No. 131/2008	10.35 + Interest 7.83	CSJD	Legal proceedings are in progress. Next hearing is on 20/04/2016.
26	Dattatraya Agro Kendra Gangapur RO – Kolhapur Suit No. 243/2005 & 1041/2012	1.64 + Interest 0.88	CSJD	Legal proceedings are in progress. Next hearing is on 28/04/2016.
27	Dattatraya Pesticides Gulbarga RO – Kolhapur Suit No. 242/2006	10.67 + Interest 5.73	CSJD	Legal proceedings are in progress. Next hearing is on 06/06/2016.
28	Maan Taluka Sahkari Kharedi Vikri Sangh RO Pune Suit No. 112/2008	1.64 + Interest 0.25	Pune Court	Decree obtained but still not executed.
29	Jawali Taluka Sahkari Kharedi Vikri Sangh RO Pune Suit No. 14/2010	1.51 + Interest 0.83	Pune Court	The matter is pending for evidence.
<b>B) CRIMINAL SUIT</b>				
1	KALPANA V/S STATE RO - Nanded Suit No. MCA 414/2014	--	Nanded Court	FIR registered vides crime 75/14. Charge sheet not filed by Shivaji Nagar Police Station, Nanded till date. Charge sheet not yet filed in Court. Trial of the case will be started after filing of the charge sheet by Police.
2	PRABHAKAR V/S STATE RO - Nanded Suit No. MCA 425/2014	--	Nanded Court	FIR registered vides crime 75/14. Charge sheet not filed by Shivaji Nagar Police Station, Nanded till date. Charge sheet not yet filed in Court. Trial of the case will be started after filing of the charge sheet by Police.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
3	SHARAD V/S STATE RO - Nanded Suit No. MCA 451/2014	--	Nanded Court	FIR registered vides crime 75/14. Charge sheet not filed by Shivaji Nagar Police Station, Nanded till date. Charge sheet not yet filed in Court. Trial of the case will be started after filing of the charge sheet by Police.
4	STATE V/S R.M. & OTHER RO – Nanded Suit No. RCC 5/14	--	Nanded Court	Bio-Pest Sample failure case against Regional Manager, MAIDC. Next Hearing is on 05/01/2017.
5	P.A. DONGARE V/S MAIDC RO – Nanded Suit No. 9099/14	--	HIGH COURT AURANGA BAD	Writ petition filed by Dongare challenging departmental enquiry. Next Hearing is on 11/04/2016.
6	B.R.EKLARE V/S MAIDC RO Nanded Suit No. 97/2006	--	HIGH COURT AURANGA BAD	2nd appeal against Corporation filed by party for recovery of amount. Case not came on board.
7	MAIDC V/S VENKATESH RO Nanded Suit No. 4914/2014	--	HIGH COURT AURANGA BAD	Writ petition filed by MAIDC against party against lower court order. Case not came on board.
8	INGALE V/S MAIDC RO Nanded Suit No. 8834/2014	--	HIGH COURT AURANGA BAD	Case filed by party not to arrest as per order of Dist. Court (for recovery of decreed amount). Case not came on board.
9	IND.COURT DHAGE V/S MAIDC RO Nanded Suit No. 85/13	--	INDUSTRIAL COURT JALNA	Complaint filed by Ex-employee Mr. Dhage for promotional benefit. Next Hearing is on 21/04/2016.
10	S L KAWTIKWAR V/S MAIDC RO Nanded Suit No. ULP 32/14	--	LABOUR COURT NANDED	Complaint filed by Ex-employee Mr. Kawtikwar challenging dismissal order. Next Hearing is on 29/04/2016.
11	ANAND K A NANDED RO Nanded Suit No. 3708/03	12.50	NANDED COURT	Pending for evidence with Nanded Court. Next Hearing is on 2/04/2016.
12	HEMANI K S K CHINCHKHED RO Nanded Suit No. 4623/04	3.58	NANDED COURT	Pending for summons.

<b>Sr. No.</b>	<b>Reference / Year</b>	<b>Estimated Original Claim Amount ( in lakhs)</b>	<b>Judicial Authority</b>	<b>Present Status</b>
13	RAHATKAR TR. CO. LOHA RO Nanded Suit No. 850/04	41.81	NANDED COURT	The matter is pending for cross examination. Next Hearing 28/04/2016.
14	GANJEWAR K S K NAIGAON RO Nanded Suit No. 501/04	11.27	NANDED COURT	Pending for evidence with Nanded Court. Next Hearing 06/05/2016
15	BALAJI AGRO AGENCY, UMARI RO Nanded Suit No. 2784/04, 20/2015	65.87	NANDED COURT	Pending for evidence with Nanded Court Next Hearing 02/04/2016
16	VASUNDHARA S & F PARBHANI RO Nanded Suit No. 1752/14	5.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
17	VASUNDHARA S & F PARBHANI RO Nanded Suit No. 3203/04	4.00	NANDED COURT	Pending for evidence with Nanded Court. Next Hearing 29/04/2016.
18	SHETKARI S K BASMAT RO Nanded Suit No. 2785/04	18.77	NANDED COURT	Pending for Court Order.
19	SAIKRUPA K V K NANDED RO Nanded Suit No. 1830/06	13.66	NANDED COURT	Pending for Cross examination of defend. Next Hearing 25/05/2016.
20	J K SEEDS & PEST PARBHANI RO Nanded Suit No. 1831/06	12.03	NANDED COURT	Pending for evidence with Nanded Court.
21	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 320/2014	22.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
22	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 321/2014	22.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
23	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 322/2014	24.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
24	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 27/2014	10.40	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
25	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 60/2014	1.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
26	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 61/2014	20.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
27	BALAJI K S K KAWTHA RO Nanded Suit No. 777/2014	0.50	NANDED COURT	Summons to be served. Next Hearing 25/05/2016.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
28	STATE V/S REGIONAL MANAGER RO Nanded Suit No. RCC 5/2014	--	NANDED COURT	Sample Failure of Azerdirectne 10000 PPM against Shri Dudhalkar RM Nanded & Prakash Agro Industry. Appeared on 21/04/2016.
29	M/s Raju Traders , Dhule RO Jalgaon Suit No. 5497/2005, 5496/2005, 5498/2005, 288/2006, 289/2006, 290/2006, 1336/2006, 1318/2006, 2044/2006, 2943/2006, 2171/2006, 2278/2006, 1660/2006, 743/2006, 1328/2006, 2136/2006, 2276/2006, 530/2008	29.00	High Court, Aurangabad	The matter is pending with High Court. Next Hearing 23/06/2016.
30	Ulhas KSK RO Jalgaon Suit No. 1143/2003	0.76	High Court, Aurangabad	The matter is pending with High Court
31	M/s Narayan KSK, Naregaon RO Aurangabad Suit No. 3185/2005	2.67	High Court, Aurangabad	The Corporation has filed appeal in High Court.
32	M/s Kakde KSK, Dharur RO Aurangabad Suit No. 611/1995, 683/2002	9.41	High Court, Aurangabad	The Corporation has filed appeal in High Court. Next Hearing 30/04/2016.
33	Shri S.R Bhambre KSK RO Nashik Suit No. 7/2007	1.89	Nashik Court	The decision of the court is against the Corporation.
34	Rajendra KSK RO Nashik Suit No. 5569/2005	1.81	Nashik Court	Pending with the respective Court.
35	Gajanan KSK RO Nashik Suit No. 2677/2007	3.25	Ahmednagar Court	Pending with the respective Court. Next hearing 7/1/2017.
36	M/s Govind Krushi Vikas Kendra, Umardhed RO – Amravati Suit no. 1013/2005, 1536/2005, 1686/2005	--	Amravati District Court	` 30.00 lakhs has been recovered on 25/05/2015. The remaining amount will be paid in equal installment of ` 8.75 lakh within 2 years 26/04/2016.
37	Ganesh Agro Agency, Latur RO – Osmanabad Suit no. 964/2005	6.95	Osmanabad Court	The matter is pending in Court.

<b>Sr. No.</b>	<b>Reference / Year</b>	<b>Estimated Original Claim Amount ( in lakhs)</b>	<b>Judicial Authority</b>	<b>Present Status</b>
38	Praveen KSK RO – Osmanabad Suit no. 1582/2005	1.5	Osmanabad Court	The matter is pending in Court.
39	Sheti Udhog Agency RO – Osmanabad Suit no. 424/2007	3.41	Osmanabad Court	The matter is pending in Court.
40	Umesh KSK RO – Osmanabad Suit no. 311/2011	4.02	Osmanabad Court	The matter is pending in Court.
41	Shubda Auto Agro sales RO – Osmanabad Suit no. 1359/2011	0.95	Osmanabad Court	The matter is pending in Court.
42	Vijay Vasant Jadhav RO – Osmanabad Suit no. 20/2008	10.55	Osmanabad Court	The matter is pending in Court. Next Hearing 27/04/2016.
43	Pragati KSK Patur RO – Akola Suit No. 24172/3,24173/3, 26185/3,2642/4, 2643/4 – DOA 19/07/2005	57.63 + Interest 18.05	Akola District Court	The matter is Pending in the respective Court. Next Hearing 16/05/2016.
44	Sahaydri KK RO – Akola Suit No. 5101/2007	27.34 + Interest 21.34	Buldhana Court	The order is in favor of the Corporation. Recovery is in process.
45	Saikrupar Agro services centre RO – Chandrapur Suit No. 23/2006	7.15	Chandrapur Court	The matter is pending in Court.
46	Shri C.S.Mungate RO – Chandrapur Suit No. 3418/2006	1.51	Chandrapur Court	From the claim amount ` 1.42 lakhs have been received. For the balance amount matter is pending in Court.
47	Rajshri Trading Company Shirala RO Kolhapur Suit No. 33/2015 & 299/2000	0.62	J.M.F.C Shirala	As per the judgment of Hon'ble Supreme Court we have filed new criminal case at Shirala Court. Next Hearing 07/04/2016.
48	Swati Traders Kodoli RO Kolhapur Suit No. 33/2015 & 1733/2009	0.41	J.M.F.C Panhala	As per the judgment of Hon'ble Supreme Court we have filed new criminal case at Panahala Court. Next Hearing 05/04/2016.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
49	Dattatraya Agro Kendra Gangapur Karnataka State RO Kolhapur Suit No. 111/2015 & 5928/2005	As per Civil Case	J.M.F.C Afzalpur	As per the judgment of Hon'ble Supreme Court we have filed new criminal case at Afzalpur Court. Legal proceedings are in progress. Next Hearing 13/05/2016.
50	Dattatraya Pesticides Gulburga RO – Kolhapur Suit No. 242/2006	As per Civil Case	J.M.F.C Kolhapur	Legal proceedings are in progress. Next Hearing 16/05/2016.
51	Haveli Taluka Sahkari Kharedi Vikri Sangh RO Pune Suit No. 11/2011	--	Pune Court	The matter is pending in the respective court.

**C) DECREE SUIT**

1	JAIKISAN ASC HATTA RO Nanded Suit No. 2/01, 5/14 - 197/15	3.78 + Interest 3.12	PARBHANI COURT	Party is in appeal.
2	JANTA KSK MANDVI RO Nanded Suit No. 13/14	2.64 + Interest 6.58	NANDED COURT	Next Hearing is on 16/01/2016.
3	INGALE KSK NIWGHAR RO Nanded Suit No. 82/07	1.75 + Interest 1.64	PARBHANI COURT	Next Hearing is on 20/04/2016.
4	JAIKISAN ASC HATTA RO Nanded Suit No.'1/09	2.49 + Interest 3.93	BASMAT COURT	Next Hearing is on 20/04/2016
5	HEMANI KSK CHINCHKHED RO Nanded Suit No. 36/2010	3.58 + Interest 7.45	NANDED COURT	Next Hearing is on 05/07/2016.
6	RAHTKAR TRADING CO.LOHA RO Nanded Suit No. 61/2011	41.75 + Interest 85.19	NANDED COURT	Next Hearing is on 01/10/2016.
7	SHETKARI S K BASMAT RO Nanded Suit No. 7/12, 03/14	0 + Interest 14.77	NANDED COURT	Party is in appeal.
8	ANAND K A NANDED RO Nanded Suit No. '5/2013	12.01 + Interest 24.12	NANDED COURT	Next Hearing is on 11/07/2016.
9	M/s Gajanan KSK RO Aurangabad Suit No. 102/99-2007	1.53 + Interest 1.62	Aurangabad Court	Recovery is in Process.
10	M/s Balaji RO Aurangabad Suit No. 266/95-2007	3.63 + Interest 5.15	Aurangabad Court	Recovery is in Process.
11	M/s Kakde RO Aurangabad Suit No. 123/96-2001	9.69 + Interest 2.29	Aurangabad Court	Recovery is in Process.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
12	M/s Ashirwad RO Aurangabad Suit No. 01200/2006	9.81 + Interest 4.65	Aurangabad Court	Recovery is in Process.
13	M/s Dogargaon RO Aurangabad Suit No. 45/06-2010	1.30 + Interest 0.77	Aurangabad Court	Party is in appeal.
14	M/s Dhule J.K.O Sah RO Jalgaon Suit No. 440/81	1.17 + Interest 0.35	Jalgaon Court	Decree obtained but the same is pending for execution.
15	M/s P.M.Mahajan RO Jalgaon Suit No. 194/99	3.02 + Interest 2.01	Jalgaon Court	Decree obtained but the same is pending for execution.
16	Malpur V.K.S RO Jalgaon Suit No. RO Jalgaon Suit No. 91/99	1.60 + Interest 1.44	Jalgaon Court	Decree obtained but the same is pending for execution.
17	Rajshri Farms and Feeds, Dhule RO Jalgaon Suit No. 217/99	5.20 + Interest 2.76	Jalgaon Court	Decree obtained but the same is Next Hearing is on 23/06/2016.
18	Gajanan Magaswargiya RO Jalgaon Suit No. 211/99	3.04 + Interest 1.79	Jalgaon Court	Decree obtained but the same is pending for execution.
19	Pravra Dudh Utpadak RO Nashik Suit No. 67/06	10.25 + Interest 4.86	Nashik Court	Decree obtained but the same is pending for execution.
20	Satyajeet Agro Services Karjat RO Nashik Suit No. 199/08	1.95 + Interest 1.97	Nashik Court	Decree obtained but the same is pending for execution. Next Hearing is on 08/12/2016.
21	Akole RO Nashik Suit No. 133/2010	15.95 + Interest 14.02	Nashik Court	12.89 lakhs has been recovered. Next hearing 20/01/2017.
22	Zunzar Asc RO Chandrapur Suit No. 107/98/2001	15.02 + Interest 1.47	Chandrapur Court	Decree obtained but the same is pending for execution.
23	Chanda RO Chandrapur Suit No. 235/04	2.61 + Interest 0.45	Chandrapur Court	Decree obtained but the same is pending for execution.
24	Mandeli Vkss Ltd RO Chandrapur Suit No. 49/2005	5.13 + Interest 2.98	Chandrapur Court	Decree obtained but the same is pending for execution.
25	Saikrupa Agro Services Centre RO Chandrapur Suit No. 23/2006	7.15 + Interest 3.70	Chandrapur Court	Decree obtained but the same is pending for execution.
26	Jaikisan Society, Rajura RO Chandrapur Suit No. 20/2006	6.30 + Interest 3.54	Chandrapur Court	Decree obtained but the same is pending for execution.



<b>Sr. No.</b>	<b>Reference / Year</b>	<b>Estimated Original Claim Amount ( in lakhs)</b>	<b>Judicial Authority</b>	<b>Present Status</b>
27	Ambika Krushi Kendra RO Chandrapur Suit No. 49/2008	7.66 + Interest 6.66	Chandrapur Court	Decree obtained but the same is pending for execution.
28	Ram Agro Service Centre RO Nagpur Suit No. 210/2009	6.20 + Interest 1.17	Nagpur Court	Decree obtained but the same is pending for execution.
29	Shri Krushi Kendra RO Nagpur Suit No. 1359/96	2.30 + Interest 5.76	Nagpur Court	Decree obtained but the same is pending for execution.
30	M/s Pragat Agro Services Centre RO Nagpur Suit No. 213/2004	1.87 + Interest 1.31	Nagpur Court	Decree obtained but the same is pending for execution.
31	M/s ram ganesh Gadkari RO Nagpur Suit No. 205/2003	5.45 + Interest 0	Nagpur Court	Decree obtained but the same is pending for execution.
32	M/s Durgamata Agro Services Centre RO Nagpur Suit No. 605/2004	0.55 + Interest 0.47	Nagpur Court	Decree obtained but the same is pending for execution.
33	M/s Lakhandur SSKV RO Nagpur Suit No. 300/96	0.77 + Interest 0.63	Nagpur Court	Decree obtained but the same is pending for execution.
34	M/s Chetan KSK RO Nagpur Suit No. 174/2004	0.67 + Interest 0.90	Nagpur Court	Decree obtained but the same is pending for execution.
35	Azad KSK RO Osmanabad Suit No. 128/2013	3.70 + Interest 0.78	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 05/04/2016.
36	Taluka Sah Kharedi Vikri Sangh RO Osmanabad Suit No. 46/2005	0.68 + Interest 0.53	Osmanabad Court	Decree obtained but the same is pending for execution.
37	Ramesh Dealers RO Osmanabad Suit No. 70/98	0.89	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 11/04/2016.
38	Rahul Krushi Seva Kendra RO Osmanabad Suit No. 200142/2010	0.99 + Interest 2.30	Osmanabad Court	Decree obtained but the same is pending for execution.
39	Swami Machinery Stores RO Osmanabad Suit No. 200172/2010	5.75 + Interest 4.57	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 22/04/2016.
40	Pandharpur Stores RO Osmanabad Suit No. 200181/2010	2.08 + Interest 1.55	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 23/03/2016.
41	Vijaykumar Swami & Brothers Stores RO Osmanabad Suit No. 200185/2010	0 + Interest 2.03	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 04/04/2016.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
42	Sangmeshwar Traders Stores RO Osmanabad Suit No. 200173/2010	1.57 + Interest 1.11	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 30/04/2016.
43	Terna KSK RO Osmanabad Suit No. 34/2011	2.46 + Interest 4.66	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 05/04/2016.
44	The Solapur TSKV RO Osmanabad Suit No. 21/2010	1.44 + Interest 0.92	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 26/04/2016.
45	Vasundra Agro Traders, Latur RO Osmanabad Suit No. 27/2010	4.56 + Interest 1.39	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 27/04/2016.
46	Jaikisan KSK RO Osmanabad Suit No. 302/2011 & 20/2012	1.30 + Interest 1.63	Osmanabad Court	Decree obtained but the same is pending for execution.
47	Patil KSK RO Osmanabad Suit No. 181/2011	8.43 + Interest 5.43	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 13/04/2016.
48	M.P.Trading RO Akola Suit No. 133/2004	3.23 + Interest 1.72	Akola Court	Decree obtained but the same is pending for execution.
49	Sahaydri RO Akola Suit No. 34/2007	27.34 + Interest 21.34	Akola Court	Decree obtained but the same is pending for execution.
50	Deep Fertilizers Raipur RO Akola Suit No. 146/2007	6.65 + Interest 3.38	Akola Court	Decree obtained but the same is pending for execution.
51	Vishal RO Akola Suit No. 51/2003	21.55 + Interest 9.66	Akola Court	Decree obtained but the same is pending for execution.
52	M/s Shirol Taluka Sah Sangh Suit No. 82/2004 & 282/2012	1.16 + Interest 0.63	C.S.J.D.	The said Sangh have already gone into liquidation. However legal case is in progress. Hence we are trying to recover the dues amount by way of legal proceeding. Next Hearing is on 10/06/2016.
53	M/s Atpadi Sangh sangli Suit No. 20/2004 & 166/2012	1.06 + Interest 0.54	C.S.J.D. Sangli	The said Sangh have already gone into liquidation. However legal case is in progress. Hence we are trying to recover the dues amount by way of legal proceeding. Next Hearing is on 13/06/2016.

**Status of legal cases filed against the Company as on 31<sup>st</sup> March, 2016**

<b>Sr. No.</b>	<b>Reference / Year</b>	<b>Estimated Original Claim Amount ( in lakhs)</b>	<b>Judicial Authority</b>	<b>Present Status</b>
1	M/s B.R.Deshmukh Prop – Jaikishan K.S.K Dist – Prabhadevi Suit No. – 102/2003	20.00	District Court	Court decision awaited
2	B. R. Eklave Purna Year: 1996	1.60	District Court	Court decision awaited
3	B.E.S.T v/s M.A.I.D.C Suit No. – 3330/02	6.37	District Court	Court decision awaited
4	Golden Transport Jalgaon v/s M.A.I.D.C Suit No. RCS No.- WP3312/2015	21.24	High Court, Aurangabad	Court decision awaited
5	MAIDC V/S Karveer kamgar Sangh Suit No. WP 8434/2013	13.20	High Court Mumbai	Court decision awaited

## **Annexure - III to the Independent Auditor's Report**

### **Annexure to the Independent Auditor's Report of even date on the Standalone Financial Statements of The Maharashtra Agro-Industries Development Corporation Ltd**

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

We have audited the internal financial controls over financial reporting of The Maharashtra Agro-Industries Development Corporation Ltd ("the Company") as of 31<sup>st</sup> March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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

## **Meaning of Internal Financial Controls Over Financial Reporting**

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

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **A. Qualified Opinion on adequacy (and therefore operating effectiveness) of Internal Financial Controls Over Financial Reporting.**

#### **Qualified opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the adequacy of the Company's internal financial controls over financial reporting as at 31<sup>st</sup> March, 2016:

1. The Company does not have an appropriate internal control system for accruing the rebates / discounts on purchases of fertilizers in the appropriate period. The present system results in the rebates / discounts being accounted only at the time of making payment to the supplier. This results in rebates / discounts being accounted in periods subsequent to the period of actual purchases leading to overstatement of purchases and supplier liabilities.
2. The Company does not have an appropriate internal control system for verifying whether the material booked as purchases based on purchase invoice, is actually received by the Company. This could potentially result in excess booking of purchases and supplier liabilities

## **B. Qualified Opinion on operating effectiveness of Internal Financial Controls Over Financial Reporting and unmodified opinion on adequacy of such controls**

### **Qualified opinion**

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at 31<sup>st</sup> March, 2016:

1. The Company's internal financial controls over extracting age-wise listing of its trade receivables from the system as at the year-end were not operating effectively which could potentially result in the Company not effectively following up with its overdue debtors and also resulting in short/excess provisioning of the trade receivables in its books of the Company.
2. The Company's internal financial controls over adjusting subsidies received from the Government against outstanding trade receivables of the engineering division were not operating effectively which could potentially result in overstatement of trade receivables and subsidy liabilities and incorrect provisioning of doubtful trade receivables.
3. The Company's internal financial controls over obtaining confirmations of supplier balances and reconciling the same were not operating effectively which could potentially result in the Company overstating or understating the supplier balances and also delay in the identification and quantification of the differences, if any, which need to be adjusted in the books.
4. The Company's internal financial controls over matching the suppliers outstanding balance maintained in the manual register of the fertilizer division with balances shown in the system were not operating effectively which could potentially result in the Company overstating or understating supplier balances and delay in reconciling and adjusting any differences arising from such reconciliation.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described in paragraph A above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and, except for the effects/ possible effects of the material weaknesses described in paragraph B above, such internal financial controls over financial reporting were operating effectively as of 31<sup>st</sup> March, 2016, based on the internal control over financial reporting

criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March, 2016 standalone financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone financial statements of the Company.

For Ford Rhodes Parks & Co. LLP  
Chartered Accountants  
Firm's Registration No. 102860W/W100089

Place : Mumbai  
Date :30<sup>th</sup> March, 2017

CA Shrikant Prabhu  
Partner  
Membership No. 35296

**COMMENTS OF THE COMPTROLLER AND AUDITR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS (STANDALONE) OF MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LIMITED, MUMBAI FOR THE YEAR ENDED 31 MARCH 2016**

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The preparation of Financial Statements of **Maharashtra Agro Industries Development Corporation Limited, Mumbai** for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Companies Act, 2013 are responsible for expressing opinion on these Financial Statements under Section 143 of the Companies Act, 2013 based on independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. ***This is stated to have been done by them vide their Audit Report dated 30 March 2017.***

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary Audit under Section 143(6) (a) of the Act, of Financial Statements (Standalone) of **Maharashtra Agro Industries Development Corporation Limited, Mumbai** for the year ended 31 March 2016. This Supplementary Audit has been carried out independently without access to working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's Report.

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

**(D. K. Sekar)  
ACCOUNTANT GENERAL  
(AUDIT)-III**

**Place : Mumbai  
Date : 19.05.2017**



**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**BALANCE SHEET AS AT 31st MARCH, 2016**

( ` in lakhs)

	Notes	AS AT 31.03.2016	AS AT 31.03.2015
<b>I EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUNDS :</b>			
(a) Share Capital	1	550.00	550.00
(b) Reserves and Surplus	2	17659.12	16561.56
		18209.12	17111.56
<b>NON-CURRENT LIABILITIES :</b>			
(a) Other Long-term Liabilities	3	2888.49	2716.41
(b) Long-term Provisions	4	1086.70	1377.28
		3975.19	4093.69
<b>CURRENT LIABILITIES :</b>			
(a) Trade Payables	5	48702.20	38353.71
(b) Other Current Liabilities	6	16778.28	17338.92
(c) Short-term Provisions	7	3527.72	6108.63
		69008.20	61801.26
<b>TOTAL</b>		<b>91192.51</b>	<b>83006.51</b>
<b>II ASSETS</b>			
<b>NON-CURRENT ASSETS :</b>			
(a) Fixed Assets	8		
(i) Tangible Assets		2132.27	2218.27
(ii) Intangible Assets		0.67	0.93
(iii) Capital Work-in-Progress		1.51	0.62
		2134.45	2219.82
(b) Non-Current Investment	9	616.31	615.41
(c) Long-term Loans and Advances	10	5577.47	6138.62
(d) Other Non-Current Assets	11	-	-
		6193.78	6754.03

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.  
BALANCE SHEET AS AT 31st MARCH, 2016**

( ` in lakhs)

PARTICULARS	Notes	AS AT 31.03.2016	AS AT 31.03.2015
<b>CURRENT ASSETS :</b>			
(a) Inventories	12	19078.08	26397.19
(b) Trade Receivables	13	30328.54	18331.66
(c) Cash and Bank Balance	14	32095.88	27618.91
(d) Short-term Loans and Advances	15	100.48	187.93
(e) Other Current Assets	16	1261.30	1496.97
Statement of Significant Accounting Policies	26		
Notes to the Financial Statements	27-42		
		82864.28	74032.66
<b>TOTAL</b>		<b>91192.51</b>	<b>83006.51</b>

**Pandurang Fundkar**  
Chairman

As per our report of even date attached  
**For Ford Rhodes Parks and Co. LLP**  
Chartered Accountants  
Firm Registration No. 102860WW/100089

**Dr. Ashok Karanjkar**  
Managing Director

**CA Shrikant Prabhu**  
Partner  
Membership No. 35296  
Mumbai  
Date :30<sup>th</sup> March, 2017

**Vasant Sakpal**  
Dy.General Manager (F&A)

Mumbai  
Date : 30<sup>th</sup> March, 2017

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016**

( ` in lakhs)

	Notes	Year ended 31st March, 2016	Year ended 31st March, 2015
Revenue from Operations	17	116512.10	142092.76
Other Income	18	2525.23	3061.75
<b>Total Revenue</b>		<b>119037.33</b>	<b>145154.51</b>
<b>Expenses</b>			
(a) Cost of Material Consumed	19	19901.94	23225.41
(b) Purchases of Stock-in-Trade	20	82054.12	107079.52
(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	6839.33	200.82
(d) Employee Benefits Expenses	22	4126.32	4289.97
(e) Finance Costs	23	115.43	116.19
(f) Depreciation and Amortisation	8	197.92	214.41
(g) Other Expenses	24	4043.52	4054.99
<b>Total Expenses</b>		<b>117278.58</b>	<b>139181.31</b>
<b>Profit before Prior Period Items and Tax</b>		<b>1758.75</b>	<b>5973.20</b>
Prior Period Items - Debit/(Credit) - (Net)	25	(252.73)	304.62
<b>Profit before Tax</b>		<b>2011.48</b>	<b>5668.58</b>
<b>Tax Expense:</b>			
(a) Current Tax		750.00	2200.00
(b) Prior Years Tax Adjustment Debit/(Credit)		120.64	207.90
		870.64	2407.90
<b>Profit for the Year</b>		<b>1140.84</b>	<b>3260.68</b>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016**

(` in lakhs)

PARTICULARS	Notes	Year ended 31st March, 2016	Year ended 31st March, 2015
<b>Earnings per Equity Share:</b>			
Basic and Diluted Earning per Share	40	<b>207.43</b>	<b>592.85</b>
Statement of Significant Accounting Policies	26		
Notes to the Financial Statements	27-42		

**Pandurang Fundkar**  
Chairman

As per our report of even date attached  
**For Ford Rhodes Parks and Co. LLP**  
Chartered Accountants  
Firm Registration No. 102860W/W100089

**Dr. Ashok Karanjkar**  
Managing Director

**CA Shrikant Prabhu**  
Partner  
Membership No. 35296

**Vasant Sakpal**  
Dy.General Manager (F&A)

**Mumbai**  
Date : 30<sup>th</sup> March, 2017

**Mumbai**  
Date : 30<sup>th</sup> March, 2017

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.

( ` in lakhs)

Cash Flow Statement for the year ended 31st March, 2016		2015-16	2014-15
<b>A.</b>	<b>Cash Flow from Operating Activities:</b>		
	Net Profit/(loss) before tax	2011.48	5668.58
	<i>Adjustment for:</i>		
	Depreciation / Amortisation	197.92	214.41
	Lease Charges	0.52	0.45
	Prior Period Depreciation / Amortisation	1.07	0.30
	Interest Expenses	115.43	116.19
	(Profit)/Loss on sale of Fixed Assets	(1.69)	4.69
	Provision for Wealth Tax	-	2.87
	Provision for Doubtful Debts and Advances	143.04	72.56
	Provision for Stock Obsolescence	-	15.67
	Priod period grant adjustment	(7.44)	-
	Dividend Received	(0.15)	-
		448.70	427.14
	Operating Profit before working capital changes	2460.18	6095.72
	(Increase)/Decrease in Trade and Other Receivables	(11753.06)	296.36
	(Increase)/Decrease in Inventories	7319.12	198.40
	(Increase)/Decrease in Loans and Advances	549.06	(731.57)
	Increase/(Decrease) in Trade Payables and Other Liabilities	8344.56	(9216.08)
		4459.68	(9452.89)
	Cash generated from operations	6919.86	(3357.17)
	Direct taxes paid (Net of refund)	(2212.85)	(2452.66)
	<b>Net Cash from/(used) Operating Activities - A</b>	<b>4707.01</b>	<b>(5809.83)</b>
<b>B.</b>	<b>Cash Flow from Investing Activities :</b>		
	Purchase of Fixed assets including Capital WIP	(116.68)	(478.89)
	Proceeds from sale of Fixed Assets	1.78	3.40
	Government Grant received towards Capital Expenditure	-	10.65
	Purchase of Investments	(0.90)	(4.09)
	Dividend Received	0.15	-
	<b>Net Cash from Investing Activities - B</b>	<b>(115.65)</b>	<b>(468.93)</b>
<b>C.</b>	<b>Cash Flow from Financing Activities :</b>		
	Dividend Paid	(33.10)	(64.14)
	Interest paid	(81.29)	(89.82)
	Repayment of Borrowings	-	(1148.33)
	<b>Net Cash generated/(used in) from Financing Activities - C</b>	<b>(114.39)</b>	<b>(1302.29)</b>
	<b>Net Increase/(Decrease) in Cash - (A+B+C)</b>	<b>4476.97</b>	<b>(7581.05)</b>
	<b>Cash and Cash equivalents at the beginning of the year</b>	<b>27618.91</b>	<b>35199.96</b>
	<b>Cash and Cash equivalents at the end of the year</b>	<b>32095.88</b>	<b>27618.91</b>

**Note :-**

- a) Cash Flow Statement has been prepared based on Indirect Method under Accounting Statndard 3 "Cash Flow Statement"  
b) Previous year figures regrouped/re-arranged wherever necessary.

**Pandurang Fundkar**  
**Chairman**

**Dr. Ashok Karanjkar**  
**Managing Director**

**Vasant Sakpal**  
**Dy.General Manager (F&A)**  
**Mumbai**

As per our report of even date attached

**For Ford Rhodes Parks & Co. LLP**

**Chartered Accountants**  
**Firm Registration No. 102860W/W100089**

**CA Shrikant Prabhu**  
**Partner**  
**Membership No. 35296**  
**Mumbai**

**Date :30<sup>th</sup> March, 2017**

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 1 "SHARE CAPITAL"**

(in lakhs)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>Authorised :</b> 8,00,000 Equity Shares of ` 100 each	800.00	800.00
<b>Issued :</b> 5,50,000 Equity Shares of ` 100 each	550.00	550.00
<b>Subscribed and Paid Up :</b> 3,00,000 Equity Shares of ` 100 each fully paid up to Government of Maharashtra State	300.00	300.00
2,50,000 Equity Shares of ` 100 each fully paid up to Government of India	250.00	250.00
<b>Total</b>	<b>550.00</b>	<b>550.00</b>

**Details of Shareholders holding more than 5% Equity Shares:**

Name of Shareholders	As at 31.03.2016		As at 31.03.2015	
	Number of shares held in lakhs	% holding	Number of shares held in lakhs	% holding
Government of Maharashtra	3.00	54.55	3.00	54.55
Government of India	2.50	45.45	2.50	45.45
<b>Total</b>	<b>5.50</b>	<b>100.00</b>	<b>5.50</b>	<b>100.00</b>

**Note No. 2 "RESERVES AND SURPLUS"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>a) Capital Reserve :</b>		
- Capital Reserve	20.00	20.00
- Government Grant from Govt. Of Maharashtra	31.87	31.87
- Government Grant from Govt. Of India		
Opening balance	38.20	65.94
Less : Adjusted during the year (Refer Note No. 8)	(7.44)	(25.00)
Less : Written back as depreciation on assets during the year (Refer Note No. 8)	(2.74)	(2.74)
	<b>79.89</b>	<b>90.07</b>
<b>b) Investment Subsidy Reserve :</b>		
Balance as per last Balance Sheet (Refer Note No. 9)	20.00	20.00
	<b>20.00</b>	<b>20.00</b>
<b>c) CSR Fund :</b>		
Balance as per last Balance Sheet	78.25	-
Add : Transferred from Surplus	98.78	78.25
	<b>177.03</b>	<b>78.25</b>
<b>d) General Reserve :</b>		
Balance as per last Balance Sheet	16373.24	13344.88
Less : Depreciation for earlier years (Refer Note No. 8)	-	(120.94)
Add : Transferred from Surplus	1008.96	3149.30
	<b>17382.20</b>	<b>16373.24</b>
<b>e) Surplus :</b>		
Balance as per last Balance Sheet	-	-
Add : Profit for the year	1140.84	3260.68
Less : Appropriations		
Proposed Dividend ( ` 5 (P.Y. ` 5) per share)	(27.50)	(27.50)
Tax on Dividend	(5.60)	(5.63)
Transfer to CSR Fund	(98.78)	(78.25)
Transfer to General Reserve	(1008.96)	(3149.30)
Total Appropriation	<b>(1140.84)</b>	<b>(3260.68)</b>
<b>Total</b>	<b>17659.12</b>	<b>16561.56</b>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 3 "OTHER LONG-TERM LIABILITIES"**

Particulars	(` in lakhs)	
	AS AT 31.03.2016	AS AT 31.03.2015
Deposits from Customers, Suppliers, Contractors and Other Parties*	2888.49	2716.41
<b>Total</b>	<b>2888.49</b>	<b>2716.41</b>

\* Subject to Confirmation/Reconciliation and in the absence of complete details the same is considered as Long-term Liabilities.

\* Includes old outstanding of more than 5 years of ` 294.56 lakhs (P.Y. ` 251.23 lakhs) for which no claim from the parties are on record and which will be considered for write back after due verification.

\* Shown net of debit balances of ` 7.55 lakhs (P.Y. ` 14.01 lakhs) against which credits are yet to be identified.

**Note No. 4 "LONG-TERM PROVISIONS"**

Particulars	AS AT	
	31.03.2016	31.03.2015
<b>Provision for Employee Benefits :</b>		
Leave Salary Encashment	1023.57	1185.55
Gratuity	63.13	191.73
<b>Total</b>	<b>1086.70</b>	<b>1377.28</b>

**Note No. 5 "TRADE PAYABLES"**

Particulars	AS AT	
	31.03.2016	31.03.2015
<b>Trade Payables :</b>		
a) Micro, Small and Medium Enterprises	2368.98	2948.03
b) Others*	46333.22	35405.68
<b>Total</b>	<b>48702.20</b>	<b>38353.71</b>

\* Trade Payables includes credit balance of various parties of ` 711.20 lakhs (P.Y. ` 246.74 lakhs) lying more than 3 years. These and other trade payable balances are subject to Confirmation/Reconciliation.

**Note No. 6 "OTHER CURRENT LIABILITIES"**

Particulars	(` in lakhs)	
	AS AT 31.03.2016	AS AT 31.03.2015
<b>Others :</b>		
a) Advances from Government for various schemes*	2116.36	2460.47
b) Unutilised Subsidy (Received from Govt. of Maharashtra) Payable**	3453.10	3234.16
c) Creditors for Capital goods	9.31	9.01
d) Advances Received from Customers***	7299.17	8097.85
e) Advance from Maharashtra Insecticides Ltd. (Wholly owned Subsidiary)	615.71	563.73
f) Interest Payable to Government for various schemes****	2409.25	2179.72
g) Statutory Liabilities*****	46.48	32.61
h) Employee Related Liabilities	3.10	7.44
i) Other Interest Payable*****	84.77	50.64
j) Deposits	21.00	21.00
k) Other Liabilities*****	720.03	682.29
<b>Total</b>	<b>16778.28</b>	<b>17338.92</b>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

\* The Corporation is appointed as Nodal Agency by the Central and State Governments for disbursement of funds for agricultural purposes under different schemes and the unutilised amount is shown as advances from Government for various schemes. Total amount received is ` 33264.43 lakhs (P.Y. ` 34539.85 lakhs) out of which total expenditure incurred is ` 31148.06 lakhs (P.Y. ` 32079.38 lakhs), which is subject to confirmation/reconciliation and also audit by the Government.

\* Excess expenditure incurred against amount received under certain schemes of ` 4.62 lakhs (P.Y. ` 4.62 lakhs) is reduced from the unutilised amounts received under other schemes which is subject to approval from respective Government departments.

\*\* Subject to Confirmation and Reconciliation (Refer Note No. 31).

\*\*\*Includes credit balances of debtors of ` 3529.35 lakhs (P.Y. ` 3934.52 lakhs) which is subject to confirmation/reconciliation. Also includes ` 4.09 lakhs (P.Y. ` 4.09 lakhs) payable to Government over 3 years and ` 469.85 lakhs (P.Y. ` 368.68) old outstanding for more than 3 years for which no claim from the parties are on record and which will be write back after due verification.

\*\*\*\* Includes interest payable of ` 2409.25 lakhs (P.Y. ` 2179.72 lakhs) to Government for amounts received under various schemes @ 7.5% (P.Y. 9%) per annum which is subject to confirmation. Also includes old outstanding of more than 3 years of ` 306.92 lakhs (P.Y. ` 306.92 lakhs) for which no claim are on record and which will be considered for write back after due verification.

\*\*\*\*\* Includes excise duty payable of ` 20.81 lakhs (P.Y. ` 18.56 lakhs) on closing stock of manufactured goods.

\*\*\*\*\*Includes interest payable of ` 84.77 lakhs (P.Y. ` 50.64 lakhs) to Micro, Small and MediumEnterprises against their outstandings under Micro, Small And Meduim Enterprises Development Act, 2006.

\*\*\*\*\* Includes old outstanding of more than 3 years of ` 16.75 lakhs (P.Y ` 16.57 lakhs) for which no claim from the parties are on record and which will be considered for write back after due verification.

**Note No. 7 "SHORT TERM PROVISIONS"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>A) Provision for Employee Benefits :</b>		
(i) Bonus	14.18	4.35
(ii) Incentives/Ex-gratia**	281.95	281.95
(iii) VIth Pay Revision	1430.41	2797.98
(iv) Leave Encashment	341.19	239.95
(v) Gratuity*	899.82	933.67
<b>Total A</b>	<b>2967.55</b>	<b>4257.90</b>
<b>B) Other Provisions :</b>		
(i) Proposed Dividend	55.00	55.00
(ii) Tax on Dividend	11.35	11.35
(iii) VAT Provision	94.79	94.79
(iv) Taxation	399.03	1686.78
(v) Wealth Tax	-	2.81
<b>Total B</b>	<b>560.16</b>	<b>1850.73</b>
<b>Total (A+B)</b>	<b>3527.72</b>	<b>6108.63</b>

\* Includes payable to retired employees provided on adhoc basis for the period from 1st January, 2006 to 31st March, 2014 amounting to ` 317.04 lakhs (P.Y. ` 317.04 lakhs)

\*\* Provision for Ex-gratia to employees amounting to ` 147.47 lakhs for F.Y. 2013-14 and ` 134.48 lakhs for F.Y. 2014-15 is subject to approval of the State Government.



**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 8 Fixed Assets**

( in lakhs)

Sr. No	Particulars	GROSS BLOCK					DEPRECIATION /AMORTISATION					NET BLOCK	
		Cost as at 1st April, 2015	Adjustments during the Year	Additions during the year	Sales / Adjustments	Cost as at 31st March, 2016	Accumulated up to 1st April, 2015	Provided during the year	Adjusted to Opening Reserve	Deductions during the year	Accumulated up to 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
<b>A</b>	<b>Tangible Assets</b>												
1	Land : Freehold	423.91	-	-	-	423.91	-	-	-	-	-	423.91	423.91
	Leasehold	42.57	-	6.87	-	49.44	11.74	1.49	-	-	13.23	36.21	30.83
2	Buildings On Leasehold and Freehold Land *	1600.71	-	60.36	-	1661.07	620.29	48.48	-	-	668.77	992.30	980.42
3	Plant and Machinery	1256.77	-	5.84	0.41	1262.20	871.88	68.65	-	0.41	940.11	322.09	384.89
4	Electrical Installation	120.76	-	0.31	0.56	120.51	85.00	6.99	-	0.54	91.45	29.05	35.76
5	Furniture and Fittings	119.11	-	4.03	1.32	121.82	85.87	4.79	-	1.32	89.34	32.48	33.24
6	Vehicles	445.63	-	34.59	11.35	468.87	202.40	43.42	-	11.35	234.47	234.40	243.23
7	Computers	172.11	-	-	-	172.11	141.16	16.34	(0.11)	-	157.39	14.72	30.96
8	Office Equipments	131.55	-	3.92	3.25	132.22	103.39	8.92	0.11	3.18	109.24	22.98	28.16
9	Assets Financed out of Capital Grant (Refer Note h below)	38.62	-	365.74	365.74	38.62	11.75	2.74	-	-	14.49	24.13	26.87
10	Assets held for Disposal	8.11	-	-	-	8.11	8.11	-	-	-	8.11	-	-
	<b>TOTAL (A)</b>	<b>4359.85</b>	<b>-</b>	<b>481.66</b>	<b>382.63</b>	<b>4458.88</b>	<b>2141.59</b>	<b>201.82</b>	<b>-</b>	<b>16.80</b>	<b>2326.60</b>	<b>2132.28</b>	<b>2218.27</b>
<b>B</b>	<b>Intangible Assets</b>												
	Computer Softwares	4.65	-	0.17	-	4.82	3.72	0.43	-	-	4.15	0.67	0.93
	<b>TOTAL (B)</b>	<b>4.65</b>	<b>-</b>	<b>0.17</b>	<b>-</b>	<b>4.82</b>	<b>3.72</b>	<b>0.43</b>	<b>-</b>	<b>-</b>	<b>4.15</b>	<b>0.67</b>	<b>0.93</b>
	<b>TOTAL (A+B)</b>	<b>4364.50</b>	<b>-</b>	<b>481.83</b>	<b>382.63</b>	<b>4463.70</b>	<b>2145.31</b>	<b>202.25</b>	<b>-</b>	<b>16.80</b>	<b>2330.75</b>	<b>2132.95</b>	<b>2219.20</b>
	Previous Year	3848.80	(10.65)	556.29	29.93	4364.52	1828.31	217.91	120.94	21.85	2145.31	2219.20	2020.49
	Capital work-in-progress	0.62	-	0.88	-	1.51	-	-	-	-	-	1.51	0.62
		<b>0.62</b>	<b>-</b>	<b>0.88</b>	<b>-</b>	<b>1.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.51</b>	<b>0.62</b>
	<b>GRAND TOTAL</b>	<b>4365.12</b>	<b>-</b>	<b>482.71</b>	<b>382.63</b>	<b>4465.21</b>	<b>2145.31</b>	<b>202.25</b>	<b>-</b>	<b>16.80</b>	<b>2330.75</b>	<b>2134.46</b>	<b>2219.82</b>

- a) Depreciation provided during the year on Asset financed out of capital grant ` 2.74 lakhs (P.Y. ` 2.74 lakhs) is adjusted to Capital Reserve.
- b) \* Includes ownership flats (cost ` 16.41 lakhs) In Co-Op Housing Societies / Apartment Owner's Association.
- c) Plant and Machinery having Gross Block of ` 278.96 lakhs (P.Y. ` 278.96 lakhs) which is not in use. Depreciation on the same is provided on single shift basis.
- d) Assets having W.D.V. of ` 1 each are not in use and are yet to be discarded having gross block of ` 882.52 lakhs (P.Y. ` 882.52 lakhs).
- e) Depreciation includes prior period depreciation of ` 1.07 lakhs (Net) ( P.Y. ` 0.30 lakhs)
- f) Freehold land includes commercial land at Jalgaon, total area 2125 sq. mts., which is reserved in Development Plan of Extended Jalgaon by local Municipal Corporation. Necessary effect will be given when actual compensation is received. Since the Development Plan period has passed 15yrs, Corporation has asked the Municipal Corporation and Govt . to revoke/cancel the said reservation.



**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 9 "NON CURRENT INVESTMENT"**

( ` in lakhs)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>I. IN GOVERNMENT SECURITIES :</b>		
6 Years National Saving Certificates (In the Custody of A.P.O. Authorities)	0.30	0.30
FDR with Commercial Tax Officer Circle Bhopal	0.05	0.05
	<b>0.35</b>	<b>0.35</b>
<b>II. IN EQUITY SHARES:</b>		
<b>TRADE, UNQUOTED FULLY PAID UP:</b>		
<b>A) SUBSIDIARIES (WHOLLY OWNED) :</b>		
1,00,000 Equity Shares of Maharashtra Insecticides Ltd., ` 100 each	100.00	100.00
<b>B) OTHER INVESTMENTS:</b>		
25,000 Equity Shares of Maharashtra Organic Manures Co. Ltd., ` 100 each	25.00	
1,816 Equity Shares of Southern Pesticides Corporation Ltd., ` 1000 each	18.16	
3,62,750 Equity Shares of Bombay Organic Manures Co. Ltd., ` 10 each	36.27	
	<u>79.43</u>	
Less : Provision for diminution in value of Long-term Investments	<u>59.43</u>	20.00
(The Corporation has Investment Subsidy Reserve of ` 20.00 lakhs created during 1985-86 which is adequate for meeting any further loss on these investments)		
1 Share of Krushak Bharti Co-op Ltd of ` 100000 each	1.00	1.00
1,000 Shares of The Co-operative Stores Ltd. New Delhi of ` 10 each	0.10	0.10
14% Cumulative Redeemable Preference Shares of M/s Alliance Agro India (Refer Note No. 29 (a))	386.20	386.20
MFFP Morshi (Amravati) Project (Refer Note No. 29 (a))	108.61	107.71
	<u>615.91</u>	<u>615.01</u>
<b>III. NON-TRADE INVESTMENT : FULLY PAID</b>		
1 Share of Maharashtra State Co-op Bank Ltd. of ` 1000 each	0.01	0.01
1 Share of Sahakari Audyogik Vasahat Ltd. Pachora, Dist Jalgaon of ` 1000 each	0.01	0.01
61 Equity Shares of Co-operative Housing Societies Limited of ` 50 each	0.03	0.03
	<b>0.05</b>	<b>0.05</b>
<b>Total</b>	<b>616.31</b>	<b>615.41</b>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

( in lakhs)

**Note No. 10 "LONG-TERM LOANS AND ADVANCES"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>Unsecured, Considered Good unless otherwise specified :</b>	-	-
a) Advances to Agro Advantages* (Considered Doubtful)	230.68	230.68
b) Advances Recoverable in cash or in kind (Includes considered Doubtful of ` 765.40 lakhs (P.Y. ` 598.34 lakhs))	6138.49	6627.26
c) Advances to Employees	0.92	1.99
d) Deposits (Includes considered Doubtful of ` 7.54 lakhs (P.Y. ` 23.40 lakhs))	152.07	123.85
e) Advance Tax (Net of provisions)	58.93	7.26
	6581.09	6991.03
Less: - Provision for Doubtful Advances	1003.62	852.42
<b>Total</b>	<b>5577.47</b>	<b>6138.61</b>

\* Advance amount paid by the Corporation in organizing Agro Advantage farmers rally in 1998 has not been received from the Government of Maharashtra. Period of over 18 years has elapsed and hence 100% provision has been made.

**Note No. 11 "OTHER NON CURRENT ASSETS"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>Unsecured :</b>	-	-
Claims Receivables (Considered Doubtful)	323.35	312.86
Less: - Provision for Doubtful Advances	323.35	312.86
<b>Total</b>	-	-

**Note No. 12 "INVENTORIES"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
Consumable Stores	156.12	194.27
Packing Material	158.22	225.30
Raw Material	5941.58	6318.39
Finished Goods*	6791.36	5525.90
Stock-in-Trade*	5894.79	14060.78
Other Stocks	151.68	88.22
	19093.75	26412.86
Less: Provision for stock obsolescence	15.67	15.67
<b>Total</b>	<b>19078.08</b>	<b>26397.19</b>

\* Subject to confirmation from dealers in respect of stock of fertilizers lying with them.

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 13 "TRADE RECEIVABLE"**

( in lakhs)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>Unsecured :</b>		
<b>Debtors Overdue for more than six months :</b>		
Considered Good	4071.07	2346.65
Considered Doubtful	1372.35	1391.00
<b>Other Debts :</b>		
Considered Good	26257.47	15985.01
	31700.89	19722.65
Less : Provision for Doubtful debts	1372.35	1391.00
<b>Total</b>	<b>30328.54</b>	<b>18331.66</b>

1. Due to system constraints, ageing of debtors cannot be ascertained correctly. Classification of Debtor/Ageing has worked out to the extent of information available.
2. Trade Receivables includes ` 761.09 lakhs (P.Y. ` 62.38 lakhs) in respect of which the Corporation holds guarantees from bank.
3. Trade Receivables includes debtors in respect of Engineering Division for which provision has been made without taking into consideration the subsidy received by the Corporation from the State Government in the absence of availability of necessary intimations from the concerned authorities.
4. TDS deducted by the debtors lying in the credit of the company's account upto 31.3.2016 aggregating to ` 76.75 lakhs has not been adjusted against trade receivables while making provision for doubtful receivable since partywise break up of such TDS deducted is not available.

**Note No. 14 "CASH AND BANK BALANCES"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>a) CASH AND CASH EQUIVALENT :</b>		
<b>i) Short Term Deposit with Bank :</b>		
Maturity up to 3 Months	10900.00	7299.00
<b>Total (A)</b>	<b>10900.00</b>	<b>7299.00</b>
<b>b) OTHER BANK BALANCES :</b>		
<b>i) Short Term Deposit with Bank :</b>		
Maturity More than 3 Months but less than 1 year	17779.07	15180.85
<b>ii) IN CURRENT ACCOUNTS :</b>	1271.05	1768.56
<b>iii) IN COLLECTION ACCOUNTS :</b>	2372.50	4587.26
(Includes Cheques on hand ` 1548.29 lakhs (P.Y. ` 2777.74 lakhs)		
Remittances-in-transit	3.20	3.20
(Including old of ` 3.20 lakhs (P.Y. ` 3.20 lakhs) yet to be received		
	21425.82	21539.87
Less: Credit Balance in current accounts	229.99	1220.01
<b>Total (B)</b>	<b>21195.83</b>	<b>20319.86</b>
<b>c) BALANCE WITH NON-SCHEDULED BANKS :</b>		
<b>i) IN CURRENT ACCOUNTS :</b>		
Sindhudurg Dist. Central Co-op Bank Ltd	0.04	0.04
Maximum Balance of ` 0.04 lakhs (P.Y. ` 0.04 lakhs)		
<b>ii) IN COLLECTION ACCOUNTS :</b>		
Yavatmal D.C.C. Bank	0.01	0.01
(Maximum debit balance of ` 0.01 lakhs (P.Y. ` 0.01 lakhs)		
<b>Total (C)</b>	<b>0.05</b>	<b>0.05</b>
<b>Total (A+B+C)</b>	<b>32095.88</b>	<b>27618.91</b>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 15 "SHORT-TERM LOANS AND ADVANCES"**

( ` in lakhs)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>Unsecured, Considered Good :</b>		
a) Loans and Advances to Employees and Others	71.78	156.69
b) Prepaid Expenses	24.48	19.47
c) Balances with Government Authorities :		
i) P.L.A. A/c	0.98	0.74
ii) Modvat Credit	0.57	0.57
iii) VAT Receivables	2.67	10.46
<b>Total</b>	<b>100.48</b>	<b>187.93</b>

**Note No. 16 "OTHER CURRENT ASSETS"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>Unsecured, Considered Good :</b>		
a) Interest Receivables	1075.43	1384.26
b) Claims Receivables	16.30	24.45
c) Other Receivable	169.57	88.26
<b>Total</b>	<b>1261.30</b>	<b>1496.97</b>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 17 "REVENUE FROM OPERATIONS"**

( ` in lakhs)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
<b>A) Sales</b>		
<b>a) Manufactured Products :</b>		
Animal Feed	14.94	125.82
Fertilizer	23131.41	29527.42
Agro Engineering	193.19	593.18
Processed fruits and vegetables	762.30	843.87
	24101.84	31090.29
Less : Excise Duty	265.62	319.12
<b>Total A</b>	<b>23836.22</b>	<b>30771.17</b>
<b>b) Bought-Out Products :</b>		
Animal Feed	1073.81	397.84
Fertilizer	50691.55	45589.71
Agro Engineering	35665.66	56580.95
Pesticides	5105.65	8522.72
<b>Total B</b>	<b>92536.67</b>	<b>111091.22</b>
<b>B) Other Operating Income</b>		
Scrap Sales	139.21	230.37
<b>Total C</b>	<b>139.21</b>	<b>230.37</b>
<b>Total (A+B+C)</b>	<b>116512.10</b>	<b>142092.76</b>

1) Sales shown above are net of Trade discount of ` 544.14 lakhs (P.Y. ` 599.52 lakhs).

2) Sales shown net of VAT .

**Sales break up**

Items	2015-16	2014-15
	Value	Value
<b>A) Manufactured products</b>	( ` in lakhs)	( ` in lakhs)
Animal Feeds	14.94	125.82
Fertilizers	23131.41	29527.42
Agro Engineering	193.19	593.18
Processed fruits and vegetables	762.30	843.87
	24101.84	31090.29
<b>Less :- Excise Duty</b>	265.62	319.12
<b>Total (A)</b>	<b>23836.22</b>	<b>30771.17</b>
<b>B) Bought-Out Products</b>		
Fertilizers	47731.68	37507.13
Gypsum	17.28	70.27
Micronutrient	2380.29	6892.80
Bio Fertilizers	454.86	781.31
IWMP Kits	107.44	338.20
Pesticides	5105.65	8522.72
Animal Feed	1073.81	397.84
Agro Engineering	35665.66	56580.95
<b>Total (B)</b>	<b>92536.67</b>	<b>111091.22</b>
<b>C) Other Operating Income</b>		
Scrap Sales	139.21	230.37
<b>Total (C)</b>	<b>139.21</b>	<b>230.37</b>
<b>Total (A+B+C)</b>	<b>116512.10</b>	<b>142092.76</b>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 18 "OTHER INCOME"**

( in lakhs)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
<b>a) Interest Income :</b>		
From Customers	12.97	2.00
On Advance to Employees	1.01	0.44
On Investment ( Deposit With Banks ) (Net of Interest Paid ` 229.52 lakhs (P.Y. ` 281.97 lakhs) on Unutilised Amount Received from Government under various Scheme)	1947.67	2292.41
On Other Deposits	1.57	3.58
Others	0.03	129.58
<b>Total A</b>	<b>1963.25</b>	<b>2428.01</b>
<b>b) Rent Received :</b>		
From Office Premises	10.16	9.00
From Residential Buildings	3.63	15.93
From Godown	26.79	20.13
Others	39.63	33.19
<b>Total B</b>	<b>80.21</b>	<b>78.25</b>
<b>c) Other Income :</b>		
Procurement Expenses Reimbursed by Maharashtra Insecticides Ltd.	-	18.51
Cash Discount Received on Purchases	445.08	454.49
Dividend Received	0.15	-
Other Receipts**	33.28	21.06
Profit on Sale of Fixed Assets (net)	1.69	-
Sundry Balances Written Back	1.57	5.80
Provision for doubtful advance no longer required written/back	-	55.63
<b>Total C</b>	<b>481.77</b>	<b>555.49</b>
<b>Total (A+B+C)</b>	<b>2525.23</b>	<b>3061.75</b>

\*\* Includes inspection charges of ` 6.55 lakhs (P.Y. ` 2.61 lakhs) prior to delivery which is purely a reimbursement of expenses incurred by the Corporation. Therefore this has been shown as other income and not as service income since Corporation has not provided any service to the parties.



**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 19 "COST OF MATERIAL CONSUMED"**

(in lakhs)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Opening Stock	6318.39	6291.19
Add : Purchases	19525.13	23252.61
Less : Closing Stock	25843.52	29543.80
	5941.58	6318.39
<b>Total</b>	<b>19901.94</b>	<b>23225.41</b>

**Raw materials consumed breakup**

Items	2015-16 ( in lakhs)	2014-15 ( in lakhs)
Murate of potash	3735.12	4411.18
Dia Ammonium Phosphate	12160.86	13789.60
Urea	2203.33	2588.47
SSP non K.U.	993.40	1251.72
Dolomite	290.36	326.76
Gypsum	-	6.02
Agro Engineering	78.30	217.36
Sugar	125.06	129.31
Processed fruits and vegetables	220.67	120.17
Others	94.84	384.82
<b>Total</b>	<b>19901.94</b>	<b>23225.41</b>

All raw material consumed are of indigenous in current year as well as in previous year.

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 20 "PURCHASE OF STOCK-IN-TRADE"**

( ` in lakhs)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Fertilizers	39727.66	37459.67
Pesticides	2551.23	4504.89
Feed	1024.33	296.50
Agro Engineering	33899.94	53691.11
Processed fruits and vegetables	-	0.46
Bio-Fertilizers	414.20	756.50
Gypsum	13.31	62.26
Micro Nutrient	2299.84	6704.28
Bio-Pest	2022.81	3275.62
IWMP Agril Kits	100.80	328.23
<b>Total</b>	<b>82054.12</b>	<b>107079.52</b>

**Purchases of Stock-in-Trade breakup**

Purchases	2015-16	2014-15
	Value ( ` in lakhs)	Value ( ` in lakhs)
Fertilizers	39727.66	37459.67
Gypsum	13.31	62.26
Micronutrient	2299.84	6704.28
Bio Fert.	414.20	756.50
IWMP Agril Kits	100.80	328.23
Pesticides (Including formulation charges)	4574.04	7780.51
Animal Feed	1024.33	296.50
Agro Engineering products	33899.94	53691.11
Processed fruits and vegetables	-	0.46
<b>Total</b>	<b>82054.12</b>	<b>107079.52</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 21 " CHANGES IN INVENTORIES OF FINISHED GOODS,  
WORK-IN-PROGRESS AND STOCK-IN-TRADE"**

(in lakhs)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
<b>Inventories at the end of the year :</b>		
Finished Goods	6791.36	5525.90
Stock-in-trade (Include old gunny bags for sale of ` 150.75 lakhs (P.Y. ` 88.22 lakhs)	6046.46	14149.01
	<b>12837.82</b>	<b>19674.91</b>
<b>Inventories at the beginning of the year :</b>		
Finished Goods	5525.90	6419.47
Stock-in-trade	14149.01	13466.48
	<b>19674.91</b>	<b>19885.95</b>
Increase/(decrease) in Excise Duty of finished goods	2.24	(10.22)
<b>Net (Increase)/Decrease in Inventories</b>	<b>6839.33</b>	<b>200.82</b>

**Opening Stock breakup**

Items	2015-16	2014-15
	<b>Value</b>	<b>Value</b>
	<b>( ` in lakhs)</b>	<b>( ` in lakhs)</b>
<b>Finished goods</b>		
<b>1. Manufactured products</b>		
Animal Feeds	-	4.83
Granulated Fertilizers	5357.29	6157.02
Agro Engineering products	93.18	131.06
Processed fruits and Vegetables	75.42	126.56
<b>Total A</b>	<b>5525.90</b>	<b>6419.47</b>
<b>2. Purchased products</b>		
Fertilizers	13684.93	13013.15
Micronutrient	-	-
Pesticides	112.80	71.14
Agro Engineering Products	263.06	306.14
Others	88.22	76.05
<b>Total B</b>	<b>14149.01</b>	<b>13466.48</b>
<b>Total (A+B)</b>	<b>19674.91</b>	<b>19885.95</b>

Opening stock is net after adjusting shortage/excess, samples, own consumption and stock written off.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Closing stock breakup**

Items	2015-16	2014-15
	Value (` in lakhs)	Value (` in lakhs)
<b>1. Manufactured products</b>		
Animal Feeds	-	-
Granulated Fertilizers	6575.54	5357.29
Agro Engineering products	84.72	93.18
Processed fruit and Vegetable	131.10	75.42
<b>Total (A)</b>	<b>6791.36</b>	<b>5525.90</b>
<b>2. Purchased products</b>		
Fertilizers	5717.70	13684.93
Pesticides	36.26	112.80
Agro Engineering products	140.83	263.06
Others	151.68	88.22
<b>Total (B)</b>	<b>6046.46</b>	<b>14149.01</b>
<b>Total (A+B)</b>	<b>12837.82</b>	<b>19674.91</b>

Closing stock is net after adjusting shortage/excess, samples, own consumption and stock written off.

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 22 "EMPLOYEES BENEFITS EXPENSES"**

( ` in lakhs)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
<b>REMUNERATION TO MANAGING DIRECTOR :</b>		
Salary	16.29	12.93
Leave Salary Contribution	1.06	0.63
Pension Contribution	2.20	1.04
	<b>19.55</b>	<b>14.60</b>
<b>REMUNERATION TO EMPLOYEES :</b>		
Salary, Wages and Bonus*	3067.79	3581.69
Contribution to Provident Fund and Other Funds	427.87	471.75
Gratuity	410.12	154.70
Welfare Expense	199.90	66.13
Staff Training Expenses	1.09	1.10
	<b>4106.77</b>	<b>4275.37</b>
<b>Total</b>	<b>4126.32</b>	<b>4289.97</b>

\* Includes adhoc provision for VIth pay revision of ` Nil lakhs (P.Y. ` 41.23 lakhs).

\* Include provision for Ex-gratia/ Bonus ` 14.18 lakhs (P.Y. ` 139.04 lakhs)

**Note No. 23 "FINANCE COSTS"**

( ` in lakhs)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
<b>Interest Expenses on :</b>		
On Overdraft from Bank	-	2.82
On Deposit	14.99	23.54
On Income Tax	0.90	0.01
On Other Loan	99.54	89.82
(Including interest paid to subsidiary company of ` 63.64 lakhs (P.Y. ` 62.61 lakhs))		
<b>Total</b>	<b>115.43</b>	<b>116.19</b>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 24 "OTHER EXPENSES"**

( in lakhs)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
<b>Manufacturing Expenses :</b>		
Stores and Spares Consumed*	248.46	244.75
Packing Material Consumed*	792.29	859.06
Power and Fuel Consumption	124.12	126.54
Water Charges	11.25	17.52
Processing Charges and Other Manufacturing Expenses	732.56	902.58
<b>Repairs and Maintenance :</b>		
Plant and Machinery	11.37	12.39
Buildings	128.96	109.99
Other Assets	20.69	18.21
<b>Selling Expenses :</b>		
Rebates/Discount	44.07	99.96
Commission Paid	22.18	52.49
Advertisement and Publicity	129.27	99.46
Carriage Outward and Other Expenses	396.59	473.14
<b>Establishment Expenses :</b>		
Rent	107.26	99.83
Rates and Taxes	100.45	64.93
Lease Charges	0.52	0.45
Loss on Sale of Fixed Assets (net)	-	4.69
Printing and Stationery	90.08	39.97
Postage and Telephone	33.65	34.80
Insurance Charges	87.49	71.64
Vehicle Expenses	89.84	104.07
Bank Charges	1.70	2.31
Legal and Professional Charges	32.84	35.84
Agricultural Research and Development Expenses	4.37	5.05
<b>Travelling and Conveyance :</b>		
Managing Director	3.23	4.90
Director	11.34	1.12
Others	57.40	54.47
<b>Remuneration to Auditors :</b>		
Audit Fees	3.22	3.21
Reimbursement of Expenses	1.35	1.30
<b>Other Office Expenses :</b>		
Other Expenses	596.60	346.49
Provision for stock obsolescence	-	15.67
Bad Debts Written-Off	16.47	-
Sundry Balance Written-Off	0.86	19.97
Provision for Doubtful Debts and Advance (Net)	143.04	128.19
<b>Total</b>	<b>4043.52</b>	<b>4054.99</b>

\* All material consumed are of indigenous in current year as well as in previous year.

**Note No. 25 "PRIOR PERIOD ITEMS"**

( in akhs)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
<b>Expenses :</b>		
Salary and Allowances	-	406.95
Sales	4.68	-
Lease Charges	0.96	-
Depreciation	0.11	0.30
Repairs and Maintenance	5.77	2.15
Food Park Project - Salary and Allowances	28.37	-
- Water Charges	28.35	-
- Other Office Expenses	15.13	-
- Electricity Charges	3.56	-
<b>Total A</b>	<b>86.93</b>	<b>409.40</b>
<b>Income :</b>		
Rent - Food Park Project	137.61	-
- Other	3.12	77.87
Purchase	191.49	-
Others	7.44	26.91
<b>Total B</b>	<b>339.66</b>	<b>104.78</b>
<b>Total (A + B)</b>	<b>(252.73)</b>	<b>304.62</b>

**NOTE NO: - 26**

**SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016**

**I) GENERAL**

- a) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013 as adopted consistently by the Corporation.
- b) The Corporation generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis except in those cases where there is significant uncertainty.

**II) INVENTORY VALUATION:**

**Inventories have been valued on the following basis:**

<b>Particulars</b>	<b>Valuation Basis</b>
Raw Materials Packing Materials	Average cost or net realizable value, whichever is lower.
Finished goods (manufactured)	At weighted average cost or net realizable value, whichever is lower.
Traded goods	At cost on First in First out basis or Net Realizable Value, whichever is lower.
Semi-finished goods	At average cost.
Consumable stores and loose tools	At average cost.
Used gunny bags and other stock	At estimated value or on the basis of tenders if and when invited.
The stock of finished products for reformulation/reprocessing	At approximate average cost reduced by value of estimated reduction in terms of quality/ ingredients.

**III) FIXED ASSETS:**

Fixed assets are stated at historical cost, including other expenses for acquisition, installation and registration.

**IV) DEPRECIATION:**

**Tangible assets:**

Depreciation is provided on the assets on their original costs up to their net residual value estimated at 5% of the original cost, pro-rata to the period of use on the straight-line method, over their estimated useful life. Estimated useful life is as per Schedule II to the Companies Act, 2013. Assets individually costing upto `5000 are fully depreciated in the year of purchase.

**Intangible assets:**

Software costs are amortized equally over a period of five financial years.

Leasehold land is amortized over a primary period of lease.

**V) REVENUE RECOGNITION:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Corporation and the revenue can be reliably measured.

Revenue from sales are recognized when the property in goods & significant risks & rewards relating thereto are transferred to the buyer.

**VI) SALES:**

Sales are net of VAT. Sales are recorded net of trade discounts, quantity rebates and excise duties. Sales do not include inter divisional transfers.

**VII) PURCHASES:**

Purchases of Complexes and Straight fertilizers for trading purpose are accounted for on the basis of lifting certificates.

**VIII) EXCISE AND CUSTOM DUTY:**

CENVAT credit of Excise Duty is accounted for by reducing the purchase cost of the related Raw material. Excise Duty liability on goods manufactured but not cleared has been provided for where ever is applicable.

**IX) INCOME AND EXPENDITURE ACCOUNTING:**

- a) Except Government Subsidy, Insurance premium, and Lease charges on leasehold land, all material income and expenses are accounted for on accrual basis.
- b) Insurance claim in respect of traded goods is credited to purchase account. Insurance claim in respect of raw materials, manufactured goods and other items is shown under other income in the year in which the event occurs and the claim is lodged. Difference if any, on final settlement of the claim is accounted in the accounting year in which the final settlements take place.

**X) INVESTMENTS:**

Long Term Investments are stated at cost. Provision for diminution in the value of Long-term investments is made if any, needed.

**XI) RETIREMENT BENEFITS:**

Retirement benefits are dealt with in the following manner: -

- a) Contributions to Provident, Superannuation and Gratuity Funds are made to recognized funds and charged to Profit and Loss Account.
- b) The liability towards gratuity in respect of its employees is provided on the basis of actuarial valuation and is met through a funded scheme managed by the Life Insurance Corporation of India (LIC).
- c) Leave encashment benefits payable to employees are accounted for on the basis of an actuarial valuation.

**XII) RESEARCH AND DEVELOPMENT EXPENDITURE:**

Revenue expenditure is charged to Statement of Profit and Loss and Capital expenditure is added to the cost of Fixed Assets in the year in which it is incurred.



**XIII) GOVERNMENT GRANTS:**

Capital grants relating to specific assets are reduced from the gross value of the Fixed Assets and Capital grants for project Capital subsidy are credited to Capital Reserve, Other revenue grants are credited to Statement of Profit and Loss deducted from the related expenses.

**XIV) PROVISION FOR BAD AND DOUBTFUL DEBTS:**

The Corporation has made provision for bad and doubtful debt as under -

100% for debtors outstanding for a period exceeding three years.

25% for debtors outstanding for a period exceeding two years.

10% for debtors outstanding for a period exceeding one year.

In addition to above, each case is individually examined and if found that it is doubtful of recovery, irrespective of age, 100% provision is made.

**XV) PRIOR PERIOD ITEMS:**

Items of Income and Expenditure, which relate to prior accounting periods, are accounted in the Profit and Loss Account under the head "Prior Years Adjustments" other than those occasioned by events occurring during or after the close of the year and which are treated as relating to the current year.

**XVI) CURRENT ASSETS:**

Current Assets, Loans and Advances stated in the Balance Sheet are recoverable except Doubtful Debtors and Advance to which provision has been made.

**XVII) CONTINGENT LIABILITIES:**

Contingent Liabilities as defined in Accounting Standard-29 are disclosed by way of notes of accounts.

**XVIII) TAXES ON INCOME:**

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is not recognized due to the consideration of prudence in respect of deferred tax assets, 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.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016**

**27) CONTINGENT LIABILITIES NOT PROVIDED FOR**

- a) Capital commitments not provided for ` 290.33lakhs (P.Y. ` 1860.43 lakhs)
- b) Claims against the Corporation not acknowledged as debts ` 62.41lakhs (P.Y.` 51.21 lakhs).
- c) The Corporation has appealed the High Court Nagpur/Customs, Excise and Service Tax Appellate Tribunal for reversal of CENVAT credits taken amounting to ` 13.59 lakhs (P.Y. ` 13.59 lakhs) pertaining to financial year 1991-92 and 1999-00.
- d) The Corporation has appealed to the Commissioner (Appeals), Customs and Excise, Service Tax Appellate Tribunal against the demand for excise duty pertaining to financial year 1985-86,1986-87 and 2001-02 on preparation of sugar syrup ` 4.20 lakhs (P.Y. ` 4.20 lakhs).
- e) Sales Tax Demand of ` 198.31 lakhs (P.Y. ` 13.86 lakhs) disputed by the Corporation.
- f) Disputed Income Tax demands of ` 300.06 lakhs (P.Y. ` 50.11 lakhs).

**28)** A substantial part of the movable assets at Alap Cattle feed unit, Yavatmal, funded by the Corporation has been disposed off. The Corporation is yet to receive cancellation of Molasses storage license from Excise department. Till cancellation of said license, disposal of 4 Molasses Tanks and one Weigh Bridge having wdv of ` 0.31 lakhs (P.Y ` 0.36 lakhs) is pending.

**29)(a)** The Govt. of Maharashtra has appointed the Corporation as a nodal agency for erection of two multi fruit processing plants at Katol and Morshi. The Corporation had carried out the work at the instance of the Government of Maharashtra.

Out of these two plants, Katol plant had been handed over to M/s Alliance Agro India Ltd. as per Government orders and M/s Alliance Agro India Ltd. issued 14% Cumulative Redeemable Preference Shares of ` 386.20 lakhs to the Corporation against its share.

Dividend on the above preference shares have not been received or accounted for since beginning and will be accounted for as and when received. The Corporation has filed winding up petition against M/s Alliance Agro India Ltd. before Hon'ble High court on 06.08.2010. The Hon'ble High Court has appointed Official Liquidator on 02.08.2012 to dispose-off the property.

Pending clarity on the assets available to the Corporation on such liquidation, no impairment on this investment has been recognized in the financial statements.

The Corporation has spent an amount of ` 108.61 lakhs (P.Y.` 107.71 lakhs) (net of adjustments) on Morshi project in earlier years. The same has been shown as investment. The plant is still in the possession and is being operated by the Corporation.

**(b)** The Corporation as Nodal Agency has constructed Food Park at Butibori (near Nagpur) to establish common facilities to food processing units located in the Park. Capital expenditure of ` 372.61 lakhs and revenue expenditure of ` 62.20 lakhs incurred on this project upto 31.03.2015 was accumulated under advances. The fixed assets were first put to use on 30.01.2005. During the year, the Corporation has transferred the accumulated amount under advances to respective accounts as follows:

- (a) Fixed asset capital cost: ` 372.61 lakhs
- (b) Revenue expenditure (prior period): ` 75.41 lakhs
- (c) Revenue Income (prior period): ` 137.61 lakhs

Grant received from Government of India and Government of Maharashtra for the project amounting to ` 365.74 lakhs were adjusted against the cost of fixed assets.

Accordingly prior period depreciation of ` 0.96 lakhs on the assets capitalised has been charged-off during the year.

- (c) Godown constructed at Butibori Food Park was given on rent to a party. In the year 2011-12 the Corporation found that the party was using the premises for unpermitted activity and served lease termination notice on the party.

The Party has challenged this termination notice in High Court of Bombay and continues to occupy the premises.

Arbitration Proceeding have been launched by the Corporation against the party claiming an amount of ` 102.97 lakhs plus interest thereon at 24% p.a. on account of illegal use of godown, loss suffered due to damage to approach road, damages on failure to vacate the premises and recovery of charges. The Corporation has not accounted for these receivables as they are contingent in nature depending on the outcome of the arbitrations.

- (d) Under the Prime Minister's Special Package for Vidharbh Region of Maharashtra, Government of India has sanctioned setting up of Fodder Block manufacturing plants at Yavatmal at an estimated project cost of ` 85.00 lakhs. An amount of ` 74.37 lakhs is received from Government of Maharashtra and Government of India for the project. Machineries have been erected and trial production taken but commercial production has not started due to poor demand. Total capital expenditure incurred of ` 38.62 lakhs (P.Y. ` 38.62 lakhs) has been capitalized but the same assets are not in use. The balance amount of the subsidy of ` 31.87 lakhs (P.Y. ` 31.87 lakhs) is payable. However, the full amount received is shown as Government grant under Capital Reserve.

- (e) The Corporation has received a claim for ` 206.18 lakhs (P.Y. ` 206.18 lakhs) from Maharashtra State Road Transport Corporation Limited (MSRTC) for transportation arrangements of farmers during Agro Advantage, 1998 event. The claim has been rejected by the Corporation and the same has been conveyed to MSRTC.

- 30) The Corporation holds Leasehold land at Goregaon, Mumbai where original lease period has expired and has been extended by Govt. The Govt. has proposed an option to purchase the land and the Corporation has opted for the same. The same has been shown as Capital Commitment Refer Note No. 27.

- 31) Other current liabilities includes subsidy received from the Government of Maharashtra of ` 3453.10 lakhs (P.Y. ` 3234.16 lakhs) being subsidy received against sale of agricultural engineering products to farmers. The reconciliation and adjustments of the same against amounts due lying in debtors is in progress pending receipt of necessary documentation from the sanctioning authorities.

**32) Disclosures relating to post employment benefits**

- i) In accordance with Accounting Standard 15 – 'Employee Benefits' (Revised), the Corporation has classified the various post employee benefits provided to the employees as under:

(` in lakhs)

	Year ended 31.03.2016	Year ended 31.03.2015
<b>I. Defined contribution plans</b>		
a. Provident fund		
b. Superannuation fund		
c. State defined contribution plans:		
- Employers' Contribution to Employee's State Insurance Scheme		
- Employers' Contribution to Employee's Pension Scheme 1995		
During the year, the Corporation has recognized the following amounts in the statement of profit and loss account		
- Employers' contribution to provident fund	329.48	389.69
- Employers' contribution to superannuation fund		-
- Employers' contribution to employee's state insurance	2.86	2.40
- Employers' contribution to Employee's Pension Scheme 1995	91.07	74.68
<b>II. Defined benefit plans</b>		
i) Gratuity scheme		
Contributions to the Gratuity trust fund are paid by way of premium under Group Gratuity cum Term Assurance Policy with Life Insurance Corporation of India (LIC). In accordance with Accounting Standard 15 (Revised), actuarial valuation was performed in respect of the aforesaid defined benefit plan based on the following assumptions:-		
Discount rate (per annum)	8.00%	7.79%
Rate of increase in compensation levels	8.00%	8.00%
Rate of return on plan assets (for funded scheme)	7.53%	9.00%
The estimates of future increase in compensation levels takes into account the inflation, seniority, promotion and other relevant factors.		
<b>A. Changes in the present value of obligation</b>		
Present value of obligation as at beginning of the year	2736.76	3053.45
Interest cost	218.94	244.28
Current service cost	120.85	132.12
Benefits paid	(451.94)	(549.96)
Actuarial (gain) / loss on obligations	253.03	(143.13)
Present value of obligation as at end of the year	2877.64	2736.76
<b>B. Changes in the fair value of plan assets</b>		
Present value of plan assets at beginning of the year	1988.56	1776.15
Expected return on plan assets	149.69	162.98
Actuarial gains and (losses)		(19.94)
Contributions	560.04	619.33
Benefits paid	451.94	(549.96)
Fair value of plan assets at end of the year	2246.34	1988.56
<b>C. Amount recognized in the balance sheet</b>		
Present value of obligation as at end of the year	2877.64	2736.76

Fair value of plan assets as at the end of the year	2246.34	1988.56
(liability) / asset recognized in the balance sheet	(631.30)	(748.20)
<b>D. Expenses recognized in the statement of profit and loss</b>		
Current service cost	120.85	132.12
Past Service Cost		-
Interest cost	218.94	244.28
Expected return on plan assets	(149.69)	(162.98)
Net actuarial (gain) / loss recognized in the period	253.03	(123.19)
Total expense recognized in statement of profit and loss for current period	443.14	90.24

ii) Leave Encashment:

The Corporation has been accounting for provision on account of leave encashment for existing employees on retirement based on actuarial valuation. During the year, Corporation has accounted expense of ` 110.79 lakhs (P.Y ` 400.67 lakhs) against such liability.

33) The Corporation has not appointed Company Secretary as required by the Companies Act, 2013. Three meeting of Board of Directors has been held as against the four meetings during the year under audit.

34) **Segment Reporting**

There are primary reportable segments under Accounting Standard 17 issued by ICAI viz. Fertilizers, Pesticides, and Agro-Engineering. Animal Feed and Processed fruits and Vegetables (NOGA). The segmental information is given in Appendix I.

35) **A) Names of the related parties and relationship**

a) Wholly owned Subsidiary: - The Maharashtra Insecticides Limited

b) Key Management Personnel:

i) Shri Arvind Kumar I.A.S. Managing Director

**B) (i) Related Party Transactions with wholly owned subsidiary:-**

Particulars	Current year (` in lakhs)	Previous year (` in lakhs)
Purchase of goods	1605.72	2238.59
Interest paid	63.64	62.61
Procurement exp. Reimbursed by MIL	-	18.51
Reprocessing charges	12.13	23.27
<b>Outstanding Balances:</b>		
Loans / Advances Payable	615.71	563.73
Sundry Creditors	311.22	400.26

ii) **Remuneration to Managing Director**

	Current Year (` in lakhs)	Previous Year (` in lakhs)
Salaries	16.29	12.93
Leave salary	1.05	0.63
Pension contribution	2.20	1.04

- 36) The debit/credit balances of Sundry Debtors, Sundry Creditors, Loans and Advances are subject to reconciliations / confirmations.
- 37) The Corporation does not have a process of getting balance confirmation from suppliers and reconciling the same especially with regard to major balance in respect of its Fertilizer Division the same is subject to reconciliation.
- 38) The Corporation has yet to assess for impairment its non-use of assets its Single Super Phosphate plants at Jalna having wdv of ` 4.10 lakhs (P.Y ` 11.47) lakhs and at Rasayani having wdv of ` 2.10 lakhs (P.Y ` 2.22 lakhs) and Processed Fruits and Vegetables plant at Motibaug having wdv of ` 1.84 lakhs (P.Y ` 6.08 lakhs) and remaining assets of dismantled fodder block plant at Yavatmal. Pending such assessment, no provision has been made for impairment of these assets as prescribed by AS-28 issued by ICAI.

**39) Disclosure for operating leases under Accounting Standard 19- "Leases"**

(To the extent information available with the Corporation)

(` in lakhs)

	Current Year	Previous Year
Disclosure in respect of the agreements entered into after 1st April, 2001 for taking on lease and license / under operating leases the residential / office premises and warehouses, including furniture and fittings therein, as applicable, and machinery, is given below:		
1. Lease payment recognized in the Profit and Loss Account for the year.	105.82	99.83
2) i) Under some of the agreements, refundable Interest free deposits have been given.	-	-
ii) Agreement do not provide for increase in rent.	-	-
iii) Some of the agreements provide for early termination by either party with a notice period, which varies from 15 days to 3 months.	-	-
iv) Some of the agreements contain a provision for its renewal.	-	-
3) Minimum lease payments under the agreements, which are non-cancelable, are as follows:		
i) Not later than one year	-	-
ii) Later than one year and not later than five years.	(Not ascertained)	(Not ascertained)
4) Lease payment Received – recognized in the Profit & Loss Account	77.80	78.25
Disclosure in respect of Plant and Machinery owned by the Corporation and given on operating lease after 1st April, 2001: Included in Plant and Machinery in Note 9 - Fixed Assets, in respect of the aforesaid Plant and Machinery:	Nil	Nil
Gross carrying amount as at the year end	Nil	Nil
Accumulated depreciation as at the year end	Nil	Nil
Depreciation for the proportionate period the Plant and Machinery is given under operating lease.	Nil	Nil

**40) Earnings per Share**

The Corporation does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share remain the same.

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
a) Profit After Tax ( ` in lakhs)	1140.84	3260.68
b) No. of Shares	550000	550000
c) Basic and Diluted EPS	207.43	592.85

- 41) During the corresponding year, the Fertilizer Division has taken policy decision for making the credit invoices to dealers to the extent of quantity stored in supplier's godown on behalf of dealers till 31<sup>st</sup> March 2016. However some of the stocks was not lifted by dealer due to insufficient storage problem at that time. By this way risk and reward of ownership of the stock is transferred to the dealers on or before 31<sup>st</sup> March 2016 and revenue from sales proceeds was recognized during the corresponding year.
- 42) Previous year's figures are re-grouped and re-classified wherever necessary to make the same comparable with the figures of the current year.

**Pandurang Fundkar**  
Chairman

As per our report of even date attached  
**For Ford Rhodes Parks & Co. LLP**  
Chartered Accountants  
Firm Registration No. 102860W/W100089

**Dr Ashok Karanjkar**  
Managing Director

**CA Shrikant Prabhu**  
Partner  
Membership No. 35296

**Mumbai**  
Date :30<sup>th</sup> March 2017

**Vasant Sakpal**  
Dy.General Manager (F&A)

**Mumbai**  
Date :30<sup>th</sup> March 2017

Appendix I

**Disclosure of Primary Business Segments  
2015-16**

( in lakhs)

	FERTILIZERS		PESTICIDE		AGRO-ENGG.		ANIMAL FEED		NOGA		UNALLOCATED		GRAND TOTAL	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>REVENUE</b>														
External Sale	73702.20	75041.70	5105.65	8522.72	35865.13	57173.72	1091.76	523.66	747.35	830.96	0.01		116512.10	142092.76
Other Income	448.41	413.34	1.01	64.12	9.53	36.93	40.78	15.82	0.31	0.30	2025.19	2531.24	2525.23	3061.75
<b>Total Revenue</b>	<b>74150.61</b>	<b>75455.04</b>	<b>5106.66</b>	<b>8586.84</b>	<b>35874.66</b>	<b>57210.65</b>	<b>1132.54</b>	<b>539.48</b>	<b>747.66</b>	<b>831.26</b>	<b>2025.20</b>	<b>2531.24</b>	<b>119037.33</b>	<b>145154.51</b>
<b>RESULT</b>														
Segment Result	2682.11	4523.80	411.63	787.99	1320.47	2666.94	8.22	(130.79)	(534.71)	(383.45)	-	-	3887.72	7464.49
Less : Unallocated corporate exp.											2128.97	1491.29	2128.97	1491.29
Operating Profit	2682.11	4523.80	411.63	787.99	1320.47	2666.94	8.22	(130.79)	(534.71)	(383.45)	(2128.97)	(1491.29)	1758.75	5973.20
Prior Period (Income) /Expense	(187.35)	-	-	-	-	-	-	-	-	-	(65.38)	304.62	(252.73)	304.62
Miscellaneous Expenditure												-	-	0.00
Profit/(Loss) before Tax	2869.46	4523.80	411.63	787.99	1320.47	2666.94	8.22	(130.79)	(534.71)	(383.45)	(2063.59)	(1795.91)	2011.48	5668.58
Income Tax provision		-	-	-	-	-	-	-	-	-	750.00	2200.00	750.00	2200.00
Balance b/f from last year		-	-	-	-	-	-	-	-	-	-	-	-	-
Excess / (Short) provision for		-	-	-	-	-	-	-	-	-	120.64	207.90	120.64	207.90
Income tax ( earlier years)														
<b>Net Profit/(Loss)</b>	<b>2869.46</b>	<b>4523.80</b>	<b>411.63</b>	<b>787.99</b>	<b>1320.47</b>	<b>2666.94</b>	<b>8.22</b>	<b>(130.79)</b>	<b>(534.71)</b>	<b>(383.45)</b>	<b>(2934.23)</b>	<b>(3788.01)</b>	<b>1140.84</b>	<b>3260.68</b>
<b>OTHER INFORMATION</b>														
Segment Assets	37579.27	27700.83	1976.68	2584.58	8996.83	11740.29	321.43	383.78	955.16	951.66	41363.14	39645.37	91192.51	83006.51
Segment Liabilities	38073.87	26650.97	2535.39	2935.95	14756.45	18408.64	196.10	195.41	133.66	150.88	17287.92	17553.10	72983.39	65894.95
Capital Expenditure	61.30	185.54	-	-	2.75	6.71	-	6.71	7.95	53.21	410.71	279.67	482.71	531.84
Depreciation	80.49	82.40	-	-	6.09	12.05	6.24	5.70	25.07	27.66	80.03	86.60	197.92	214.41



# CONSOLIDATED FINANCIAL STATEMENTS

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of The Maharashtra Agro-Industries Development Corporation Ltd.**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of The Maharashtra Agro-Industries Development Corporation Ltd. (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprises the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### **Management's Responsibility for the Consolidated Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraphs below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

### **Basis for Qualified Opinion**

1. The consolidated financial statements do not include the financial results of two companies (one Subsidiary and one Associate) as the financial statements of these two companies are not available for the past many years (Refer Note No. 27 (i)(a)).
2. The Group has yet to assess its single super phosphate plants at Rasayani and Jalna having wdv of ` 2.10 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 2.22 lakhs) and ` 4.10 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 11.47 lakhs) and processed fruits and vegetables plant at Motibaug having wdv of ` 1.84 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 6.08 lakhs) and remaining assets at the dismantled fodder block plant at Yavatmal having wdv of ` 0.31 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 0.36 lakhs) for impairment, which have not been functioning since a long time. In the absence of such an assessment, no provision has been made for impairment on these assets, if any (Refer Note No. 41).
3. The investment in fixed assets for the establishment of processing plant at Morshi of ` 108.61 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 107.71 lakhs) which is net of amount financed by the Government of Maharashtra has been shown by the Group under investments instead of as fixed assets. Thus, fixed assets have been understated and investments have been overstated to that extent (Refer Note No. 30(a)). Consequently, the depreciation charge on these fixed assets has not been accounted since its date of put to use in earlier years. The amount of this depreciation has not been ascertained. Further, the revenue expenditure incurred in earlier years after the plant has been put to operation of ` 22.63 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 21.73 lakhs) have also been added to the investment instead of being expensed out.
4. The Group has invested an amount of ` 386.20 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 386.20 lakhs) in 14% cumulative redeemable preference shares of M/s Alliance Agro India Ltd. in connection with the transfer of Katol project. No dividends have been received by the Group on this investment. The Group has filed a winding up petition against M/s Alliance Agro India Ltd. before the Hon'ble High Court. The Hon'ble High Court has appointed an official liquidator to dispose of the property. In our view, a provision for diminution in the value of investment should have been made by the Group as there are clear indications that this investment is impaired. However, the Group has not ascertained or recognized any such provision in the financial statements for reasons stated in Note No. 30(a).
5. The Group follows the practice of providing for its old outstandings in trade receivables based on the age-wise bifurcation of the same. However, in respect of engineering division debtors, while making such provisions it has not taken into consideration the subsidies received by it from the State Government towards such outstandings in the absence of availability of necessary intimations from the concerned authorities (Refer Note No. 32 and Note No. 14(3)). As a result, both trade receivables and liabilities towards subsidies received from the State Government are overstated. Also the provision for doubtful trade receivables is overstated. The amounts of such overstatements are not ascertained.
6. The provision as on 31<sup>st</sup> March, 2016 towards VI Pay arrears payable to employees of ` 1764.12 lakhs (previous year ended 31<sup>st</sup> March 2015: ` 3088.66) shown under short-term provisions, including ` 43.04 lakhs provided during the year, has been made on a very rough estimated basis and is subject to reconciliation and adjustment entries on completion of the reconciliation. (Refer Note No. 7).

7. Long-term and short-term liabilities include amounts aggregating in excess of ` 1803.37 lakhs towards liabilities unclaimed more than 3 years towards trade payables, unclaimed over 5 years towards earnest money and security deposit liabilities, old provisions for expenses, old advances in trade receivables, liabilities towards interest on unutilized Government subsidies not claimed and other old liabilities which the Group is still in the process of determining whether the liabilities exist in the absence of claims from the parties (Refer Note No. 3, 6 and 7). In our opinion, a substantial part of this amount will need to be written back to income once the determination is complete. Accordingly, in our opinion, the liabilities are overstated and income is understated in the financial statements. The exact amount of such overstatement / understatement has not been ascertained.
8. The unspent amount of subsidy received from the Government of India for setting up of fodder block plants at Yavatmal of ` 31.87 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 31.87 lakhs) is reflected under capital reserve. In our opinion, the same should have been reflected under current liabilities as

the amount is now repayable back to the Government. As a result current liability has been understated and capital reserve has been overstated to this extent (Refer Note No. 30(d)).

9. TDS deducted by the customers, relating to earlier years, lying in the credit of TDS claimed account as at 31<sup>st</sup> March, 2016, aggregating to ` 76.75 lacs, has not been considered while making provision for doubtful receivables since party-wise breakup of such TDS deducted is not available with the Holding Company. This has resulted in provision for doubtful receivables being made on a higher side – amount not ascertained (Refer Note No. 14 (4)).
10. The Holding Company does not have a process of getting balance confirmations from suppliers and reconciling the same especially with regard to major balances in respect of its Fertilizers Division. The amount of difference arising on such reconciliation when done may, in our opinion, be material (Refer Note No. 40).
11. Certain rebates of fertilizers division suppliers relating to purchases of fertilizers during the year have been accounted by the Holding Company in the subsequent year or is yet to be accounted. Consequently, cost of materials and supplier balances have been overstated and the effect of this on these balances and on the profit for the year has not been ascertained.
12. The Holding Company has recognized sales revenue in respect of fertilizer stocks still lying in the suppliers' godowns in the name of the Holding Company although the stock have not moved from the suppliers' godowns as at the year-end, either to the Holding Company or to the Customer. In our opinion, the revenue on such sales is prematurely recognized since neither the risk nor rewards of ownership nor effective control on such stocks has been transferred to the customer as at the year-end as per AS – 9 'Revenue Recognition'. Consequently sales revenue and trade receivables have been overstated and inventories have been understated the amounts of the same and its effect on profit and loss have not been ascertained (Refer Note No. 44).
13. The Subsidiary Company in the Group accounts for gratuity expense of its employees on the basis of contributions payable to a funded scheme managed by the Life Insurance Corporation of India (LIC) and not on the basis of actuarial valuation as required under Accounting Standard 15 – 'Employee Benefits' issued by the Institute of Chartered Accountants of India (Refer Note No. 27 (xi)(b)).
14. Deferred tax assets / liabilities have not been ascertained and accounted for by the Holding Company (Refer Note No. 28 (xviii)). In the absence of details, the amount thereof has not been ascertained.

15. The break-up of deferred tax assets and deferred tax liabilities of the Subsidiary Company into major components of the respective balances are not disclosed appropriately in the financial statements (Refer Note No. 10).

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in paragraphs 1 to 15 of the Basis for Qualified Opinion, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to:

1. Other long-term liabilities include some of the party/customer balances which are shown net of debit balances of ` 7.55 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 14.01 lakhs) against which credits are yet to be identified (Refer Note No.3).
2. Advances received from Government of Maharashtra and Central Government for various schemes lying unutilized of ` 2116.36 (Previous year ended 31<sup>st</sup> March, 2014: ` 2460.47 lakhs) are subject to confirmation / reconciliation and also audit by the Government departments (Refer Note No. 6).
3. Excess expenditure incurred against amount received under certain schemes of ` 4.62 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 4.62 lakhs) is subject to approval from respective Government Departments (Refer Note No. 6).
4. Interest earned on deposits with bank is shown net of interest paid on amount payable under various government schemes of ` 229.52 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 281.97 lakhs) (Refer Note No. 19 (a)).
5. The debit/credit balances of Sundry Debtors, Sundry Creditors, Loans and Advances, Amounts due from / payable to Governments are subject to reconciliations / confirmations (Refer Note No. 39).
6. Confirmations from dealers have not been obtained for Group's stock of fertilizers lying with them as at the year-end (Refer Note No. 13).
7. Provision for Ex-gratia to employees amounting to ` 170.08 lakhs as on 31<sup>st</sup> March 2014 and ` 145.98 lakhs for FY 2014-15 is subject to approval of the State Government (Refer Note No. 7).
8. Remittance in transit includes ` 3.20 lakhs (Previous year ended 31<sup>st</sup> March, 2015: ` 3.20 lakhs) which is lying in transit for the past 5 years and which is being followed up (Refer Note No. 15 (b)(iii)).

### **Other Matters**

We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of ` 1899.74 lacs as at 31<sup>st</sup> March, 2016, total revenues of ` 1561.37 lacs and net cash outflows amounting to ` 3.45 lacs for the year ended on that date, as considered in the consolidated financial statements.

These financial statements have been audited by another auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the by the directions / sub-directions issued by the Office of the Comptroller and Auditor General of India under section 143(5) of the Act, we give in 'Annexure – I', a statement on the matters referred to in those directions / sub-directions
2. As required by Section 143(3) of the Act, we report to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above 1 to 16, AS-22 "Accounting for Taxes on Income" and AS-19 "Leases", in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
  - f) The provisions of Section 164 (2) of the Companies Act, 2013 are not applicable to the Group as all the companies therein are Government Companies.
  - g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in 'Annexure II',
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Group has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the consolidated financial statements;
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For Ford Rhodes Parks & Co. LLP  
Chartered Accountants  
Firm's Registration No. 102860W/W100089

CA Shrikant Prabhu  
Partner  
Membership No. 35296

Place : Mumbai  
Date : 30<sup>th</sup> March, 2017

## Annexure - I to the Independent Auditor's Report

### To the Members of The Maharashtra Agro-Industries Development Corporation Ltd.

As referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in our Auditors' report of even date and as required by the directions and sub-directions issued by the Office of the Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013, we give below our comments on the matters referred therein.

#### Directions u/s 143(5) of the Companies Act, 2013

- To report whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons thereof and the amount involved.**

The following amounts have been written off as it is not recoverable based on Management approval:

Sr. No.	Name of the Party	Amount written off ( ₹ in lakhs)	Reason
1	Scooter Advance (Various Employees)	0.55	Small Balances over 5 years
2	Education Advance (Various Employees)	0.08	
3	Long Term Loan (Various Employees)	0.02	
4	Special Advance (Various Employees)	0.12	
5	Various Parties	0.09	
6	Bhudargad Tal Sahakari Sangh Gargati	0.41	Part amount waived out for the final settlement.
7	Rajeshshree Co.	0.13	Balance no longer recoverable
8	Swati Traders	0.14	Balance no longer recoverable
9	Maharashtra Insecticides Limited	15.80	Balance no longer recoverable

- Whether proper records are maintained for inventories lying with third parties and assets received as gift from Government and other authorities.**

The Company has maintained proper records for inventories lying with third parties (dealers). However, confirmations from all dealers have not been obtained by the Company relating to stock of fertilizers lying with them at the year-end.

As per the information and explanation given to us, the Company has not received any assets as gift from Government and other authorities during the year.

- A report on age-wise analysis of pending legal/ arbitration cases, including the reasons of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.**

Based on the information and explanation given to us, a report on the age-wise analysis of pending legal/arbitration cases including the reason for pendency are attached in Annexure III. The Company has in existence an effective monitoring mechanism for the expense incurred on all legal cases.



4. **If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined, including the mode and present stage of disinvestment process.**

As per the information and explanation given to us, the Company has not been selected for disinvestment.

#### **Sub-directions u/s 143(5) of the Companies Act, 2013**

1. **Whether profit/loss mentioned in Audit Report is as per Profit & Loss Accounts of the Company?**

Except for the qualification in the Independent Audit report which is not ascertainable.

2. **Report the cases of diversion of grants / subsidies received from Central / State Government or their agencies for performing certain activities.**

During the course of our audit we haven't come across any of the cases of diversion of grant subsidies received from Central / State Government or their agencies for performing certain activities.

3. **Cases of wrong accounting of interest earned on account of non - utilization of amounts received for certain projects / schemes may be reported.**

During the course of our audit we haven't come across any of the cases of wrong accounting of interest earned on account of non - utilization of amounts received for certain projects / schemes.

The Company has the practice of estimating the interest earned on the Fixed Deposits placed in Banks out of the unutilized portion of the subsidies received and the same is reversed from the interest income and shown as payable to Government in respect of unutilized amount on schemes which are not live and where government correspondence to pay interest is there. During the year an amount of ` 229.52 lakhs has been debited to Interest Income on Investment (Deposits with Banks) A/c being interest on unutilized amount received from Govt. under various schemes.

4. **Examine pricing policy framed by the Company to ensure that all cost components are covered.**

As informed to us the pricing policies of the Company for its various categories of sales division wise are as follow:-

#### Fertilizer Division:

Fertilizer Sales usually take place during kharif and rabbi season. Selling rates are decided by the division on approval of the management. If the price of raw material (Urea, DAP, MOP, etc.) used in manufacturing of the finished goods are subsequently changed by the government authorities, the rates are revised on approval by the management. Selling rates are arrived after considering all the cost components as per the cost sheet prepared. In case of trading the products are sold at cost plus margin.

#### Pesticide Division:

Sales usually take place during kharif and rabbi season. Selling rate is decided by the divisional head and the same gets approved by the management. If the price of raw material (Technical Pesticide and bulk pesticides, etc.) used in manufacturing of the finished goods is subsequently changed by the government authorities, the rate gets revised and approved by the

management. Selling rate is arrived after considering all the cost components as per the cost sheet prepared by the divisional head. In case of trading, the products are sold at cost plus margin.

Engineering Division:

Selling rate of agro engineering products are finalised by state level price fixation committee of State Government. Accordingly purchase prices are reworked by division after subtracting the margin of the Company and after approval of management.

Animal Feed Division:

Selling rate of animal feed products are prepared by the division and are approved by the management. Selling rates are arrived after considering the cost components as per the cost sheet prepared by the division. In case of trading, the products are sold at cost plus margin.

NOGA Division:

Selling rate of NOGA products is decided by the divisional head and the same gets approved by the management. Selling rate is arrived after considering all the cost components as per the cost sheet prepared by the divisional head. In case of trading, the products are sold at cost plus margin.

For Ford Rhodes Parks & Co. LLP  
Chartered Accountants  
Firm's Registration No. 102860W/W100089

Place : Mumbai  
Date :30<sup>th</sup> March 2017

CA Shrikant Prabhu  
Partner  
Membership No. 35296

**Statement A to Annexure I**

**Details of Pending Legal / Arbitration Cases**

**Status of legal cases filed by the Company as on 31<sup>st</sup> March, 2016**

<b>Sr. No.</b>	<b>Reference / Year</b>	<b>Estimated Original Claim Amount ( in lakhs)</b>	<b>Judicial Authority</b>	<b>Present Status</b>
<b>A) CIVIL SUIT</b>				
1	SHETKARI SK PARBHANI RO - Nanded Suit No. RJE 275/2011	07.49 + Interest 3.20	Nanded Court	Next Hearing is on 20/04/2016.
2	GANJEWAR KSK NAIGAON RO – Nanded Suit No. 86/2006	11.18 + Interest 7.58	Nanded Court	Next Hearing is on 22/06/2016.
3	VASUNDHARA S & P NANDED RO – Nanded Suit No. 201/2006	15.54 + Interest 8.35	Nanded Court	Next Hearing is on 07/06/2016.
4	BALAJI AGRO AGENCY, UMRI RO – Nanded Suit No. 236/2006	66.00 + Interest 26.22	Nanded Court	Next Hearing is on 09/06/2016.
5	VASUNDHARA S & F PARBHANI RO – Nanded Suit No. 48/2008	11.71 + Interest 16.11	Nanded Court	Next Hearing is on 20/04/2016.
6	J K SEEDS & PEST PARBHANI RO – Nanded Suit No. 49/2008	12.03 + Interest 9.67	Nanded Court	Next Hearing is on 13/06/2016.
7	RASHMI TRADERS PARBHANI RO – Nanded Suit No. 261/2012	01.66 + Interest 2.49	Nanded Court	Next Hearing is on 19/10/2016.
8	VENKATESH K K PARBHANI RO – Nanded Suit No. 47/2011	29.40 + Interest 59.96	Parbhani Court	Next Hearing is on 20/04/2016.
9	VENKATESH K K PARBHANI RO – Nanded Suit No. 314/2011	--	Parbhani Court	Contempt petition filed by MAIDC against Venkatesh. Next Hearing is on 18/07/2016.
10	RAHATKAR TR. CO. LOHA (CASE FILED BY RAHATKAR AGAINST MAIDC) RO – Nanded Suit No. RJE 63/2012	--	Nanded Court	Next Hearing is on 09/06/2016.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
11	SHETKARI S K BASMAT RO – Nanded Suit No. 63/2013	--	Nanded Court	Next Hearing is on 18/08/2016.
12	JAIKISAN ASC HATTA RO – Nanded Suit No. 140/2012	--	Nanded Court	Next Hearing is on 06/04/2016.
13	MAIDC V/S BAPURAO RO – Nanded Suit No. 139/2015	--	Parbhani Court	Next Hearing is on 20/04/2016.
14	M/s Kailash Traders Tal. Amarnar RO – Jalgaon Suit No. 42/2006	3.14 + Interest 1.98	Jalgaon Court	Decision is in the favour of the Corporation. Recovery is in Process. But party has filed appeal in district court
15	M/s Shankar and Sons Tal. Bhadgaon RO – Jalgaon Suit No. 101/2006	3.56 + Interest 2.66	Jalgaon Court	Decision is in the favour of the Corporation. Recovery is in Process.
16	M/s Raju Traders, Dhule RO – Jalgaon Suit No. 35/2007	42.65 + Interest 29.29	Jalgaon Court	Decision is in the favour of the Corporation. The Company has recovered ` 4.78 lakhs.
17	M/s Trupti Krushi Seva Kendra Tal. Dharangaon RO – Jalgaon Suit No. 54/2007	0.90 + Interest 0.85	Jalgaon Court	Decision is in the favour of the Corporation. Principal amount ` 0.90 lakhs has been recovered.
18	M/s Mahesh Fertilizers Tal. Amarnar RO – Jalgaon Suit No. 183/ 2008	4.50 + Interest 10.96	Jalgaon Court	Decision is in the favour of the Corporation. We have recovered ` 2.09 lakhs.
19	M/s Govind Krushi Vikas Kendra, Umarkhed RO – Amravati Suit no. 132/2007	77.94 + Interest 59.98	Amravati District Court	` 56.25 lakh has been recovered The remaining amount will be paid in equal installment of ` 8.75 lakh within 2 years.
20	Girbane Krushi Seva Kendra, Aurad RO – Osmanabad Suit No. 109/2012	3.67 + Interest 3.49	Osmanabad Court	Next Hearing is on 27/04/2016.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
21	Siddeshwar Krushi Kendra, Karkamb RO – Osmanabad Suit No. 117/2013	4.41 + Interest 4.95	Osmanabad Court	Next Hearing is on 09/06/2016.
22	New Kisan Traders, Kondi RO – Osmanabad Suit No. 128/2015	1.08 + Interest 2.02	Osmanabad Court	The Corporation is in appeal. Next Hearing is on 26/04/2016.
23	Pragati KSK, Patur RO – Akola Suit No. 87/2005	28.81 + Interest 18.05	Akola District Court	The matter is pending in the respective Court. Next Hearing is on 25/04/2016.
24	Tasgaon Tal Kharadi Sangh, Tasagaon Dist. Sangli RO – Kolhapur Suit No. 147/90 & 76/12	0.91+ Interest 0.65	CSJD	The said Sangh have already gone in liquidation. Outstanding dues written by H.O. However, legal case is in progress. Hence, we are trying to recover the dues amount by way of legal proceedings. In this case bank has filed writ petition in High Court. Next hearing is on 25/04/2016.
25	Kolhapur Zilla Bijo Sah. Sangh RO – Kolhapur Suit No. 131/2008	10.35 + Interest 7.83	CSJD	Legal proceedings are in progress. Next hearing is on 20/04/2016.
26	Dattatraya Agro Kendra Gangapur RO – Kolhapur Suit No. 243/2005 & 1041/2012	1.64 + Interest 0.88	CSJD	Legal proceedings are in progress. Next hearing is on 28/04/2016.
27	Dattatraya Pesticides Gulburga RO – Kolhapur Suit No. 242/2006	10.67 + Interest 5.73	CSJD	Legal proceedings are in progress. Next hearing is on 06/06/2016.
28	Maan Taluka Sahkari Kharedi Vikri Sangh RO Pune Suit No. 112/2008	1.64 + Interest 0.25	Pune Court	Decree obtained but still not executed.
29	Jawali Taluka Sahkari Kharedi Vikri Sangh RO Pune Suit No. 14/2010	1.51 + Interest 0.83	Pune Court	The matter is pending for evidence.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
<b>B) CRIMINAL SUIT</b>				
1	KALPANA V/S STATE RO - Nanded Suit No. MCA 414/2014	--	Nanded Court	FIR registered vides crime 75/14. Charge sheet not filed by Shivaji Nagar Police Station, Nanded till date. Charge sheet not yet filed in Court. Trial of the case will be started after filing of the charge sheet by Police.
2	PRABHAKAR V/S STATE RO - Nanded Suit No. MCA 425/2014	--	Nanded Court	FIR registered vides crime 75/14. Charge sheet not filed by Shivaji Nagar Police Station, Nanded till date. Charge sheet not yet filed in Court. Trial of the case will be started after filing of the charge sheet by Police.
3	SHARAD V/S STATE RO - Nanded Suit No. MCA 451/2014	--	Nanded Court	FIR registered vides crime 75/14. Charge sheet not filed by Shivaji Nagar Police Station, Nanded till date. Charge sheet not yet filed in Court. Trial of the case will be started after filing of the charge sheet by Police.
4	STATE V/S R.M. & OTHER RO – Nanded Suit No. RCC 5 /14	--	Nanded Court	Bio-Pest Sample failure case against Regional Manager, MAIDC. Next Hearing is on 05/01/2017.
5	P.A. DONGARE V/S MAIDC RO – Nanded Suit No. 9099/14	--	HIGH COURT AURANGA BAD	Writ petition filed by Dongare challenging departmental enquiry. Next Hearing is on 11/04/2016.
6	B.R.EKLARE V/S MAIDC RO Nanded Suit No. 97/2006	--	HIGH COURT AURANGA BAD	2nd appeal against Corporation filed by party for recovery of amount. Case not came on board.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
7	MAIDC V/S VENKATESH RO Nanded Suit No. 4914/2014	--	HIGH COURT AURANGA BAD	Writ petition filed by MAIDC against party against lower court order. Case not came on board.
8	INGALE V/S MAIDC RO Nanded Suit No. 8834/2014	--	HIGH COURT AURANGA BAD	Case filed by party not to arrest as per order of Dist. Court (for recovery of decreed amount). Case not came on board.
9	IND.COURT DHAGE V/S MAIDC RO Nanded Suit No. 85/13	--	INDUSTRIAL COURT JALNA	Complaint filed by Ex-employee Mr. Dhage for promotional benefit. Next Hearing is on 21/04/2016.
10	S L KAWTIKWAR V/S MAIDC RO Nanded Suit No. ULP 32/14	--	LABOUR COURT NANDED	Complaint filed by Ex-employee Mr. Kawtikwar challenging dismissal order. Next Hearing is on 29/04/2016.
11	ANAND K A NANDED RO Nanded Suit No. 3708/03	12.50	NANDED COURT	Pending for evidence with Nanded Court. Next Hearing is on 2/04/2016.
12	HEMANI K S K CHINCHKHED RO Nanded Suit No. 4623/04	3.58	NANDED COURT	Pending for summons.
13	RAHATKAR TR. CO. LOHA RO Nanded Suit No. 850/04	41.81	NANDED COURT	The matter is pending for cross examination. Next Hearing 28/04/2016.
14	GANJEWAR K S K NAIGAON RO Nanded Suit No. 501/04	11.27	NANDED COURT	Pending for evidence with Nanded Court. Next Hearing 06/05/2016
15	BALAJI AGRO AGENCY, UMARI RO Nanded Suit No. 2784/04, 20/2015	65.87	NANDED COURT	Pending for evidence with Nanded Court Next Hearing 02/04/2016
16	VASUNDHARA S & F PARBHANI RO Nanded Suit No. 1752/14	5.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
17	VASUNDHARA S & F PARBHANI RO Nanded Suit No. 3203/04	4.00	NANDED COURT	Pending for evidence with Nanded Court. Next Hearing 29/04/2016.
18	SHETKARI S K BASMAT RO Nanded Suit No. 2785/04	18.77	NANDED COURT	Pending for Court Order.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
19	SAIKRUPA K V K NANDED RO Nanded Suit No. 1830/06	13.66	NANDED COURT	Pending for Cross examination of defend. Next Hearing 25/05/2016.
20	J K SEEDS & PEST PARBHANI RO Nanded Suit No. 1831/06	12.03	NANDED COURT	Pending for evidence with Nanded Court.
21	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 320/2014	22.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
22	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 321/2014	22.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
23	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 322/2014	24.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
24	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 27/2014	10.40	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
25	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 60/2014	1.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
26	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 61/2014	20.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 20/04/2016.
27	BALAJI K S K KAWTHA RO Nanded Suit No. 777/2014	0.50	NANDED COURT	Summons to be served. Next Hearing 25/05/2016.
28	STATE V/S REGIONAL MANAGER RO Nanded Suit No. RCC 5/2014	--	NANDED COURT	Sample Failure of Azerdirecitne 10000 PPM against Shri Dudhalkar RM Nanded & Prakash Agro Industry. Appeared on 21/04/2016.
29	M/s Raju Traders , Dhule RO Jalgaon Suit No. 5497/2005, 5496/2005, 5498/2005, 288/2006, 289/2006, 290/2006, 1336/2006, 1318/2006, 2044/2006, 2943/2006, 2171/2006, 2278/2006, 1660/2006, 743/2006, 1328/2006, 2136/2006, 2276/2006, 530/2008	29.00	High Court, Aurangabad	The matter is pending with High Court. Next Hearing 23/06/2016.



Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
30	Ulhas KSK RO Jalgaon Suit No. 1143/2003	0.76	High Court, Aurangabad	The matter is pending with High Court.
31	M/s Narayan KSK, Naregaon RO Aurangabad Suit No. 3185/2005	2.67	High Court, Aurangabad	The Corporation has filed appeal in High Court.
32	M/s Kakde KSK, Dharur RO Aurangabad Suit No. 611/1995, 683/2002	9.41	High Court, Aurangabad	The Corporation has filed appeal in High Court. Next Hearing 30/04/2016.
33	Shri S.R Bhambre KSK RO Nashik Suit No. 7/2007	1.89	Nashik Court	The decision of the court is against the Corporation.
34	Rajendra KSK RO Nashik Suit No. 5569/2005	1.81	Nashik Court	Pending with the respective Court.
35	Gajanan KSK RO Nashik Suit No. 2677/2007	3.25	Ahmednagar Court	Pending with the respective Court. Next hearing 7/1/2017.
36	M/s Govind Krushi Vikas Kendra, Umarched RO – Amravati Suit no. 1013/2005, 1536/2005, 1686/2005	--	Amravati District Court	` 30.00 lakhs has been recovered on 25/05/2015. The remaining amount will be paid in equal installment of ` 8.75 lakh within 2 years 26/04/2016.
37	Ganesh Agro Agency, Latur RO – Osmanabad Suit no. 964/2005	6.95	Osmanabad Court	The matter is pending in Court.
38	Praveen KSK RO – Osmanabad Suit no. 1582/2005	1.5	Osmanabad Court	The matter is pending in Court.
39	Sheti Udhog Agency RO – Osmanabad Suit no. 424/2007	3.41	Osmanabad Court	The matter is pending in Court.
40	Umesh KSK RO – Osmanabad Suit no. 311/2011	4.02	Osmanabad Court	The matter is pending in Court.
41	Shubda Auto Agro sales RO – Osmanabad Suit no. 1359/2011	0.95	Osmanabad Court	The matter is pending in Court.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
42	Vijay Vasant Jadhav RO – Osmanabad Suit no. 20/2008	10.55	Osmanabad Court	The matter is pending in Court. Next Hearing 27/04/2016.
43	Pragati KSK Patur RO – Akola Suit No. 24172/3,24173/3, 26185/3,2642/4, 2643/4 – DOA 19/07/2005	57.63 + Interest 18.05	Akola District Court	The matter is Pending in the respective Court. Next Hearing 16/05/2016.
44	Sahaydri KK RO – Akola Suit No. 5101/2007	27.34 + Interest 21.34	Buldhana Court	The order is in favor of the Corporation. Recovery is in process.
45	Saikrupar Agro services centre RO – Chandrapur Suit No. 23/2006	7.15	Chandrapur Court	The matter is pending in Court.
46	Shri C.S.Mungate RO – Chandrapur Suit No. 3418/2006	1.51	Chandrapur Court	From the claim amount ` 1.42 lakhs have been received. For the balance amount matter is pending in Court.
47	Rajshri Trading Company Shirala RO Kolhapur Suit No. 33/2015 & 299/2000	0.62	J.M.F.C Shirala	As per the judgment of Hon'ble Supreme Court we have filed new criminal case at Shirala Court. Next Hearing 07/04/2016.
48	Swati Traders Kodoli RO Kolhapur Suit No. 33/2015 & 1733/2009	0.41	J.M.F.C Panhala	As per the judgment of Hon'ble Supreme Court we have filed new criminal case at Panahala Court. Next Hearing 05/04/2016.
49	Dattatraya Agro Kendra Gangapur Karnataka State RO Kolhapur Suit No. 111/2015 & 5928/2005	As per Civil Case	J.M.F.C Afzalpur	As per the judgment of Hon'ble Supreme Court we have filed new criminal case at Afzalpur Court. Legal proceedings are in progress. Next Hearing 13/05/2016.
50	Dattatraya Pesticides Gulburga RO – Kolhapur Suit No. 242/2006	As per Civil Case	J.M.F.C Kolhapur	Legal proceedings are in progress. Next Hearing 16/05/2016.
51	Haveli Taluka Sahkari Kharedi Vikri Sangh RO Pune Suit No. 11/2011	--	Pune Court	The matter is pending in the respective court.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
<b>C) DECREE SUIT</b>				
1	JAIKISAN ASC HATTA RO Nanded Suit No. 2/01, 5/14 - 197/15	3.78 + Interest 3.12	PARBHANI COURT	Party is in appeal.
2	JANTA KSK MANDVI RO Nanded Suit No. 13/14	2.64 + Interest 6.58	NANDED COURT	Next Hearing is on 16/01/2016.
3	INGALE KSK NIWGHA RO Nanded Suit No. 82/07	1.75 + Interest 1.64	PARBHANI COURT	Next Hearing is on 20/04/2016.
4	JAIKISAN ASC HATTA RO Nanded Suit No.'1/09	2.49 + Interest 3.93	BASMAT COURT	Next Hearing is on 20/04/2016
5	HEMANI KSK CHINCHKHED RO Nanded Suit No. 36/2010	3.58 + Interest 7.45	NANDED COURT	Next Hearing is on 05/07/2016.
6	RAHTKAR TRADING CO.LOHA RO Nanded Suit No. 61/2011	41.75 + Interest 85.19	NANDED COURT	Next Hearing is on 01/10/2016.
7	SHETKARI S K BASMAT RO Nanded Suit No. 7/12, 03/14	0 + Interest 14.77	NANDED COURT	Party is in appeal.
8	ANAND K A NANDED RO Nanded Suit No. '5/2013	12.01 + Interest 24.12	NANDED COURT	Next Hearing is on 11/07/2016.
9	M/s Gajanan KSK RO Aurangabad Suit No. 102/99-2007	1.53 + Interest 1.62	Aurangabad Court	Recovery is in Process.
10	M/s Balaji RO Aurangabad Suit No. 266/95-2007	3.63 + Interest 5.15	Aurangabad Court	Recovery is in Process.
11	M/s Kakde RO Aurangabad Suit No. 123/96-2001	9.69 + Interest 2.29	Aurangabad Court	Recovery is in Process.
12	M/s Ashirwad RO Aurangabad Suit No. 01200/2006	9.81 + Interest 4.65	Aurangabad Court	Recovery is in Process.
13	M/s Dogargaon RO Aurangabad Suit No. 45/06-2010	1.30 + Interest 0.77	Aurangabad Court	Party is in appeal.
14	M/s Dhule J.K.O Sah RO Jalgaon Suit No. 440/81	1.17 + Interest 0.35	Jalgaon Court	Decree obtained but the same is pending for execution.
15	M/s P.M.Mahajan RO Jalgaon Suit No. 194/99	3.02 + Interest 2.01	Jalgaon Court	Decree obtained but the same is pending for execution.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
16	Malpur V.K.S RO Jalgaon Suit No. RO Jalgaon Suit No. 91/99	1.60 + Interest 1.44	Jalgaon Court	Decree obtained but the same is pending for execution.
17	Rajshri Farms and Feeds, Dhule RO Jalgaon Suit No. 217/99	5.20 + Interest 2.76	Jalgaon Court	Decree obtained but the same is Next Hearing is on 23/06/2016.
18	Gajanan Magaswargiya RO Jalgaon Suit No. 211/99	3.04 + Interest 1.79	Jalgaon Court	Decree obtained but the same is pending for execution.
19	Pravra Dudh Utpadak RO Nashik Suit No. 67/06	10.25 + Interest 4.86	Nashik Court	Decree obtained but the same is pending for execution.
20	Satyajeet Agro Services Karjat RO Nashik Suit No. 199/08	1.95 + Interest 1.97	Nashik Court	Decree obtained but the same is pending for execution. Next Hearing is on 08/12/2016.
21	Akole RO Nashik Suit No. 133/2010	15.95 + Interest 14.02	Nashik Court	`12.89 lakhs has been recovered. Next hearing 20/01/2017.
22	Zunzar Asc RO Chandrapur Suit No. 107/98/2001	15.02 + Interest 1.47	Chandrapur Court	Decree obtained but the same is pending for execution.
23	Chanda RO Chandrapur Suit No. 235/04	2.61 + Interest 0.45	Chandrapur Court	Decree obtained but the same is pending for execution.
24	Mandeli Vkss Ltd RO Chandrapur Suit No. 49/2005	5.13 + Interest 2.98	Chandrapur Court	Decree obtained but the same is pending for execution.
25	Saikrupa Agro Services Centre RO Chandrapur Suit No. 23/2006	7.15 + Interest 3.70	Chandrapur Court	Decree obtained but the same is pending for execution.
26	Jaikisan Society, Rajura RO Chandrapur Suit No. 20/2006	6.30 + Interest 3.54	Chandrapur Court	Decree obtained but the same is pending for execution.
27	Ambika Krushi Kendra RO Chandrapur Suit No. 49/2008	7.66 + Interest 6.66	Chandrapur Court	Decree obtained but the same is pending for execution.
28	Ram Agro Service Centre RO Nagpur Suit No. 210/2009	6.20 + Interest 1.17	Nagpur Court	Decree obtained but the same is pending for execution.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
29	Shri Krushi Kendra RO Nagpur Suit No. 1359/96	2.30 + Interest 5.76	Nagpur Court	Decree obtained but the same is pending for execution.
30	M/s Pragat Agro Services Centre RO Nagpur Suit No. 213/2004	1.87 + Interest 1.31	Nagpur Court	Decree obtained but the same is pending for execution.
31	M/s ram ganesh Gadkari RO Nagpur Suit No. 205/2003	5.45 + Interest 0	Nagpur Court	Decree obtained but the same is pending for execution.
32	M/s Durgamata Agro Services Centre RO Nagpur Suit No. 605/2004	0.55 + Interest 0.47	Nagpur Court	Decree obtained but the same is pending for execution.
33	M/s Lakhandur SSKV RO Nagpur Suit No. 300/96	0.77 + Interest 0.63	Nagpur Court	Decree obtained but the same is pending for execution.
34	M/s Chetan KSK RO Nagpur Suit No. 174/2004	0.67 + Interest 0.90	Nagpur Court	Decree obtained but the same is pending for execution.
35	Azad KSK RO Osmanabad Suit No. 128/2013	3.70 + Interest 0.78	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 05/04/2016.
36	Taluka Sah Kharedi Vikri Sangh RO Osmanabad Suit No. 46/2005	0.68 + Interest 0.53	Osmanabad Court	Decree obtained but the same is pending for execution.
37	Ramesh Dealers RO Osmanabad Suit No. 70/98	0.89	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 11/04/2016.
38	Rahul Krushi Seva Kendra RO Osmanabad Suit No. 200142/2010	0.99 + Interest 2.30	Osmanabad Court	Decree obtained but the same is pending for execution.
39	Swami Machinery Stores RO Osmanabad Suit No. 200172/2010	5.75 + Interest 4.57	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 22/04/2016.
40	Pandharpur Stores RO Osmanabad Suit No. 200181/2010	2.08 + Interest 1.55	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 23/03/2016.
41	Vijaykumar Swami & Brothers Stores RO Osmanabad Suit No. 200185/2010	0 + Interest 2.03	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 04/04/2016.

Sr. No.	Reference / Year	Estimated Original Claim Amount ( in lakhs)	Judicial Authority	Present Status
42	Sangmeshwar Traders Stores RO Osmanabad Suit No. 200173/2010	1.57 + Interest 1.11	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 30/04/2016.
43	Terna KSK RO Osmanabad Suit No. 34/2011	2.46 + Interest 4.66	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 05/04/2016.
44	The Solapur TSKV RO Osmanabad Suit No. 21/2010	1.44 + Interest 0.92	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 26/04/2016.
45	Vasundra Agro Traders, Latur RO Osmanabad Suit No. 27/2010	4.56 + Interest 1.39	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 27/04/2016.
46	Jaikisan KSK RO Osmanabad Suit No. 302/2011 & 20/2012	1.30 + Interest 1.63	Osmanabad Court	Decree obtained but the same is pending for execution.
47	Patil KSK RO Osmanabad Suit No. 181/2011	8.43 + Interest 5.43	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 13/04/2016.
48	M.P.Trading RO Akola Suit No. 133/2004	3.23 + Interest 1.72	Akola Court	Decree obtained but the same is pending for execution.
49	Sahaydri RO Akola Suit No. 34/2007	27.34 + Interest 21.34	Akola Court	Decree obtained but the same is pending for execution.
50	Deep Fertilizers Raipur RO Akola Suit No. 146/2007	6.65 + Interest 3.38	Akola Court	Decree obtained but the same is pending for execution.
51	Vishal RO Akola Suit No. 51/2003	21.55 + Interest 9.66	Akola Court	Decree obtained but the same is pending for execution.
52	M/s Shirol Taluka Sah Sangh Suit No. 82/2004 & 282/2012	1.16 + Interest 0.63	C.S.J.D.	The said Sangh have already gone into liquidation. However legal case is in progress. Hence we are trying to recover the dues amount by way of legal proceeding. Next Hearing is on 10/06/2016.
53	M/s Atpadi Sangh sangli Suit No. 20/2004 & 166/2012	1.06 + Interest 0.54	C.S.J.D. Sangli	The said Sangh have already gone into liquidation. However legal case is in progress. Hence we are trying to recover the dues amount by way of legal proceeding. Next Hearing is on 13/06/2016.

**Status of legal cases filed against the Company as on 31<sup>st</sup> March, 2016**

<b>Sr. No.</b>	<b>Reference / Year</b>	<b>Estimated Original Claim Amount ( in lakhs)</b>	<b>Judicial Authority</b>	<b>Present Status</b>
1	M/s B.R.Deshmukh Prop – Jaikishan K.S.K Dist – Prabhadevi Suit No. – 102/2003	20.00	District Court	Court decision awaited
2	B. R. Eklave Purna Year: 1996	1.60	District Court	Court decision awaited
3	B.E.S.T v/s M.A.I.D.C Suit No. – 3330/02	6.37	District Court	Court decision awaited
4	Golden Transport Jalgaon v/s M.A.I.D.C Suit No. RCS No.- WP3312/2015	21.24	High Court, Aurangabad	Court decision awaited
5	MAIDC V/S Karveer kamgar Sangh Suit No. WP 8434/2013	13.20	High Court Mumbai	Court decision awaited

## **Annexure – II to the Independent’s Report**

### **Annexure to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of The Maharashtra Agro-Industries Development Corporation Ltd.**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2016, we have audited the internal financial controls over financial reporting of The Maharashtra Agro-Industries Development Corporation Ltd. (‘the Holding Company’) and its subsidiary incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness



of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the associate, in terms of their report referred to in the Others Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **A. Qualified Opinion on adequacy (and therefore operating effectiveness) of Internal Financial Controls Over Financial Reporting.**

#### **Qualified opinion**

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Holding Company's internal financial controls over financial reporting as at 31<sup>st</sup> March, 2016:

1. The Holding Company does not have an appropriate internal control system for accruing the rebates / discounts on purchases of fertilizers in appropriate period. The present system results in the rebates discounts being accounted only at the time of making payment to the supplier. Thi results in rebate / discount being accounted in periods subsequent to the period of actual purchases leading to overstatement of purchases and supplier liabilities.
2. The Holding Company does not have an appropriate internal control system for verifying whether the material booked as purchases based on purchase invoice, is actually received by the Holding Company. This could potentially result in excess booking of purchases and supplier liabilities.

## **B. Qualified Opinion on operating effectiveness of Internal Financial Controls Over Financial Reporting and unmodified opinion on adequacy of such controls**

### **Qualified opinion**

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Holding Company's internal financial controls over financial reporting as at 31<sup>st</sup> March, 2016:

1. The Holding Company internal financial controls over extracting age-wise listing of its trade receivable from the system as at the year-end were not operating effectively which could potentially result in the Holding Company not effectively following up with its overdue debtors and also resulting in short/excess provisioning of the trade receivables in its books of the the Holding Company.
2. The Holding Company internal financial controls over adjusting subsidies received from the Governmnet against outstanding trade receivables of the engineering division were not operating effectively which could potentially result in overstatement of trade recevables and subsidy liabilities and incorrect provisioning of doubtful trade receivables.
3. The Holding Company's internal financial controls over obtaining confirmations of supplier balance reconciling the same were not operating effectively which could potentially result in the Holding Company overstating or understating the suppliers balances and also delay in the indetification and quantification of the differences, if any, which need to be adjusted in the books.
4. The Holding Company's internal financial controls over matchng the suppliers outstanding the balance maintained in the manual register of the fertilizer division with balances shown in the accounting system were not operating effectively which could potentially result in the Holding Company overstating or understating supplier balances and delay in reconciling and adjusting any difference arising from such reconcililatn.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material

misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary incorporated in India, have, in all material respects, an adequate internal financial controls over financial reporting as of 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by these entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI, and except for the effects/possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the internal financial controls of these entities over financial reporting were operating effectively as of 31<sup>st</sup> March, 2016, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Control Over Financial Reporting issued by the institute of Chartered Accountants of India.

We have considered the material weakness identified and reported above and also considered the nature, timing, and extent of audit tests applied in the audit of the 31<sup>st</sup> March, 2016 financial statements of the Holding Company, and the material weakness does not affect our opinion on the consolidated financial statements of the Company.

#### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary, which is a company incorporated in India, is based on the corresponding report of the auditor of such company to the extent available in their audit report.

For Ford Rhodes Parks & Co. LLP  
Chartered Accountants  
Firm's Registration No. 102860W/W100089

Place : Mumbai  
Date :30<sup>th</sup> March, 2017

CA Shrikant Prabhu  
Partner  
Membership No. 35296

**COMMENTS OF THE COMPTROLLER AND AUDITR GENERAL OF INDIA UNDER SECTION 143 (6) (b) READ WITH WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.(MAIDC), MUMBAI FOR THE YEAR ENDED 31 MARCH 2016**

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The preparation of Consolidated Financial Statements of **Maharashtra Agro Industries Development Corporation Limited, Mumbai** for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) read with section 129(4) of Act are responsible for expressing opinion on these Financial Statements under Section 143 read with section 129(4) of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **30 March 2017**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6) (a) read with section 129(4) of Act of the Consolidated Financial Statements of **Maharashtra Agro Industries Development Corporation Limited, Mumbai** for the year ended 31 March 2016. We conducted a supplementary audit of the Financial Statements of **Maharashtra Insecticides Limited, Akola** for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

Base on my audit supplementary audit, I would like to highlight the following significant matter under Section 143(6) (a) read with section 129(4) of Act which have come to my attention and which in my view are necessary for ending a better understanding of the Consolidated Financial Statements and related Audit Report:

**Note to the Consolidated Financial Statements (Note No. 27)**

In terms of Accounting Standards 21 and 23, the Company was required to consolidate the Financial Statement of Maharashtra organic Manures Company Pvt. Ltd.(MOMCPL) and Bombay Organic manures Company Ltd.(BOMCL) into Consolidated Financial Statement (CFS) on account of their status being Subsidiary and Associate Company respectively which has no been done owing to their Financial Statements not being made available for many year. However, the Company has included the investments in these Companies in its books under 'Other Trade Investment'.

Inclsion of the investments in Subsidiary/Associate Company in 'Other Trade Investments' without consolidating their accounts into CFS was not in conformity with AS-21 and AS-23.

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

**Place : Mumbai  
Date : 02.06.2017**

**(Sayantani Jafa)  
ACCOUNTANT GENERAL  
(AUDIT)-III**

**REPLY TO COMMENTS OF THE COMPTROLLER AND AUDITR GENERAL OF INDIA UNDER SECTION 143 (6) (b) READ WITH WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.(MAIDC), MUMBAI FOR THE YEAR ENDED 31 MARCH 2016**

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<b>Comment</b>	<b>Reply</b>
<p>In terms of Accounting Standard 21 and 23, the Company was required to consolidate the Financial Statements Maharashtra Organic Manures Company Pvt. Ltd.(MOMCPL) and Bombay Organic Manures Company Ltd.(BOMCL) into Consolidated Financial Statements(CFS) on account of their status being Subsidiary and Associates Company respectively which has not been done owing to their Financial Statements not being made available for many years. However, the Company has included the investments in these Companies in its books under "Other Trade Investments".</p> <p>Inclusion of Investment in Subsidiary/Associate Company in "Other Trade Investments" without consolidating their accounts into CFS was not in conformity with AS-21 and AS-23.</p>	<p>MOMCPL and BOMCL have not been included in the consolidation since their financial statements are not available for the past many years.</p> <p>This fact has been disclosed in Note no.27 of accounts.</p>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.  
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016**

( in lakhs)

	Notes	AS AT 31.03.2016	AS AT 31.03.2015
<b>I EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUNDS :</b>			
(a) Share Capital	1	550.00	550.00
(b) Reserves and Surplus	2	18683.19	17559.77
		19233.19	18109.77
<b>NON-CURRENT LIABILITIES :</b>			
(a) Other Long-term Liabilities	3	2945.67	2773.59
(b) Long-term Provisions	4	1172.43	1451.64
		4118.10	4225.23
<b>CURRENT LIABILITIES :</b>			
(a) Trade Payables	5	48507.45	38037.49
(b) Other Current Liabilities	6	16247.86	16852.74
(c) Short-term Provisions	7	3951.73	6501.55
		68707.04	61391.78
<b>TOTAL</b>		<b>92058.33</b>	<b>83726.77</b>
<b>II ASSETS</b>			
<b>NON-CURRENT ASSETS :</b>			
(a) Fixed Assets	8		
(i) Tangible Assets		2257.52	2356.00
(ii) Intangible Assets		0.67	0.93
(iii) Capital Work-in-Progress		1.50	0.62
		2259.69	2357.55
(b) Non-Current Investment	9	516.33	515.43
(c) Deferred tax assets (net)	10	47.07	41.54
(d) Long-term Loans and Advances	11	5597.82	6160.28
(e) Other Non-Current Assets	12	-	-
<b>TOTAL</b>		6161.22	6717.25

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.  
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016**

( in lakhs)

PARTICULARS	Notes	AS AT 31.03.2016	AS AT 31.03.2015
<b>CURRENT ASSETS :</b>			
(a) Inventories	13	19780.72	26940.23
(b) Trade Receivables	14	30328.72	18332.55
(c) Cash and Bank Balance	15	32106.90	27633.37
(d) Short-term Loans and Advances	16	159.78	248.60
(e) Other Current Assets	17	1261.30	1497.22
Statement of Significant Accounting Policies	27		
Notes to the Consolidated Financial Statements	28-46		
		83637.42	74651.97
<b>TOTAL</b>		<b>92058.33</b>	<b>83726.77</b>

**Pandurang Fundkar**  
Chairman

As per our report of even date attached  
**For Ford Rhodes Parks and Co. LLP**  
Chartered Accountants  
Firm Registration No. 102860WW100089

**Dr. Ashok Karanjkar**  
Managing Director

**CA Shrikant Prabhu**  
Partner  
Membership No. 35296  
Mumbai  
Date :30<sup>th</sup> March, 2017

**Vasant Sakpal**  
Dy.General Manager (F&A)

**Mumbai**  
Date :30<sup>th</sup> March, 2017

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016**

(` in lakhs)

	Notes	Year ended 31st March, 2016	Year ended 31st March, 2015
Revenue from Operations	18	116516.65	142140.29
Other Income	19	2570.94	3052.43
<b>Total Revenue</b>		<b>119087.59</b>	<b>145192.72</b>
<b>Expenses</b>			
(a) Cost of Material Consumed	20	20964.77	24622.00
(b) Purchases of Stock-in-Trade	21	80448.40	104840.93
(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	22	6745.29	219.95
(d) Employee Benefits Expenses	23	4403.40	4590.04
(e) Finance Costs	24	51.83	53.61
(f) Depreciation and Amortisation	8	211.09	235.29
(g) Other Expenses	25	4456.81	4571.39
<b>Total Expenses</b>		<b>117281.59</b>	<b>139133.21</b>
<b>Profit before Prior Period Items and Tax</b>		<b>1806.00</b>	<b>6059.51</b>
Prior Period Items - Debit/(Credit) - (Net)	26	(239.65)	327.18
<b>Profit before Tax</b>		<b>2045.65</b>	<b>5732.33</b>
<b>Tax Expense:</b>			
(a) Current Tax		763.84	2233.92
(b) Deferred Tax		(5.53)	(12.36)
(c) Prior Years Tax Adjustment Debit/(Credit)		120.64	207.90
		878.95	2429.46
<b>Profit for the Year</b>		<b>1166.70</b>	<b>3302.87</b>



**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016**

( ` in lakhs)

PARTICULARS	Notes	Year ended 31st March, 2016	Year ended 31st March, 2015
<b>Earnings per Equity Share:</b>			
Basic and Diluted Earning per share	43	212.13	600.52
Statement of Significant Accounting Policies	27		
Notes to the Consolidated Financial Statements	28-46		

**Pandurang Fundkar**  
Chairman

As per our report of even date attached  
**For Ford Rhodes Parks and Co. LLP**  
**Chartered Accountants**  
Firm Registration No. 102860W/W100089

**Dr. Ashok Karanjkar**  
Managing Director

**CA Shrikant Prabhu**  
Partner  
Membership No. 35296  
Mumbai  
Date :30<sup>th</sup> March, 2017

**Vasant Sakpal**  
Dy.General Manager (F&A)

**Mumbai**  
Date :30<sup>th</sup> March, 2017

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**

(` in lakhs)

<b>Consolidated Cash Flow Statement for the year ended 31st March, 2016</b>		<b>2015-16</b>		<b>2014-15</b>	
<b>A.</b>	<b>Cash Flow from Operating Activities:</b>				
	Net Profit/(loss) before tax		2045.65		5732.33
	<i>Adjustment for:</i>				
	Depreciation / Amortisation	211.09		235.29	
	Lease Charges	0.52		0.45	
	Prior Period Depreciation / Amortisation	1.07		0.30	
	Interest Expenses	51.83		53.61	
	(Profit)/Loss on sale of Fixed Assets	(1.69)		4.69	
	Provision for Wealth Tax	0.00		2.87	
	Provision for Doubtful Debts and Advances	143.04		72.65	
	Provision for Stock Obsolescence	0.00		15.67	
	Priod period grant adjustment	(7.44)		0.00	
	Dividend Received	(0.15)		0.00	
	Operating Profit before working capital changes		398.27		385.53
			2443.92		6117.86
	(Increase)/Decrease in Trade and Other Receivables	(11751.94)		295.73	
	(Increase)/Decrease in Inventories	7159.51		(76.57)	
	(Increase)/Decrease in Loans and Advances	547.51		(721.78)	
	Increase/(Decrease) in Trade Payables and Other Liabilities	8478.18		(9016.50)	
			4433.26		(9519.12)
	Cash generated from operations		6877.18		(3401.26)
	Direct taxes paid (net of refunds)		(2236.42)		(2465.00)
	<b>Net Cash from/(used) Operating Activities - A</b>		<b>4640.76</b>		<b>(5866.26)</b>
<b>B.</b>	<b>Cash Flow from Investing Activities :</b>				
	Purchase of Fixed assets including Capital WIP		(117.47)		(478.97)
	Proceeds from sale of Fixed Assets		1.78		3.40
	Government Grant received towards Capital Expenditure		-		10.65
	Purchase of Investments		(0.90)		(4.09)
	Dividend Received		0.15		0.00
	<b>Net Cash from Investing Activities - B</b>		<b>(116.44)</b>		<b>(469.01)</b>
<b>C.</b>	<b>Cash Flow from Financing Activities :</b>				
	Dividend Paid		(33.10)		(64.14)
	Interest paid		(17.69)		(27.24)
					(1140.12)
	Repayment of Borrowings		0.00		
	Repayment of Deferred Sales Tax Liability		0.00		(6.43)
	<b>Net Cash generated/(used in) from Financing Activities - C</b>		<b>(50.79)</b>		<b>(1237.93)</b>
	<b>Net Increase/(Decrease) in Cash - ( A+B+C )</b>		<b>4473.53</b>		<b>(7573.20)</b>
	<b>Cash and Cash equivalents at the beginning of the year</b>		<b>27633.37</b>		<b>35206.57</b>
	<b>Cash and Cash equivalents at the end of the year</b>		<b>32106.90</b>		<b>27633.37</b>

**Note :-**

- a) Cash Flow Statement has been prepared based on Indirect Method under Accounting Statndard 3 "Cash Flow Statement"  
 b) Previous year figures regrouped/re-arranged wherever necessary.

As per our report of even date attached

**For Ford Rhodes Parks & Co. LLP**

**Chartered Accountants**

**Firm Registration No. 102860W/W100089**

**CA Shrikant Prabhu**

**Partner**

**Membership No. 35296**

**Mumbai**

**Date :30<sup>th</sup> March, 2017**

**Pandurang Fundkar**

**Chairman**

**Dr. Ashok Karanjkar**

**Managing Director**

**Vasant Sakpal**

**Dy.General Manager (F&A)**

**Mumbai**

**Date : 30<sup>th</sup> March, 2017**

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 1 "SHARE CAPITAL"**

(' in lakhs)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>Authorised :</b> 8,00,000 Equity Shares of ` 100 each	800.00	800.00
<b>Issued :</b> 5,50,000 Equity Shares of ` 100 each	550.00	550.00
<b>Subscribed and Paid Up :</b> 3,00,000 Equity Shares of ` 100 each fully paid up to Government of Maharashtra State	300.00	300.00
2,50,000 Equity Shares of ` 100 each fully paid up to Government of India	250.00	250.00
<b>Total</b>	<b>550.00</b>	<b>550.00</b>

**Details of Shareholders holding more than 5% Equity Shares:**

Name of Shareholders	As at 31.03.2016		As at 31.03.2015	
	Number of shares held in lakhs	% holdin g	Number of shares held in lakhs	% holding
Government of Maharashtra	3.00	54.55	3.00	54.55
Government of India	2.50	45.45	2.50	45.45
<b>Total</b>	<b>5.50</b>	<b>100.00</b>	<b>5.50</b>	<b>100.00</b>

**Note No. 2 "RESERVES AND SURPLUS"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>a) Capital Reserve :</b>		
- Capital Reserve	20.00	20.00
- Government Grant from Govt. Of Maharashtra	31.87	31.87
- Government Grant from Govt. Of India		
Opening balance	38.20	65.94
Less : Adjusted during the year (Refer Note No. 8)	(7.44)	(25.00)
Less : Written back as Depreciation on Assets during the year (Refer Note No. 8)	(2.74)	(2.74)
	<b>79.89</b>	<b>90.07</b>
<b>b) Investment Subsidy Reserve :</b>		
Balance as per last Balance Sheet (Refer Note No. 9)	20.00	20.00
	<b>20.00</b>	<b>20.00</b>
<b>c) CSR Fund :</b>		
Balance as per last Balance Sheet	78.25	-
Add : Transferred from Surplus	98.78	78.25
	<b>177.03</b>	<b>78.25</b>
<b>d) General Reserve :</b>		
Balance as per last Balance Sheet	16373.24	13344.88
Less : Depreciation for earlier years (Refer Note No. 8)	-	(120.94)
Add : Transferred from Surplus	1008.96	3149.30
	<b>17382.20</b>	<b>16373.24</b>

<b>e) Surplus :</b>		
Balance as per last Balance Sheet	998.21	992.17
Less : Depreciation for earlier years (Refer Note No. 8)	-	(36.15)
Add : Profit for the year	1166.70	3302.87
Less : Appropriations		
Proposed Dividend ( ` 5 (P.Y. ` 5) per share)	(27.50)	(27.50)
Tax on Dividend	(5.60)	(5.63)
Transfer to CSR Fund	(98.78)	(78.25)
Transfer to General Reserve	(1008.96)	(3149.30)
Total Appropriation	<b>(1140.84)</b>	<b>(3260.68)</b>
Closing Balance	1024.07	998.21
<b>Total</b>	<b>18683.19</b>	<b>17559.77</b>

**Note No. 3 "OTHER LONG-TERM LIABILITIES"**

( ` in lakhs)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
a) Deposits from Customers, Suppliers, Contractors and Other Parties*	2888.49	2716.41
b) Deferred Payment Liability for Sales Tax Package Scheme of Incentives 1993-Sales Tax Incentive (Repayable after 10 years from the year of availment in 5 equal installments)	57.18	57.18
<b>Total</b>	<b>2945.67</b>	<b>2773.59</b>

\* Subject to Confirmation/Reconciliation and in the absence of complete details the same is considered a Long-term Liabilities.

\* Includes old outstanding of more than 5 years of ` 294.56 lakhs (P.Y. ` 251.23 lakhs) for which no claim from the parties are on record and which will be considered for write back after due verification.

\* Shown net of debit balances of ` 7.55 lakhs (P.Y. ` 14.01 lakhs) against which credits are yet to be identified.

**Note No. 4 "LONG-TERM PROVISIONS"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>Provision for Employee Benefits :</b>		
Leave Salary Encashment	1109.30	1259.91
Gratuity	63.13	191.73
<b>Total</b>	<b>1172.43</b>	<b>1451.64</b>

**Note No. 5 "TRADE PAYABLES"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>Trade Payables :</b>		
a) Micro, Small and Medium Enterprises	2368.98	2948.03
b) Others*	46138.47	35089.46
<b>Total</b>	<b>48507.45</b>	<b>38037.49</b>

\* Trade Payables includes credit balance of various parties of ` 711.20 lakhs (P.Y. ` 246.74 lakhs) lying more than 3 years. These and other trade payable balances are subject to Confirmation/Reconciliation.

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 6 "OTHER CURRENT LIABILITIES"**

( ` in lakhs)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>Others :</b>		
a) Advances from Government for various schemes*	2116.36	2460.47
b) Unutilised Subsidy (Received from Govt.of Maharashtra) Payable**	3453.10	3234.16
c) Creditors for Capital goods	9.31	9.01
d) Advances/Deposits Received from Customers/Suppliers/Contractors/Dealers***	7365.96	8144.10
e) Interest Payable to Government for various schemes****	2409.25	2179.72
f) Statutory Liabilities*****	59.96	45.67
g) Employee Related Liabilities	3.10	7.44
h) Other Interest Payable*****	84.77	50.64
i) Deposits	21.00	21.00
j) Other Liabilities *****	725.05	700.53
<b>Total</b>	<b>16247.86</b>	<b>16852.74</b>

\* The Parent Company is appointed as Nodal Agency by the Central and State Governments for disbursement of funds for agricultural purposes under different schemes and the unutilised amount is shown as advances from Government for various schemes. Total amount received is ` 33264.43 lakhs (P.Y. ` 34539.85 lakhs) out of which total expenditure incurred is ` 31148.06 lakhs (P.Y. ` 32079.38 lakhs), which is subject to confirmation/reconciliation and also audit by the Government.

\* Excess expenditure incurred against amount received under certain schemes of ` 4.62 lakhs (P.Y. ` 4.62 lakhs) is reduced from the unutilised amounts received under other schemes which is subject to approval from respective Government departments.

\*\* Subject to Confirmation and Reconciliation (Refer Note No. 32).

\*\*\*Includes credit balances of debtors of ` 3529.35 lakhs (P.Y. ` 3934.52 lakhs) which is subject to confirmation/reconciliation. Also includes ` 4.09 lakhs (P.Y. ` 4.09 lakhs) payable to Government over 3 years and ` 469.85 lakhs (P.Y. ` 368.68) old outstanding for more than 3 years for which no claim from the parties are on record and which will be write back after due verification.

\*\*\*\* Includes interest payable of ` 2409.25 lakhs (P.Y. ` 2179.72 lakhs) to Government for amounts received under various schemes @ 7.5% (P.Y. 9%) per annum which is subject to confirmation. Also includes old outstanding of more than 3 years of ` 306.97 lakhs (P.Y. ` 306.92 lakhs) for which no claim are on record and which will be considered for write back after due verification.

\*\*\*\*\* Includes excise duty payable of ` 34.29 lakhs (P.Y. ` 25.09 lakhs) on closing stock of manufactured goods.

\*\*\*\*\* Includes interest payable of ` 84.77 lakhs (P.Y. ` 50.64 lakhs) to Micro, Small and Medium Enterprises against their outstandings under Micro, Small And Medium Enterprises Development Act, 2006.

\*\*\*\*\* Includes old outstanding of more than 3 years of ` 16.75 lakhs (P.Y ` 16.57 lakhs) for which no claim from the parties are on record and which will be considered for write back after due verification.

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 7 "SHORT TERM PROVISIONS"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>A) Provision for Employee Benefits :</b>		
(i) Bonus	14.18	4.35
(ii) Incentives/Ex-gratia**	360.63	316.06
(iii) VIth Pay Revision	1764.12	3088.66
(iv) Leave Encashment	341.19	239.95
(v) Gratuity*	899.82	976.24
<b>Total A</b>	<b>3379.94</b>	<b>4625.26</b>
<b>B) Other Provisions :</b>		
(i) Proposed Dividend	55.00	55.00
(ii) Tax on Dividend	11.35	11.35
(iii) VAT Provision	94.79	94.79
(iv) Taxation	410.65	1712.34
(v) Wealth Tax	-	2.81
<b>Total B</b>	<b>571.79</b>	<b>1876.29</b>
<b>Total (A+B)</b>	<b>3951.73</b>	<b>6501.55</b>

\* Includes payable to retired employees provided on adhoc basis for the period from 1st January, 2006 to 31st March, 2014 amounting to ` 317.04 lakhs (P.Y. ` 317.04 lakhs)

\*\* Provision for Ex-gratia to employees amounting to ` 170.08 lakhs for F.Y. 2013-14 and ` 145.98 lakhs for F.Y. 2014-15 is subject to approval of the State Government

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 8 Fixed Assets**

( ₹ in lakhs)

Sr. No	Particulars	GROSS BLOCK				DEPRECIATION /AMORTISATION					NET BLOCK		
		Cost as at 1st April, 2015	Adjustments during the year	Additions during the year	Sales / Adjustments	Cost as at 31st March, 2016	Accumulated up to 1st April, 2015	Provided during the year	Adjusted to Opening Reserve	Deductions during the year	Accumulated up to 31st March, 2016	As at 31st March 2016	As at 31st March 2015
<b>A</b>	<b>Tangible Assets</b>												
1	Land : Freehold	423.91	-	-	-	423.91	-	-	-	-	-	423.91	423.91
	Leasehold	65.07	-	6.87	-	71.94	15.52	1.72	-	-	17.24	54.70	49.54
2	Buildings On Leasehold and Freehold Land *	1810.98	-	60.36	-	1871.34	756.41	53.63	-	-	810.04	1061.30	1054.57
3	Plant and Machinery	1609.05	-	6.15	0.41	1614.79	1166.11	75.09	-	0.41	1240.78	374.01	422.10
4	Electrical Installation	176.69	-	0.31	0.56	176.44	138.71	7.17	-	0.54	145.34	31.10	37.99
5	Furniture and Fittings	127.21	-	4.03	1.32	129.92	93.83	4.80	-	1.32	97.32	32.60	33.38
6	Vehicles	467.18	-	34.59	11.35	490.42	219.95	44.17	-	11.35	252.77	237.65	247.23
7	Computers	172.92	-	0.22	-	173.14	141.15	16.69	(0.11)	-	157.73	15.41	30.96
8	Office Equipments	136.29	-	4.08	3.25	137.12	128.50	8.97	0.11	3.18	4.40	2.72	29.44
9	Assets Financed out of	38.62	-	365.74	365.74	38.62	11.75	2.74	-	-	14.49	24.13	26.86
10	Capital Grant (Refer Note-h below)												
	Assets held for Disposal	8.11	-	-	-	8.11	8.11	-	-	-	8.11	-	-
	<b>TOTAL (A)</b>	<b>5036.03</b>	<b>-</b>	<b>482.35</b>	<b>382.63</b>	<b>5135.75</b>	<b>2680.05</b>	<b>214.98</b>	<b>-</b>	<b>16.80</b>	<b>2878.23</b>	<b>2257.52</b>	<b>2356.00</b>
<b>B</b>	<b>Intangible Assets</b>												
	Computer Softwares	4.65	-	0.17	-	4.82	3.72	0.43	-	-	4.5	0.67	0.93
	<b>TOTAL (B)</b>	<b>4.65</b>	<b>-</b>	<b>0.17</b>	<b>-</b>	<b>4.82</b>	<b>3.72</b>	<b>0.43</b>	<b>-</b>	<b>-</b>	<b>4.15</b>	<b>0.67</b>	<b>0.93</b>
	<b>TOTAL (A+B)</b>	<b>5040.68</b>	<b>-</b>	<b>482.52</b>	<b>382.63</b>	<b>5140.57</b>	<b>2683.77</b>	<b>215.41</b>	<b>0.00</b>	<b>16.80</b>	<b>2882.38</b>	<b>2258.19</b>	<b>2356.93</b>
	Previous Year	4524.90	(10.65)	556.36	29.93	5040.68	2309.73	238.80	157.08	21.85	2683.77	2356.93	2215.17
	Capital work-in-progress	0.62	-	0.88	-	1.50	-	-	-	-	-	1.50	0.62
		<b>0.62</b>	<b>-</b>	<b>0.88</b>	<b>-</b>	<b>1.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.50</b>	<b>0.62</b>
	<b>GRAND TOTAL</b>	<b>5041.30</b>	<b>-</b>	<b>483.40</b>	<b>382.63</b>	<b>5142.07</b>	<b>2683.77</b>	<b>215.41</b>	<b>-</b>	<b>16.80</b>	<b>2882.38</b>	<b>2259.69</b>	<b>2357.55</b>

- a) Depreciation provided during the year on Asset financed out of capital grant ` 2.74 lakhs (P.Y. ` 2.74 lakhs) is adjusted to Capital Reserve.
- b) \* Includes ownership flats (cost ` 16.41 lakhs) In Co-Op Housing Societies / Apartment Owner's Association.
- c) Plant and Machinery having Gross Block of ` 278.96 lakhs (P.Y. ` 278.96 lakhs) which is not in use. Depreciation on the same is provided on single shift basis.
- d) Assets having W.D.V. of ` 1 each are not in use and are yet to be discarded having gross block of ` 882.52 lakhs (P.Y. ` 882.52 lakhs).
- e) Depreciation includes prior period depreciation of ` 1.07 lakhs (Net) ( P.Y. ` 0.30 lakhs)
- f) Freehold land includes commercial land at Jalgaon, total area 2125 sq. mts., which is reserved in Development Plan of Extended Jalgaon by local Muncipal Corporation. Nessessary effect will be given when actual compensation is received. Since the Development Plant period has passed 15 yrs, Parent Company has asked the Muncipal Corporation and Govt . to revoke/cancel the said reservation.
- g) Adjustment in respect of assets financed out of capital grant of ` 365.74 lakhs represents capital grant received which is adjusted against the additions of such assets during the year
- h) Details of Assets Financed out of capital grants:

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION /AMORTISATION					NET BLOCK		
		Cost as at 1st April, 2015	Adjustments during the year	Additions during the year	Adjustments towards grant	Cost as at 31st March, 2016	Accumulated up to 1st April, 2015	Provided during the year	Adjusted to Opening Reserve	Deductions during the year	Accumulated up to 31st March, 2016	As at 31st March 2016	As at 31st March 2015
	Sugras FactoryYavatmal Plant and Machinery Butiburi Nagpur:-	38.62				38.62	11.75	2.74	-	-	14.49	24.13	26.87
	Leasehold Land	-	-	50.58	50.58	-	-	-	-	-	-	-	-
	Godown Building	-	-	295.25	295.25	-	-	-	-	-	-	-	-
	Electrical Installations	-	-	19.91	19.91	-	-	-	-	-	-	-	-
	<b>TOTAL</b>	38.62	-	365.74	365.74	38.62	11.75	2.74	-	-	14.49	24.13	26.87



**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**  
**Note No. 9 "NON CURRENT INVESTMENT"**

(` in Lakhs)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>I. IN GOVERNMENT SECURITIES :</b>		
6 Years National Saving Certificates	0.30	0.30
i) In the Custody of A.P.O. Authorities)		
ii) With Sales Tax, Shriganganagar	0.02	0.02
FDR with Commercial Tax Officer, Circle Bhopal	0.05	0.05
	<b>0.37</b>	<b>0.37</b>
<b>II. IN EQUITY SHARES:</b>		
<b>TRADE INVESTMENT:</b>		
25,000 Equity Shares of Maharashtra Organic Manures Co. Ltd., ` 100 each	25.00	
1,816 Equity Shares of Southern Pesticides Corporation Ltd., ` 1000 each	18.16	
3,62,750 Equity Shares of Bombay Organic Manures Co. Ltd., ` 10 each	36.27	
	79.4	
	3	
Less : Provision for diminution in value of Long-term Investment	59.43	20.00
(The Corporation has Investment Subsidy Reserve of ` 20.00 lakhs created during 1985-86 which is adequate for meeting any further loss on these investments)		20.00
1 Share of Krushak Bharti Co-op Ltd of ` 100000 each	1.00	1.00
1,000 Shares of The Co-operative Stores Ltd. New Delhi of ` 10 each	0.10	0.10
14% Cumulative Redeemable Preference Shares of M/s Alliance Agro India (Refer Note No. 30 (a))	386.20	386.20
MFFP Morshi (Amravati) Project (Refer Note No. 30 (a))	108.61	107.71
	<b>515.91</b>	<b>515.01</b>
<b>III. NON TRADED INVESTMENT : FULLY PAID</b>		
1 Share of Maharashtra State Co-op Bank Ltd. of ` 1000 each	0.01	0.01
1 Share of Sahakari Audyogik Vasahat Ltd. Pachora, Dist Jalgaon of ` 1000 each	0.01	0.01
61 Equity Shares of Co-operative Housing Societies Limited of ` 50 each	0.03	0.03
	<b>0.05</b>	<b>0.05</b>
<b>Total</b>	<b>516.33</b>	<b>515.43</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 10 "DEFERRED TAX ASSET/LIABILITY"**

(` in lakhs)

<b>Particulars</b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
Opening Balance of Deferred Tax Asset	41.54	29.18
Add : Deferred Tax Asset on Fixed Assets - Depreciation	2.18	8.58
Add : Deferred Tax Asset on disallowances as per Income Tax Act	3.35	3.78
<b>Total</b>	<b>47.07</b>	<b>41.54</b>

Deferred Tax Assets/Liability is recognized after adjusting Opening Balance of the same. Items of Differences of Permanent Nature are not considered.

**Note No. 11 "LONG-TERM LOANS AND ADVANCES"**

<b>Particulars</b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
<b>Unsecured, Considered Good unless otherwise specified :</b>		
a) Advances to Agro Advantages* (Considered Doubtful)	230.68	230.68
b) Advances Recoverable in cash or in kind (Includes considered Doubtful of ` 765.40 lakhs (P.Y. ` 598.34 lakhs))	6142.60	6631.37
c) Advances to Employees	0.92	1.99
d) Deposits (Includes considered Doubtful of ` 7.54 lakhs (P.Y. ` 23.40 lakhs))	168.31	141.40
e) Advance Tax (Net of provisions)	58.93	7.26
	6601.44	7012.70
Less: - Provision for Doubtful Advances	1003.62	852.42
<b>Total</b>	<b>5597.82</b>	<b>6160.28</b>

\* Advance amount paid by the Group in organizing Agro Advantage farmers rally in 1998 has not been received from the Government of Maharashtra. Period of over 18 years has elapsed and hence 100% provision has been made.

**Note No. 12 "OTHER NON CURRENT ASSETS"**

<b>Particulars</b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
<b>Unsecured :</b>		
Claims Receivables (Considered Doubtful)	323.35	312.86
Less: - Provision for Doubtful Advances	323.35	312.86
<b>Total</b>	<b>-</b>	<b>-</b>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 13 "INVENTORIES"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
Consumable Stores	180.10	216.52
Packing Material	261.40	334.01
Raw Material	6196.14	6676.66
Semi Finished Goods*	58.90	17.15
Finished Goods*	6887.26	5674.11
Stock-in-Trade*	5894.79	13949.23
Other Stocks	317.80	88.22
	19796.39	26955.90
Less: Provision for stock obsolescence	15.67	15.67
<b>Total</b>	<b>19780.72</b>	<b>26940.23</b>

\* Subject to confirmation from dealers in respect of stock of fertilizers lying with them.

**Note No. 14 "TRADE RECEIVABLE"**

( in lakhs)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>Unsecured :</b>		
<b>Debtors Overdue for more than six months :</b>		
Considered Good	4071.07	2346.65
Considered Doubtful	1515.13	1533.78
<b>Other Debts :</b>		
Considered Good	26257.65	15985.90
	31843.85	19866.33
Less : Provision for Doubtful debts	1515.13	1533.78
<b>Total</b>	<b>30328.72</b>	<b>18332.55</b>

1. Due to system constraints, ageing of debtors cannot be ascertained correctly. Classification of Debtor/Ageing has been worked out to the extent of information available.
2. Trade Receivables includes ` 761.09 lakhs (P.Y. ` 62.38 lakhs) in respect of which the Group holds guarantees from Banks.
3. Trade Receivables includes debtors in respect of Engineering Division for which provision has been made without taking into consideration the subsidy received by the Group from the State Government in the absence of availability of necessary intimations from concerned authorities.

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 15 "CASH AND BANK BALANCES"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>a) CASH AND CASH EQUIVALENT :</b>	-	-
<b>i) Cash on hand</b>	-	0.20
<b>ii) Short Term Deposit with Bank :</b>		
Maturity up to 3 Months	10900.00	7299.00
<b>Total (A)</b>	<b>10900.00</b>	<b>7299.2</b>
<b>b) OTHER BANK BALANCES :</b>		
<b>i) Short Term Deposit with Bank :</b>		
Maturity More than 3 Months but less than 1 year	17779.07	15180.85
<b>ii) IN CURRENT ACCOUNTS :</b>	1282.07	1782.82
<b>iii) IN COLLECTION ACCOUNTS :</b>	2372.50	4587.26
(Includes Cheques on Hand ` 1548.29 lakhs (P.Y. ` 2777.74 lakhs)		
Remittances-in-transit	3.20	3.20
(Including old of ` 3.20 lakhs (P.Y. ` 3.20 lakhs) yet to be received		
	21436.84	21554.13
Less: Credit Balance in current accounts	229.99	1220.01
<b>Total (B)</b>	<b>21206.85</b>	<b>20334.12</b>
<b>c) BALANCE WITH NON-SCHEDULED BANKS :</b>		
<b>i) IN CURRENT ACCOUNTS :</b>		
Sindhudurg Dist. Central Co-op Bank Ltd	0.04	0.04
Maximum Balance of ` 0.04 lakhs (P.Y. ` 0.04 lakhs)		
<b>ii) IN COLLECTION ACCOUNTS :</b>		
Yavatmal D.C.C. Bank	0.01	0.01
(Maximum debit balance of ` 0.01 lakhs (P.Y. ` 0.01 lakhs)		
<b>Total (C)</b>	<b>0.05</b>	<b>0.05</b>
<b>Total (A+B+C)</b>	<b>32106.90</b>	<b>27633.37</b>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 16 "SHORT-TERM LOANS AND ADVANCES"**

( ` in lakhs)

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>A) Unsecured, Considered Good :</b>		
a) Loans and Advances to Employees and Others	88.82	174.02
b) Prepaid Expenses	24.48	19.47
c) Balances with Government Authorities :		
i) P.L.A. A/c	0.98	0.74
ii) Modvat Credit	17.15	14.00
iii) VAT Receivables	2.67	10.46
iv) Sales Tax (Under Protest)	1.00	1.00
v) Income Tax and TDS	24.44	28.67
	<b>46.24</b>	<b>54.87</b>
<b>B) Doubtful :</b>		
Considered Doubtful	9.16	9.16
Less : Provision for Doubtful Loans and Advances	8.92	8.92
	<b>0.24</b>	<b>0.24</b>
<b>Total</b>	<b>159.78</b>	<b>248.60</b>

**Note No. 17 "OTHER CURRENT ASSETS"**

Particulars	AS AT 31.03.2016	AS AT 31.03.2015
<b>Unsecured, Considered Good :</b>		
a) Interest Receivables	1075.43	1384.51
b) Claims Receivables	16.30	24.45
c) Other Receivable	169.57	88.26
<b>Total</b>	<b>1261.30</b>	<b>1497.22</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 18 "REVENUE FROM OPERATIONS"**

( ` in lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
<b>A) Sales</b>		
<b>a) Manufactured Products :</b>		
Animal Feed	14.94	125.82
Fertilizer	23131.41	29527.42
Pesticides	1947.61	2549.48
Agro Engineering	193.19	593.18
Processed fruits and vegetables	762.30	843.87
	26049.45	33639.77
Less : Excise Duty	265.62	321.70
<b>Total A</b>	<b>25783.83</b>	<b>33318.07</b>
<b>b) Bought-Out Products :</b>		
Animal Feed	1073.81	397.84
Fertilizer	50691.55	45589.71
Agro Engineering	35665.66	56580.95
Pesticides	3158.05	6021.57
<b>Total B</b>	<b>90589.07</b>	<b>108590.07</b>
<b>B) Other Operating Income</b>		
Scrap Sales	143.75	232.15
<b>Total C</b>	<b>143.75</b>	<b>232.15</b>
<b>Total (A+B+C)</b>	<b>116516.65</b>	<b>142140.29</b>

1) Sales shown above are net of Trade discount of ` 544.14 lakhs (P.Y. ` 599.52 lakhs).

2) Sales shown net of VAT .

**Note No. 19 "OTHER INCOME"**

( ` in lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
<b>a) Interest Income :</b>		
From Customers	12.97	2.00
On Advance to Employees	1.01	0.44
On Investment ( Deposit With Banks )	1947.67	2292.41
(Net of Interest Paid ` 229.52 lakhs (P.Y. ` 281.97 lakhs) on Unutilised Amount Received from Government under various Scheme)		
On Other Deposits	4.01	5.36
Others	0.03	129.57
<b>Total A</b>	<b>1965.69</b>	<b>2429.78</b>
<b>b) Rent Received :</b>		
From Office Premises	10.16	9.00
From Residential Buildings	3.63	15.93
From Godown	26.79	20.13
Others	39.67	33.24
<b>Total B</b>	<b>80.25</b>	<b>78.30</b>
<b>c) Other Income :</b>		
Cash Discount Received on Purchases	453.67	461.57
Dividend Received	0.15	0.00
Other Receipts**	36.31	21.35
Profit on Sale of Fixed Assets (Net)	1.69	-
Sundry Balances Written Back	33.18	5.80
Provision for doubtful advance no longer required written/back	-	55.63
<b>Total C</b>	<b>525.00</b>	<b>544.35</b>
<b>Total (A+B+C)</b>	<b>2570.94</b>	<b>3052.43</b>

\*\* Includes inspection charges of ` 6.55 lakhs (P.Y. ` 2.61 lakhs) prior to delivery which is purely a reimbursement of expenses incurred by the Group. Therefore this has been shown as other income and not as service income since Group has not provided any service to the parties.

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 20 "COST OF MATERIAL CONSUMED"**

(` in lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
Opening Stock	6676.65	6388.36
Add : Purchases	20650.37	24910.29
	27327.02	31298.65
Less : Closing Stock	6362.25	6676.65
<b>Total</b>	<b>20964.77</b>	<b>24622.00</b>

**Note No. 21 "PURCHASE OF STOCK-IN-TRADE"**

(` in lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
Fertilizers	39727.66	37459.67
Pesticides	945.51	2266.30
Feed	1024.33	296.50
Agro Engineering	33899.94	53691.11
Processed fruits and vegetables	-	0.46
Bio-Fertilizers	414.20	756.50
Gypsum	13.31	62.26
Micro Nutrient	2299.84	6704.28
Bio-Pest	2022.81	3275.62
IWMP Agril Kits	100.80	328.23
<b>Total</b>	<b>80448.40</b>	<b>104840.93</b>

**Note No 22 "CHANGES IN INVENTORIES OF FINISHED GOODS,  
WORK-IN-PROGRESS AND STOCK-IN-TRADE"**

(` in lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
<b>Inventories at the end of the year :</b>		
Finished Goods	6887.26	5674.11
Semi Finished Goods	58.90	17.15
Stock-in-trade (Include old gunny bags for sale of `150.75 lakhs (P.Y. `88.22 lakhs)	6046.46	14037.45
	<b>12992.62</b>	<b>19728.71</b>
<b>Inventories at the beginning of the year :</b>		
Finished Goods	5674.11	6486.23
Semi Finished Goods	17.15	69.23
Stock-in-trade	14037.45	13399.47
	<b>19728.71</b>	<b>19954.93</b>
Increase/(decrease) in Excise Duty of finished goods	9.20	(6.27)
<b>Net (Increase)/Decrease in Inventories</b>	<b>6745.29</b>	<b>219.95</b>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 23 "EMPLOYEES BENEFITS EXPENSES"**

( in lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
<b>REMUNERATION TO MANAGING DIRECTOR :</b>		
Salary	16.29	12.93
Leave Salary Contribution	1.06	0.63
Pension Contribution	2.20	1.04
	<b>19.55</b>	<b>14.60</b>
<b>REMUNERATION TO EMPLOYEES :</b>		
Salary, Wages and Bonus*	3299.08	3839.68
Contribution to Provident Fund and Other Funds	451.37	483.82
Gratuity	427.90	178.75
Welfare Expense	204.16	72.01
Staff Training Expenses	1.34	1.18
	<b>4383.85</b>	<b>4575.44</b>
<b>Total</b>	<b>4403.40</b>	<b>4590.04</b>

\* Includes adhoc provision for VIth pay revision of ` 43.04 lakhs (P.Y. ` 85.13 lakhs).

\* Include provision for Ex-gratia/ Bonus ` 14.18 lakhs (P.Y. ` 150.54 lakhs)

**Note No. 24 "FINANCE COSTS"**

( in lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
<b>Interest Expenses on :</b>		
On Overdraft from Bank	-	2.82
On Deposit	14.99	23.54
On Other Loan	36.84	27.25
<b>Total</b>	<b>51.83</b>	<b>53.61</b>



**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016**

**Note No. 25 "OTHER EXPENSES"**

( ` in lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March, 2015
<b>Manufacturing Expenses :</b>		
Stores and Spares Consumed*	263.12	260.17
Packing Material Consumed*	910.78	1021.86
Power and Fuel Consumption	133.38	134.94
Water Charges	15.77	22.40
Processing Charges and Other Manufacturing Expenses	933.85	1163.45
<b>Repairs and Maintenance :</b>		
Plant and Machinery	12.32	12.65
Buildings	128.96	120.36
Other Assets	24.00	18.84
<b>Selling Expenses :</b>		
Rebates / Discount	44.07	99.96
Commission Paid	22.18	52.49
Advertisement and Publicity	132.26	100.20
Carriage Outward and Other Expenses	417.69	496.16
<b>Establishment Expenses :</b>		
Rent	107.26	99.83
Rates and Taxes	107.70	67.11
Lease Charges	0.52	0.45
Loss on Sale of Fixed Assets (Net)	0.00	4.69
Printing and Stationery	90.97	40.82
Postage and Telephone	34.51	35.54
Insurance Charges	91.06	74.92
Vehicle Expenses	94.59	107.99
Bank Charges	1.70	2.31
Legal and Professional Charges	33.92	37.25
Agricultural Research and Development Expenses	4.37	5.05
<b>Travelling and Conveyance :</b>		
Managing Director	3.23	4.90
Director	11.34	1.12
Others	60.67	56.94
<b>Remuneration to Auditors :</b>		
Audit Fees	4.27	3.81
Reimbursement of Expenses	1.35	1.30
<b>Other Office Expenses :</b>		
Other Expenses	610.60	359.95
Provision for stock obsolescence		15.67
Bad Debts Written-Off	16.47	-
Sundry Balance Written-Off	0.86	19.97
Provision for Doubtful Debts and Advance (Net)	143.04	128.28
<b>Total</b>	<b>4456.81</b>	<b>4571.39</b>

\* All material consumed are of indigenous in current year as well as in previous year.

**Note No. 26 "PRIOR PERIOD ITEMS"**

( ` in lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2016	Year ended 31 <sup>st</sup> March 2015
<b>Expenses :</b>		
Salary and Allowances	-	406.95
Sales	4.68	-
Employees Group Gratuity Insurance premium	-	22.57
Manufacturing and other expenses	13.08	-
Lease Charges	0.96	-
Depreciation	0.11	0.30
Repairs and Maintenance	5.77	2.15
Food Park Project - Salary and Allowances	28.37	-
- Water Charges	28.35	-
- Other Office Expenses	15.13	-
- Electricity Charges	3.56	-
<b>Total A</b>	<b>100.01</b>	<b>431.97</b>
<b>Income :</b>		
Rent - Food Park Project	137.61	-
Others	3.12	77.87
Purchase	191.49	-
Others	7.44	26.91
<b>Total B</b>	<b>339.66</b>	<b>104.78</b>
<b>Total (A+B)</b>	<b>(239.65)</b>	<b>327.18</b>

NOTE NO: - 26

**SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016**

**I) GENERAL**

- a) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013 as adopted consistently by the Corporation.
- b) The Corporation generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis except in those cases where there is significant uncertainty.

**II) INVENTORY VALUATION:**

**Inventories have been valued on the following basis:**

<b>Particulars</b>	<b>Valuation Basis</b>
Raw Materials Packing Materials	Average cost or net realizable value, whichever is lower.
Finished goods (manufactured)	At weighted average cost or net realizable value, whichever is lower.
Traded goods	At cost on First in First out basis or Net Realizable Value, whichever is lower.
Semi-finished goods	At average cost.
Consumable stores and loose tools	At average cost.
Used gunny bags and other stock	At estimated value or on the basis of tenders if and when invited.
The stock of finished products for reformulation/reprocessing	At approximate average cost reduced by value of estimated reduction in terms of quality/ ingredients.

**III) FIXED ASSETS:**

Fixed assets are stated at historical cost, including other expenses for acquisition, installation and registration.

**IV) DEPRECIATION:**

**Tangible assets:**

Depreciation is provided on the assets on their original costs up to their net residual value estimated at 5% of the original cost, pro-rata to the period of use on the straight-line method, over their estimated useful life. Estimated useful life is as per Schedule II to the Companies Act, 2013. Assets individually costing upto `5000 are fully depreciated in the year of purchase.

**Intangible assets:**

Software costs are amortized equally over a period of five financial years.

Leasehold land is amortized over a primary period of lease.

**V) REVENUE RECOGNITION:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Corporation and the revenue can be reliably measured.

Revenue from sales are recognized when the property in goods & significant risks & rewards relating thereto are transferred to the buyer.

**VI) SALES:**

Sales are net of VAT. Sales are recorded net of trade discounts, quantity rebates and excise duties. Sales do not include inter divisional transfers.

**VII) PURCHASES:**

Purchases of Complexes and Straight fertilizers for trading purpose are accounted for on the basis of lifting certificates.

**VIII) EXCISE AND CUSTOM DUTY:**

CENVAT credit of Excise Duty is accounted for by reducing the purchase cost of the related Raw material. Excise Duty liability on goods manufactured but not cleared has been provided for where ever is applicable.

**IX) INCOME AND EXPENDITURE ACCOUNTING:**

- a) Except Government Subsidy, Insurance premium, and Lease charges on leasehold land, all material income and expenses are accounted for on accrual basis.
- b) Insurance claim in respect of traded goods is credited to purchase account. Insurance claim in respect of raw materials, manufactured goods and other items is shown under other income in the year in which the event occurs and the claim is lodged. Difference if any, on final settlement of the claim is accounted in the accounting year in which the final settlements take place.

**X) INVESTMENTS:**

Long Term Investments are stated at cost. Provision for diminution in the value of Long-term investments is made if any, needed.

**XI) RETIREMENT BENEFITS:**

Retirement benefits are dealt with in the following manner: -

- a) Contributions to Provident, Superannuation and Gratuity Funds are made to recognized funds and charged to Profit and Loss Account.
- b) The liability towards gratuity in respect of its employees is provided on the basis of actuarial valuation and is met through a funded scheme managed by the Life Insurance Corporation of India (LIC).
- c) Leave encashment benefits payable to employees are accounted for on the basis of an actuarial valuation.

**XII) RESEARCH AND DEVELOPMENT EXPENDITURE:**

Revenue expenditure is charged to Statement of Profit and Loss and Capital expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

**XIII) GOVERNMENT GRANTS:**

Capital grants relating to specific assets are reduced from the gross value of the Fixed Assets and Capital grants for project Capital subsidy are credited to Capital Reserve, Other revenue grants are credited to Statement of Profit and Loss deducted from the related expenses.

**XIV) PROVISION FOR BAD AND DOUBTFUL DEBTS:**

The Corporation has made provision for bad and doubtful debt as under -

100% for debtors outstanding for a period exceeding three years.

25% for debtors outstanding for a period exceeding two years.

10% for debtors outstanding for a period exceeding one year.

In addition to above, each case is individually examined and if found that it is doubtful of recovery, irrespective of age, 100% provision is made.

**XV) PRIOR PERIOD ITEMS:**

Items of Income and Expenditure, which relate to prior accounting periods, are accounted in the Profit and Loss Account under the head "Prior Years Adjustments" other than those occasioned by events occurring during or after the close of the year and which are treated as relating to the current year.

**XVI) CURRENT ASSETS:**

Current Assets, Loans and Advances stated in the Balance Sheet are recoverable except Doubtful Debtors and Advance to which provision has been made.

**XVII) CONTINGENT LIABILITIES:**

Contingent Liabilities as defined in Accounting Standard-29 are disclosed by way of notes of accounts.

**XVIII) TAXES ON INCOME:**

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is not recognized due to the consideration of prudence in respect of deferred tax assets, 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.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2016**

**27) CONTINGENT LIABILITIES NOT PROVIDED FOR:**

- a) Capital commitments not provided for ` 290.33 lakhs (P.Y. ` 1860.43 lakhs)
- b) Claims against the Corporation not acknowledged as debts ` 62.41 lakhs (P.Y. ` 51.21 lakhs).
- c) The Corporation has appealed the High Court Nagpur/Customs, Excise and Service Tax Appellate Tribunal for reversal of CENVAT credits taken amounting to ` 13.59 lakhs (P.Y. ` 13.59 lakhs) pertaining to financial year 1991-92 and 1999-00.
- d) The Corporation has appealed to the Commissioner (Appeals), Customs and Excise, Service Tax Appellate Tribunal against the demand for excise duty pertaining to financial year 1985-86,1986-87 and 2001-02 on preparation of sugar syrup ` 4.20 lakhs (P.Y. ` 4.20 lakhs).
- e) Sales Tax Demand of ` 198.31 lakhs (P.Y. ` 13.86 lakhs) disputed by the Corporation.

- f) Disputed Income Tax demands of ` 300.06 lakhs (P.Y. ` 50.11 lakhs).
- 28) A substantial part of the movable assets at Alap Cattle feed unit, Yavatmal, funded by the Corporation has been disposed off. The Corporation is yet to receive cancellation of Molasses storage license from Excise department. Till cancellation of said license, disposal of 4 Molasses Tanks and one Weigh Bridge having wdv of ` 0.31 lakhs (P.Y ` 0.36 lakhs) is pending.
- 29)(a) The Govt. of Maharashtra has appointed the Corporation as a nodal agency for erection of two multi fruit processing plants at Katol and Morshi. The Corporation had carried out the work at the instance of the Government of Maharashtra.
- Out of these two plants, Katol plant had been handed over to M/s Alliance Agro India Ltd. as per Government orders and M/s Alliance Agro India Ltd. issued 14% Cumulative Redeemable Preference Shares of ` 386.20 lakhs to the Corporation against its share.
- Dividend on the above preference shares have not been received or accounted for since beginning and will be accounted for as and when received. The Corporation has filed winding up petition against M/s Alliance Agro India Ltd. before Hon'ble High court on 06.08.2010. The Hon'ble High Court has appointed Official Liquidator on 02.08.2012 to dispose-off the property.
- Pending clarity on the assets available to the Corporation on such liquidation, no impairment on this investment has been recognized in the financial statements.
- The Corporation has spent an amount of ` 108.61 lakhs (P.Y. ` 107.71 lakhs) (net of adjustments) on Morshi project in earlier years. The same has been shown as investment. The plant is still in the possession and is being operated by the Corporation.
- (b) The Corporation as Nodal Agency has constructed Food Park at Butibori (near Nagpur) to establish common facilities to food processing units located in the Park. Capital expenditure of ` 372.61 lakhs and revenue expenditure of ` 62.20 lakhs incurred on this project upto 31.03.2015 was accumulated under advances. The fixed assets were first put to use on 30.01.2005. During the year, the Corporation has transferred the accumulated amount under advances to respective accounts as follows:
- (a) Fixed asset capital cost: ` 372.61 lakhs
- (b) Revenue expenditure (prior period): ` 75.41 lakhs
- (c) Revenue Income (prior period): ` 137.61 lakhs
- Grant received from Government of India and Government of Maharashtra for the project amounting to ` 365.74 lakhs were adjusted against the cost of fixed assets.
- Accordingly prior period depreciation of ` 0.96 lakhs on the assets capitalised has been charged-off during the year.
- (c) Godown constructed at Butibori Food Park was given on rent to a party. In the year 2011-12 the Corporation found that the party was using the premises for unpermitted activity and served lease termination notice on the party.
- The Party has challenged this termination notice in High Court of Bombay and continues to occupy the premises.

Arbitration Proceeding have been launched by the Corporation against the party claiming an amount of ` 102.97 lakhs plus interest thereon at 24% p.a. on account of illegal use of godown, loss suffered due to damage to approach road, damages on failure to vacate the premises and recovery of charges. The Corporation has not accounted for these receivables as they are contingent in nature depending on the outcome of the arbitrations.

- (d) Under the Prime Minister's Special Package for Vidharbh Region of Maharashtra, Government of India has sanctioned setting up of Fodder Block manufacturing plants at Yavatmal at an estimated project cost of ` 85.00 lakhs. An amount of ` 74.37 lakhs is received from Government of Maharashtra and Government of India for the project. Machineries have been erected and trial production taken but commercial production has not started due to poor demand. Total capital expenditure incurred of ` 38.62 lakhs (P.Y. ` 38.62 lakhs) has been capitalized but the same assets are not in use. The balance amount of the subsidy of ` 31.87 lakhs (P.Y. ` 31.87 lakhs) is payable. However, the full amount received is shown as Government grant under Capital Reserve.
- (e) The Corporation has received a claim for ` 206.18 lakhs (P.Y. ` 206.18 lakhs) from Maharashtra State Road Transport Corporation Limited (MSRTC) for transportation arrangements of farmers during Agro Advantage, 1998 event. The claim has been rejected by the Corporation and the same has been conveyed to MSRTC.
- 30) The Corporation holds Leasehold land at Goregaon, Mumbai were original lease period has expired and has been extended by Govt. The Govt. has proposed an option to purchase the land and the Corporation has opted for the same. The same has been shown as Capital Commitment Refer Note No. 27.
- 31) Other current liabilities includes subsidy received from the Government of Maharashtra of ` 3453.10 lakhs (P.Y. ` 3234.16 lakhs) being subsidy received against sale of agricultural engineering products to farmers. The reconciliation and adjustments of the same against amounts due lying in debtors is in progress pending receipt of necessary documentation from the sanctioning authorities.
- 32) **Disclosures relating to post employment benefits**
- i) In accordance with Accounting Standard 15 – 'Employee Benefits' (Revised), the Corporation has classified the various post employee benefits provided to the employees as under:

(` in lakhs)

	Year ended 31.03.2016	Year ended 31.03.2015
<b>I. Defined contribution plans</b>		
a. Provident fund		
b. Superannuation fund		
c. State defined contribution plans:		
- Employers' Contribution to Employee's State Insurance Scheme		
- Employers' Contribution to Employee's Pension Scheme 1995		
During the year, the Corporation has recognized the following amounts in the statement of profit and loss account		
- Employers' contribution to provident fund	329.48	389.69

- Employers' contribution to superannuation fund		-
- Employers' contribution to employee's state insurance	2.86	2.40
- Employers' contribution to Employee's Pension Scheme 1995	91.07	74.68
<b>II. Defined benefit plans</b>		
i) Gratuity scheme		
Contributions to the Gratuity trust fund are paid by way of premium under Group Gratuity cum Term Assurance Policy with Life Insurance Corporation of India (LIC). In accordance with Accounting Standard 15 (Revised), actuarial valuation was performed in respect of the aforesaid defined benefit plan based on the following assumptions:-		
Discount rate (per annum)	8.00%	7.79%
Rate of increase in compensation levels	8.00%	8.00%
Rate of return on plan assets (for funded scheme)	7.53%	9.00%
The estimates of future increase in compensation levels takes into account the inflation, seniority, promotion and other relevant factors.		
<b>A. Changes in the present value of obligation</b>		
Present value of obligation as at beginning of the year	2736.76	3053.45
Interest cost	218.94	244.28
Current service cost	120.85	132.12
Benefits paid	(451.94)	(549.96)
Actuarial (gain) / loss on obligations	253.03	(143.13)
Present value of obligation as at end of the year	2877.64	2736.76
<b>B. Changes in the fair value of plan assets</b>		
Present value of plan assets at beginning of the year	1988.56	1776.15
Expected return on plan assets	149.69	162.98
Actuarial gains and (losses)		(19.94)
Contributions	560.04	619.33
Benefits paid	451.94	(549.96)
Fair value of plan assets at end of the year	2246.34	1988.56
<b>C. Amount recognized in the balance sheet</b>		
Present value of obligation as at end of the year	2877.64	2736.76
Fair value of plan assets as at the end of the year	2246.34	1988.56
(liability) / asset recognized in the balance sheet	(631.30)	(748.20)
<b>D. Expenses recognized in the statement of profit and loss</b>		
Current service cost	120.85	132.12
Past Service Cost		-
Interest cost	218.94	244.28
Expected return on plan assets	(149.69)	(162.98)
Net actuarial (gain) / loss recognized in the period	253.03	(123.19)
Total expense recognized in statement of profit and loss for current period	443.14	90.24

ii) Leave Encashment:

The Corporation has been accounting for provision on account of leave encashment for existing employees on retirement based on actuarial valuation. During the year, Corporation has accounted expense of ` 110.79 lakhs (P.Y ` 400.67 lakhs) against such liability.

33) The Corporation has not appointed Company Secretary as required by the Companies Act, 2013. Three meeting of Board of Directors has been held as against the four meetings during the year under audit.

34) **Segment Reporting**

There are primary reportable segments under Accounting Standard 17 issued by ICAI viz. Fertilizers, Pesticides, and Agro-Engineering. Animal Feed and Processed fruits and Vegetables (NOGA). The segmental information is given in Appendix I.

35) **A) Names of the related parties and relationship**

a) Wholly owned Subsidiary: - The Maharashtra Insecticides Limited

b) Key Management Personnel:

i) Shri Arvind Kumar I.A.S. Managing Director

**B) (i) Related Party Transactions with wholly owned subsidiary:-**

Particulars	Current year (` in lakhs)	Previous year (` in lakhs)
Purchase of goods	1605.72	2238.59
Interest paid	63.64	62.61
Procurement exp. Reimbursed by MIL	-	18.51
Reprocessing charges	12.13	23.27
<b>Outstanding Balances:</b>		
Loans / Advances Payable	615.71	563.73
Sundry Creditors	311.22	400.26

**ii) Remuneration to Managing Director**

	Current Year (` in lakhs)	Previous Year (` in lakhs)
Salaries	16.29	12.93
Leave salary	1.05	0.63
Pension contribution	2.20	1.04

36) The debit/credit balances of Sundry Debtors, Sundry Creditors, Loans and Advances are subject to reconciliations / confirmations.

37) The Corporation does not have a process of getting balance confirmation from suppliers and reconciling the same especially with regard to major balance in respect of its Fertilizer Division the same is subject to reconciliation.

38) The Corporation has yet to assess for impairment its non-use of assets its Single Super Phosphate plants at Jalna having wdv of ` 4.10 lakhs (P.Y ` 11.47) lakhs and at Rasayani having wdv of ` 2.10 lakhs (P.Y ` 2.22 lakhs) and Processed Fruits and Vegetables plant at Motibaug having wdv of ` 1.84 lakhs (P.Y ` 6.08 lakhs) and remaining assets of dismantled fodder block plant at Yavatmal. Pending



such assessment, no provision has been made for impairment of these assets as prescribed by AS-28 issued by ICAI.

**39) Disclosure for operating leases under Accounting Standard 19- "Leases"**

(To the extent information available with the Corporation)

(` in lakhs)

	Current Year	Previous Year
Disclosure in respect of the agreements entered into after 1st April, 2001 for taking on lease and license / under operating leases the residential / office premises and warehouses, including furniture and fittings therein, as applicable, and machinery, is given below:		
1. Lease payment recognized in the Profit and Loss Account for the year.	105.82	99.83
2) i) Under some of the agreements, refundable Interest free deposits have been given.	-	-
ii) Agreement do not provide for increase in rent.	-	-
iii) Some of the agreements provide for early termination by either party with a notice period, which varies from 15 days to 3 months.	-	-
iv) Some of the agreements contain a provision for its renewal.	-	-
3) Minimum lease payments under the agreements, which are non-cancelable, are as follows:		
i) Not later than one year	-	-
ii) Later than one year and not later than five years.	(Not ascertained)	(Not ascertained)
4) Lease payment Received – recognized in the Profit & Loss Account	77.80	78.25
Disclosure in respect of Plant and Machinery owned by the Corporation and given on operating lease after 1st April, 2001:		
Included in Plant and Machinery in Note 9 - Fixed Assets, in respect of the aforesaid Plant and Machinery:		
Gross carrying amount as at the year end	Nil	Nil
Accumulated depreciation as at the year end	Nil	Nil
Depreciation for the proportionate period the Plant and Machinery is given under operating lease.	Nil	Nil

**40) Earnings per Share**

The Corporation does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share remain the same.

Particulars	Current Year	Previous Year
a) Profit After Tax (` in lakhs)	1140.84	3260.68
b) No. of Shares	550000	550000
c) Basic and Diluted EPS	207.43	592.85

- 41) During the corresponding year, the Fertilizer Division has taken policy decision for making the credit invoices to dealers to the extent of quantity stored in supplier's godown on behalf of dealers till 31<sup>st</sup> March 2016. However some of the stocks was not lifted by dealer due to insufficient storage problem at that time. By this way risk and reward of ownership of the stock is transferred to the dealers on or before 31<sup>st</sup> March 2016 and revenue from sales proceeds was recognized during the corresponding year.
- 42) Previous year's figures are re-grouped and re-classified wherever necessary to make the same comparable with the figures of the current year.

**Pandurang Fundkar**  
Chairman

As per our report of even date attached  
**For Ford Rhodes Parks & Co. LLP**  
**Chartered Accountants**  
**Firm Registration No. 102860W/W100089**

**Dr Ashok Karanjkar**  
Managing Director

**CA Shrikant Prabhu**  
Partner  
Membership No. 35296

**Mumbai**

**Date :30<sup>th</sup> March, 2017**

**Vasant Sakpal**  
Dy.General Manager (F&A)

**Mumbai**

**Date :30<sup>th</sup> March, 2017**

32<sup>nd</sup>  
ANNUAL REPORT  
2015 - 2016

**MAHARASHTRA INSECTICIDES LIMITED**

(A Subsidiary Company of M.A.I.D.C.Ltd.,)  
(Govt.of Maharashtra undertaking.)  
C-4, MIDC Area, Shivani - Akola - 444 104

CIN: U24210MH1984SGC032856

**MAHARASHTRA INSECTICIDES LIMITED**  
**32<sup>nd</sup> ANNUAL REPORT 2015-2016.**  
**DIRECTORS' REPORT**

To,  
The Members,  
Maharashtra Insecticides Ltd.,

Gentlemen,

On behalf of the Board of Directors, I have pleasure in presenting the 31<sup>st</sup> Annual Report on the working of your Company for the year 2015-2016 together with audited statement of accounts for the year ended 31<sup>st</sup> March 2016.

**1. CORPORATE RESULTS:**

Your Company started full-fledged operations from 1-4-1989 on transfer of the Assets and Liabilities of Pesticides Factory, Akola to your Company by MAIDC Ltd. Your Company is in the Twenty five year of its commercial operations and has achieved the following results.

( .in Lakhs)

Particulars	2015-2016	2014-2015
Turnover (Net)	1452.02	2049.16
Profit (+)/Loss (-) before provision for doubtful debts, advances and deferred tax.	19.70	55.01
Provision for doubtful debts and advances	0.00	0.00
Profit(+)/Loss(-) before tax / deferred tax	19.70	55.01
Provision for taxation	13.84	33.92
Profit(-)/Loss(-) after tax	5.86	21.09
Add:- Deferred Tax	5.54	12.36
Profit(+)/Loss(-)after tax & deferred tax	11.40	33.45

**2. DIVIDEND :**

During the year the Company has not been able to generate profit to declare any amount towards dividend. Therefore, it is decided not to recommend any dividend on the paid up share capital of the Company for the year 2015-2016.

**3. REVIEW OF OPERATIONS:**

The production achieved during the year as against the production during the previous year is as under.

Particulars	2015-2016	2014-2015
WDP (MT)	163.750	197.686
EC / WSC (KL)	357.907	517.420
EC Bulk (KL)	23.205	12.740
Granules (MT)	0	0
Bio-Pest (Tricoderma) (MT)	0	0
Total	544.915	727.846

#### 4.FUTURE PLANS :

Your Company is planning to introduce new molecules viz. Glyphosate-41% SL, Glyphosate-71% SG, Imida 30.5% SG, Imida 70% WG, Propiconazole 25% EC to meet the market demand, which shall assist in increasing in the sales turnover thereby improvement in profitability. Your company has already submitted applications to Central Insecticides Board & Registration Committee, Faridabad for registration of these products.

#### 5. DIRECTORS:

The following persons were appointed and retired as Directors on the board during the Financial Year 2015-2016 till the date of adoption of accounts for the year 2015-2016

Sr. No.	Name of Director	From	To
1	Shri Arvindkumar, I.A.S., M.D.,MAIDC Ltd, Mumbai	09-02-2015	08.08.2016
2	Dr. Ashok Karanjkar I.A.S. M.D.,MAIDC Ltd, Mumbai	08.08.2016	Till date
3	Shri K.Y.Vanjare, Dy. Secretary to Govt. of Maharashtra Deptt. Of Agriculture	03-09-2013	Till date
4	Shri D.M. Zende Chief Quality Control Officer Commissionerate of Agril, M.S., Pune,	01-04-2013	01-06-2016
5	Shri Vikas Patil Chief Quality Control Officer Commissionerate of Agril, M.S., Pune,	01.06.2016	Till date
6	Shri R.S. Baviskar Dy.G.M. (Finance), MAIDC Ltd	01-07-2013	09.06.2016
7	Shri V.A. Sakpal Dy. G.M. (Finance), MAIDC Ltd	09.06.2016	Till date
8	Shri A.B. Uplenchwar Dy. G.M. (Pesticides), MAIDC Ltd.	07-01-2015	Till date
9	Shri S.B. Mundada Chief Executive	15-10-2015	Till date

#### 6. INDUSTRIAL RELATIONS:

The overall industrial relations with workers and employees of your Company remained satisfactory throughout the year.

#### 7. PARTICULARS OF EMPLOYEES:

Particulars of employees under Section 217 (2-A) of the Companies Act, 1956 read with the Rules framed thereunder are given in Annexure 'A' to this report.

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

As provided under Section 217 (1) (e) and rules thereunder, the required information is given in Annexure 'B' to this report.

#### **9. DIRECTORS' RESPONSIBILITY STATEMENT:**

While preparing the annual financial statement, a Company is adhered to the following.

1. In the preparation of the said financial statements, the Company has followed the applicable Accounting Standards, referred to in Section 211 (3-C) of the Companies Act, 1956.
2. The Company has followed the said Accounting Standards and has been applying them consistently and has made judgement and estimates that are reasonable, prudent and are in the interest of the Company's business, so as to give a true and fair view of the state of affairs of the Company as at March 31<sup>st</sup> 2016 and of the profit of the Company, for the said period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the financial statements on a going concern basis.

#### **10. AUDITORS:**

The Comptroller and Auditor General of India have appointed M/s. Prashant Lohiya & Associates, Chartered Accountants, and Akola as Auditors of the Company for the year 2015-2016. Your Directors are thankful to M/s, Prashant Lohiya & Associates, Akola for the guidance and co-operation given by them from time to time in finalisation of accounts.

#### **11. ACKNOWLEDGEMENT:**

Your Directors wish to place on record their sincere thanks for the support and guidance received from the Officers in Agriculture Deptt., Mantralaya, Mumbai, Commissionerate of Agriculture, Govt. of Maharashtra, Pune. Your Directors are also thankful to the Officers and the staff of MAIDC Ltd., for giving guidance and assistance in carrying out the operations of your Company. Your Directors are also thankful for the co-operation extended by the Officers and employees of the Company at all levels.

**For and on behalf of the  
Board of Directors,**

**Place : - Mumbai.**

**Date: 10.02.2017**

**(Dr. Ashok N. Karanjkar)  
Chairman**

**ANNEXURE - "A"**

**MAHARASHTRA INSECTICIDES LTD.,  
C-4, MIDC AREA, SHIVANI-AKOLA.**

STATEMENT OF PARTICULARS OF EMPLOYEES DRAWING AGGREGATE REMUNERATION OF `24,00,000/- OR MORE P.A. OR ` 2,00,000/- OR MORE P.M. (IF EMPLOYED FOR PART OF THE FINANCIAL YEAR) FROM 1-4-2015 TO 31-3-2016 AS REQUIRED UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975.

**PART I - EMPLOYED THROUGH OUT THE FINANCIAL YEAR**

-----NIL-----

**PART II - EMPLOYED FOR PART OF THE YEAR**

-----NIL-----

**ANNEXURE - "B"**

Particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo pursuant to Section 217 (i) (e) of the Companies Act, 1956 forming part of the Directors' Report for the year ended 31<sup>st</sup> March 2016.

**A) CONSERVATION OF ENERGY:**

The Company is taking normal precautions for conserving the energy resources. Normally, all these measures form part of the preventive maintenance of its plant and machinery. Hence it is not possible to assess the real impact of these measures on reduction of energy consumption and consequent impact on the cost of production of goods. Since Pesticides Industry is not covered in the list, the information of total energy consumption and energy consumption per unit of production in Form "A" is not given.

**B) TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:**

The Company does not have Research and Development activity. Further no new technology has been imported for any of the products.

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company has not exported any goods and earned any Foreign Exchange during the year under report. The Company has not imported any material and no payment is made in Foreign Currency.

ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF  
SCHEDULE VI OF COMPANIES ACT, 2013.

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

<b>I</b>	<b>Registration Details</b>				
	Registration No.		32856/84	State Code	11
	Balance Sheet Date		31	03	2016
			Date	Month	Year

<b>II</b>	<b>Capital raised during the year (Amount in ` lakh)</b>			
	Public issue	NIL	Right Issue	NIL
	Bonus Issue	NIL	Private Placement	NIL

<b>III</b>	<b>Position of Mobilisation and Development of Funds . (Amount in ` lakh)</b>			
	Total Liabilities	1899.74	Total Assets	1899.74
	<b>Source of Funds</b>		<b>Reserves &amp; Surplus</b>	
	Paid-up Capital	100		1031.06
	Secured Loans	0	Unsecured Loans	57.17
	Deferred Tax Liability	0	Deferred Tax Assets(Net)	47.07
	<b>Application of Funds</b>		<b>Investments</b>	
	Net Fixed Assets	125.22		0.02
	Net Current Assets	465.58	Misc. Expenditure	0
	Accumulated Losses	0		

<b>IV</b>	<b>Performance of Company. (Amount in ` lakh.)</b>			
	Turn over (Including other income)	1561.37	Total expenditure	1541.66
	Profit/Loss Before Tax,Deferred Tax	19.71	Profit/Loss After Tax,Deferred Tax	11.40
	Earnig Per Share in `	11.40	Divident Rate %	NIL
			0	

<b>V</b>	<b>Generic Names of Three Principal Products/Services of the Company.</b>			
	(As per monetary terms.)			
	Item Code No. (ITC Code )			
	Product Description :		Formulated Pesticides	
	Item Code No. (ITC Code )			
	Product Description :		Granulated Pesticides	

For Maharashtra Insecticides Ltd.,

S. B. Mundada  
Chief Executive / Director

Akola Date : 10 FEB 2017

FOR Prashant Lohiya & Associates  
CHARTERED ACCOUNTANTS

P. K. Lohiya....Partner M.No. 048469  
Firm Rgn No. 114659W

Place Akola Date : 17 FEB 2017





To,  
The Members,  
Maharashtra Insecticides Limited,  
Akola

### **INDEPENDENT AUDITOR'S REPORT**

1. We have audited the accompanying Standalone financial statements of the **MAHARASHTRA INSECTICIDES LIMITED, AKOLA**, (The Company) which comprise the Balance Sheet as at **31st March, 2016** and the Statement of Profit and Loss and Cash Flow Statement, for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Financial Statements:**

The Company's Board of Directors is responsible for the matter stated in Section 134(5) of the Companies Act, 2013 (the Act) with respect to preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance & Cash flow of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal control, that were operating effectively for ensuring the accuracy and completeness of the accounting record, relevant to the preparation and presentation of these standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility:**

2. Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and the Rules made there under and the Order under Section 143(11) of the Act. We conducted our audit in accordance with the Standards on Auditing under section 143(10) of the Act, Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion:**

4. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, standalone financial statements read together with the notes thereon give the information required by the Companies Act, 2013 and give a true & fair view:
  - i) in the case of Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2016 and
  - ii) in the case of the Profit & Loss Statement of the Profit of the company for the year ending on 31<sup>st</sup> March, 2016.
  - iii) in case of Cash Flow Statement, of the cash flows of the company for the year ended on 31<sup>st</sup> March, 2016

**Report on other legal & regulatory requirements:**

**5. We report that:**

1. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of audit.
2. In our opinion, the company has kept proper books of accounts as required by the Law so far as appears from our examination of books.
3. The Balance Sheet and Profit & Loss statement and the Cash Flow Statement dealt with in this report are in agreement of the books of accounts.
4. In our opinion, the aforesaid Standalone Financial Statements comply with Accounting Standards specified under Section 133 of the Act, as applicable.
5. Based on the representations made by the C.E.O. of the Company and the information and explanations given to us, none of the Directors of the Company are, prima facie, as at 31<sup>st</sup> March 2016 disqualified from being appointed as Directors of the Company in terms of Section 164(2) of the Act.
6. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.
7. That the Company has disclosed the pending litigations and its impact on financial position in the notes to accounts & financial statements.
8. That the Company is not required to make provision for losses since it has no material foreseeable losses on long term contracts.
9. That the Company is not required to transfer any amount to the Investor Education and Protection Fund.

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, on the matters specified in the paragraph 3 and 4 of the Order and on the basis of such checks as we considered appropriate and according to the information and explanations, given to us we give in "**Annexure A**", statement on the matters specified in the said order to the extent applicable to the company.

Place: Akola

Date: 17 FEB 2017

For Prashant Lohiya & Associates,  
Chartered Accountants

P. K. Lohiya...Partner..M.No. 048469.  
FRN: 114659W

## ANNEXURE "A"

### TO THE AUDITORS REPORT REFERRED TO IN PARAGRAPH – 5(10).

In terms of the information and explanations given to us and the books and record examined by us in the normal course of audit and to the best of our knowledge and belief we state as under:

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The fixed assets have been physically verified by the management in accordance with a regular programmed of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals; and no material discrepancies were noticed on such verification.  
(c) On examination of conveyance deed provided to us, we report that the title deeds of the immovable property are held in the name of the company.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management, and no material discrepancies have been noticed during such verification.
- (iii) The Company has granted unsecured loan to persons, companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. The details are covered under Note No 11, & 26 (4) to Financial Statements under related party transactions.
  - (a) The terms and conditions of the loans and advances is not prejudicial to the company's interest.
  - (b) The schedule of repayment of principal and payment of interest has been stipulated and the receipts & repayments are regular. The outstanding as on 31<sup>st</sup> March, 2016 is at Rs 615.71 lacs.
  - (c) There is no overdue amount for the same.
- (iv) In respect of loans, investments, guarantee and securities, the provision of section 185 and 186 of The Companies Act, 2013 have been properly complied with.
- (v) The company has NOT accepted deposits within the meaning of Section 73 to 76 of the Companies Act, 2013.
- (vi) Maintenance of cost records is not required under section 148(1) of The Companies Act, 2013.
- (vii) (a) The company is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Sales-tax, Service tax, duty of Customs, Duty of Excise, value added tax, Cess and any other material statutory dues with the appropriate authorities. And there are No arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, except Rs 5717415/- for Sales Tax of Lote Plant for PSI 1993 Sales Tax Deferral Scheme, which is duly provided for and appears as liability.  
(b) The Company has disputed dues under various acts for which appeals are pending. The details for the same are as per Notes to Accounts – Note No. 26 (2), which disclose a proper status.
- (viii) The company has NOT defaulted in repayment of dues to a financial institution or bank or government. The company has not issued any debentures.
- (ix) The question of money being raised by way of initial public offer and further public offer (including debt instruments) does not arise as the above mentioned company is not a public company.

- (x) No fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) As per information & explanation given by the Management, the managerial remuneration has been paid or provided in accordance with the provision of 197 read with Schedule V of Companies Act.
- (xii) The Company reported on is not a Nidhi company and hence the question of compliance with the debt to net owned funds ratio and the maintenance of ten percent unencumbered deposits as specified in Nidhi Rules, 2014 does not arise.
- (xiii) All the related party transactions are in compliance with the provision of section 177 and section 188 of the Act, and the details have been disclosed in the standalone financial statements note no 26 etc., as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment and private placement of shares and fully or partly convertible debentures during the year under review. Hence, the question of compliance with section 42 of The Companies Act, 2013 does not arise.
- (xv) The company has not entered into any cash transaction with the directors or persons connected to its Directors and hence provision of Section 192 of the Act is not applicable.
- (xvi) The company is not required to register under section 45 IA of the Reserve Bank of India Act, 1934.

Place: Akola

Date: 17 FEB 2017

For Prashant Lohiya & Associates,  
Chartered Accountants

P. K. Lohiya...Partner..M.No. 48469.  
FRN : 114659W

**COMMENTS OF THE COMPTROLLER AND AUDITR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013, ON THE ACCOUNTS OF THE MAHARASHTRA INSECTICIDE LIMITED, AKOLA FOR THE YEAR ENDED 31 MARCH 2016**

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The preparation of Financial Statements of **Maharashtra Insecticides Limited Mumbai** for the year ended **31 March 2016** in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on these Financial Statements under Section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated **17 February 2017**.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conducted the supplementary audit of the Financial Statements of **Maharashtra Insecticides Limited, Akola** for the year ended 31 March 2016 and as such have no comments to make under Section 143(6) (b) of the Act.

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

**(D.K. Sekar)  
PRINCIPAL ACCOUNTANT GENERAL  
(AUDIT)-III**

**Place: Mumbai  
Date: 18 April, 2017**

**MAHARASHTRA INSECTICIDES LIMITED**  
**C-4 MIDC Area Shivani, Akola**  
**Balance Sheet as at 31st March, 2016.**

(Amount `.)

Particulars			Note No.	As at 31st March, 2016	As at 31st March, 2015
<b>I.</b>	<b>Equity and Liabilities</b>				
<b>1</b>	<b>Shareholders funds</b>				
	(a)	Share capital	1	10000000.00	10000000.00
	(b)	Reserves and surplus	2	103105975.51	100541717.90
	(c)	Money received against share warrants			
<b>2</b>	<b>Share application money pending allotment</b>				
<b>3</b>	<b>Non-current liabilities</b>				
	(a)	Long-term borrowings		0.00	0.00
	(b)	Deferred tax liabilities (Net)	3	0.00	0.00
	(c)	Other Long term liabilities	4	5717415.00	5717415.00
	(d)	Long-term provisions	5	8522009.00	7436145.00
<b>4</b>	<b>Current liabilities</b>				
	(a)	Short-term borrowings		0.00	0.00
	(b)	Trade payables	6	11646915.26	8404336.68
	(c)	Other current liabilities	7	7232256.44	6447462.42
	(d)	Short-term provisions	8	43749303.50	40596616.00
		<b>Total</b>		<b>189973874.71</b>	<b>179143693.00</b>
<b>II.</b>	<b>Assets</b>				
<b>1</b>	<b>Non-current assets</b>				
	(a)	Fixed assets	9		
	(i)	Tangible assets		12522447.65	12336322.99
	(ii)	Intangible assets		0.00	0.00
	(iii)	Capital work-in-progress		0.00	0.00
	(iv)	Intangible assets under development		0.00	0.00
	(b)	Non-current investments	10	2000.00	2000.00
	(c)	Deferred tax assets (net)	3	4707312.00	4154156.00
	(d)	Long-term loans and advances	11	63606231.89	58538480.69
	(e)	Other non-current assets		0.00	0.00
<b>2</b>	<b>Current assets</b>				
	(a)	Current investments		0.00	0.00
	(b)	Inventories	12	70971725.65	56460593.79
	(c)	Trade receivables	13	31133472.77	40115355.44
	(d)	Cash and cash equivalents	14	1101657.75	1446367.09
	(e)	Short-term loans and advances	15	5929027.00	6090417.00
	(f)	Other current assets		0.00	0.00
		<b>Total</b>		<b>189973874.71</b>	<b>179143693.00</b>
	See Accompanying Notes to the Financial Statements		26	0.00	0.00

Dr. Ashok Karanjkar  
Chairman

S. B. Mundada  
Chief Executive

A.B. Uplenchwar  
Executive Director

V.A Sakpal  
Director

Place: Mumbai  
Date: 10 Feb. 2017

Place : Akola  
Date : 17 Feb. 2017

As per Our Report of even date,  
For Prashant Lohiya & Associates,  
Chartered Accountants,

P.K.Lohiya.....Partner M.No. 48469.  
Firm Regn No. 114659W.

**MAHARASHTRA INSECTICIDES LIMITED**  
**C-4 MIDC Area Shivani, Akola**  
**Profit & Loss Statement for the year ended on 31st March, 2016.**

(Amount `.)

Particulars		Note No.	31st March, 2016	31st March, 2015
I.	Revenue from operations	16	145202242.00	204916214.68
II.	Other income	17	10934843.47	7349973.38
III.	Total Revenue (I + II)		156137085.47	212266188.06
IV.	Expenses :			
	Cost of materials consumed	18	62544847.07	91123723.17
	Purchases of Bulk Material	19	49668788.00	52621515.65
	Changes in inventories of F.G., W.I.P. & S.I.T	20	-12063563.32	-2960959.79
	Employee benefits expense	21	27708850.00	30005869.00
	Finance costs- Bank Charges	22	4354.29	3217.99
	Depreciation and amortization expense	9	1317125.20	3524770.66
	Other expenses	23	23677798.78	30189324.17
	Total expenses		152858200.02	204507460.85
V.	Profit before exceptional and extra-ordinary items and tax (III-IV)		3278885.45	7758727.21
VI.	Exceptional items- Prior period Items	24	1307983.70	2257418.00
VII.	Profit before extraordinary items and tax (V-VI)		1970901.75	5501309.21
VIII.	Extraordinary Items		0.00	0.00
IX.	Profit before tax (VII-VIII)		1970901.75	5501309.21
X.	Tax expense :			
1	Current tax		1384026.00	3392487.00
2	Deferred tax		-553156.00	-1236170.00
XI.	Profit (Loss) for the period from continuing operations		1140031.75	3344992.21
XII.	Profit/(loss) from discontinuing operations		0.00	0.00
XIII.	Tax expense of discontinuing operations		0.00	0.00
XIV.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		0.00	0.00
XV.	Profit (Loss) for the period (XI + XIV)		1140031.75	3344992.21
XVI.	Earnings per equity share:	25		
1	Basic		11.40	33.45
2	Diluted		11.40	33.45
	See Accompanying Notes to the Financial Statements	26		

Dr. Ashok Karanjkar  
Chairman

Place : Mumbai  
Date : 10 Feb 2017

S. B. Mundada  
Chief Executive

A. B. Uplenchwar  
Executive Director

V.A Sakpal  
Director

Place : Akola

Date : 17 Feb 2017

As per Our Report of even date,  
For Prashant Lohiya & Associates,  
Chartered Accountants,  
P.K.Lohiya.....Partner M.No. 048469.  
Firm Regn No. 114659W.



**MAHARASHTRA INSECTICIDES LIMITED, AKOLA**  
**C-4 MIDC Area Shivani, Akola**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016.**

	Particular	2015-16		2014-15	
(A)	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>				
	Net Profit Before Tax		19,70,902		55,01,309
	Depreciation & Amortisation	13,17,125		35,24,771	
	Loss on Sales of Fixed Assets	-		-	
	Finance Cost.	-		-	
	Provisions	42,89,316	56,06,441	99,18,882	134,43,653
	Operating Profit Before Working Capital Changes		75,77,342		18944,962
	Adjustments for Working Capital Changes :				
	Trade Payables and Other Current Liabilities	39,76,609		43,54,770	
	Inventories	(14511132)		(27890166)	
	Trade Receivables and Other Current Assets	8981883	(15,52,641)	6118921	(17,416,476)
	<b>CASH FLOW FROM OPERATIONS</b>		60,24,702		1,528,486
	Income Tax Paid during the year		(13,84,026)		(3,392,487)
	<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>		<b>46,40,676</b>		<b>(1,864,001)</b>
(B)	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Pur. of Fixed Assets and additions in CWIP	(79,024)		(6,867)	
	Proceeds from sale of fixed assets	-		-	
	Movement in Loans and Advances	(49,06,361)		3,297,898	
	Investment made	-		-	
	<b>NET CASH USED FOR INVESTING ACTIVITIES (B)</b>		<b>49,85,385</b>		<b>3,291,031</b>
(C)	<b>CASH FLOW FROM FINANCING ACTIVITIES :-</b>				
	Share Capital issued	-		-	
	Security Premium on issue of Shares	-		-	
	Long term Borrowings & Other Long term Liab.	-		(643,991)	
	Short Term Borrowings	-		-	
	Interest paid on Loan	-		-	
	<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>		-		<b>(643,991)</b>
	<b>CASH GENERATED DURING THE YEAR (A+B+C)</b>		<b>(3,44,709)</b>		<b>7,83,039</b>
	Cash & Cash Equivalent at the beginning of the Year		14,46,367		663,328
	Cash & Cash Equivalent at the end of the Year		11,01,658		14,46,367

Dr. Ashok Karanjkar  
Chairman

Place : Mumbai  
Date : 10 Feb 2017

S. B. Mundada  
Chief Executive

A. B. Uplenchwar  
Executive Director

V.A. Sakpal  
Director

Place : Akola

Date : 17 Feb 2017

As per Our Report of even date,  
For Prashant Lohiya & Associates,  
Chartered Accountants,

P.K.Lohiya.....Partner M.No. 048469.  
Firm Regn No. 114659W.

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2016**

(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
	Amount `.	Amount `.
<b>1. Share Capital</b>		
Authorised Share Capital		
200000 Equity Shares of ` .100/- each.	20000000.00	20000000.00
Issued, subscribed & paid up		
100000 Equity Shares of ` .100/- each.	10000000.00	10000000.00

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares			
	As at 31 March 2016		As at 31 March 2015	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	100000	10000000	100000	10000000
Shares Issued during the year	---	---	---	---
Shares bought back during the year	---	---	---	---
Any other movement (please specify)	---	---	---	---
Shares outstanding at the end of the year	1,00,000	10,000,000	1,00,000	10,000,000

Details of each shareholder, holding more than 5% of shares

Name of Shareholder	Equity Shares			
	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
MAIDC Ltd (Holding Company)	99993	99.99%	99993	99.99%

(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
<b>RESERVE &amp; SURPLUS.</b>		
Surplus i.e. balance in Statement of Profit & Loss		
Opening balance	100541717.90	100811299.76
(+) Net Profit/(Net Loss) For the current year	1140031.75	3344992.21
(+) Transfer from Reserves	0.00	0.00
(-) Proposed Dividends	0.00	0.00
(-) Interim Dividends	0.00	0.00
(+) Depreciation difference for 2014-15 WDV to SLM	1424225.86	0.00
(-) Depreciation on life expired Assets- Schedule 11C Act,13	0.00	0.00
Closing Balance	100541717.90	3614574.07 100541717.90
<b>Total</b>	<b>103105975.51</b>	<b>100541717.90</b>

PARTICULARS	31.03.2016	31.03.2015
	Amt ( ` )	Amt ( ` )
<b>3. DEFERRED TAX ASSET/LIABILITY</b>		
Opening Balance of Deferred Tax - Asset / Liability	-4154156.00	-2917986.00
Profit as per Books before tax	1970902.00	5501309.00
Add : Depreciation as per Books of Accounts	1294343.00	3457652.00
Less: Depreciation as per Income Tax Act.	590059.00	680971.00
Add : time being Disallow- IT Act - Leave Encashment Provision (net) etc.	1085864.00	1223870.00
Income as per Income Tax ( with timing difference)	3761050.00	9501860.00
Profit as per Books before tax	1970902.00	5501309.00
Less: Income as per Income Tax Act	3761050.00	9501860.00
Timing Difference : - Expenditure / Income	-1790148.00	-4000551.00
Deferred Tax Liability / - Assets @ 30.90% on Timing Diff.	-553156.00	-1236170.00
Closing Balance of Deferred Tax - Asset/ Liability	-4707312.00	-4154156.00

<b>Deferred Tax Asset/Liability is recognized after adjusting Opening Balance of the same. Items of Differences of Permanent Nature are not considered.</b>		
PARTICULARS	31.03.2016	31.03.2015
	Amt ( ` )	Amt ( ` )
<b>4. OTHER LONG TERM LIABILITIES</b>		
Deferred Payment Liability for Sales Tax Package Scheme of Incentives 1993 -Sales Tax Incentive (Repayable after 10 years from the year of availment in 5 equal inst.)	5717415.00	5717415.00
<b>Total</b>	<b>5717415.00</b>	<b>5717415.00</b>

PARTICULARS	31.03.2016	31.03.2015
	Amt ( ` )	Amt ( ` )
<b>5. LONG TERM PROVISIONS</b>		
Provision for Employee terminal benefit Leave Enachment	8522009.00	7436145.00
<b>Total</b>	<b>8522009.00</b>	<b>7436145.00</b>

PARTICULARS	31.03.2016	31.03.2015
	Amt ( ` )	Amt ( ` )
<b>6. TRADE PAYABLE</b>		
For Supplies, Goods & Services & Advance/Deposits from Suppliers of Goods, Services & Contractors	11646915.26	8404336.68
<b>Total</b>	<b>11646915.26</b>	<b>8404336.68</b>
<b>Balances of Trade Payables are subject to confirmation.</b>		

PARTICULARS	31.03.2016	31.03.2015
	Amt ( ` )	Amt ( ` )
<b>7. OTHER CURRENT LIABILITIES</b>		
Advances/Deposits from Customers, Suppliers, Contractors	6679023.37	4624533.67
Other Payables & Provisions	553233.07	1822928.75
<b>Total</b>	<b>7232256.44</b>	<b>6447462.42</b>

PARTICULARS	31.03.2016	31.03.2015
	Amt ( ` )	Amt ( ` )
<b>7. OTHER CURRENT LIABILITIES</b>		
Advances/Deposits from Customers, Suppliers, Contractors	6679023.37	4624533.67
Other Payables & Provisions	553233.07	1822928.75
<b>Total</b>	<b>7232256.44</b>	<b>6447462.42</b>

PARTICULARS	31.03.2016	31.03.2015
	Amt ( ` )	Amt ( ` )
<b>8. SHORT TERM PROVISIONS</b>		
(a) Provisions for Employee Benefits		
Pay Arrears & DA Arrears	33371143.00	29067744.00
For Ex-gratia -	7867912.00	7667912.00
(b) Others (specify nature).		
i) Provision for Income Tax	1162164.00	3208292.00
ii) Provision for Excise Duty	1348084.50	652668.00
iii) VAT Payable	0.00	0.00
<b>Total</b>	<b>43749303.50</b>	<b>40596616.00</b>

MAHARASHTRA INSECTICIDES LTD., AKOLA

Note "9" OF NON CURRENT ASSETS-FIXED ASSETS FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2016

SR.	PARTICULARS	OP.GROSS 1.4.2015	ADDITIONS Before 30/09	ADDITIONS After 30/09	DISPOSAL 2015-16	GROSS BLOCK	DEPN. UPTO 1.4.2015	DEPRN. 2015-16	DEPN ON RET.ER*	TOTAL DEPRN.	NET BLOCK 31.03.2015	NET BLOCK 31.03.2016
	<b>A. Tangible Assets</b>											
1	Office Building	2242609.00	0.00	0.00	0.00	2242609.00	1213719.24	68643.11	-116084.40	1166277.95	1028889.76	1076331.05
2	Factory Building	13412423.24	0.00	0.00	0.00	13412423.24	9639685.49	297434.86	-366220.75	9570899.60	3772737.75	3841523.64
3	Godwon Building	3747236.45	0.00	0.00	0.00	3747236.45	1942219.83	148985.28	-243640.69	1847564.42	1805016.62	1899672.03
4	Worker's Rest Room	304893.00	0.00	0.00	0.00	304893.00	289648.35	0.00	0.00	289648.35	15244.65	15244.65
5	Road	1318591.53	0.00	0.00	0.00	1318591.53	1252661.95	0.00	0.00	1252661.95	65929.58	65929.58
6	Plant & Machinery	26992399.24	29752.00	0.00	0.00	27022151.24	24950370.76	504754.33	-332584.38	25122540.71	2042028.48	1899610.13
7	Electrical Installation	5593029.36	0.00	0.00	0.00	5593029.36	5384296.43	17621.24	-14353.35	5387564.32	208732.93	205465.04
8	Furniture & Fixture	810162.17	0.00	0.00	0.00	810162.17	796353.34	1354.98	-844.32	796864.00	13808.83	13298.17
9	Laboratory Equipments	3123276.30	0.00	0.00	0.00	3123276.30	3026807.73	0.00	0.00	3026807.73	96468.57	96468.57
10	Office Equipments	473920.71	20700.00	0.00	0.00	494620.71	454195.09	4819.48	-1566.94	457447.63	19725.62	37173.08
11	Workshop Equipments	24792.07	0.00	0.00	0.00	24792.07	24792.07	0.00	0.00	24792.07	0.00	0.00
12	Material Handling Equipments	119582.00	0.00	0.00	0.00	119582.00	98969.83	2691.78	-3285.19	98376.42	20612.17	21205.58
13	Air Conditioning Equipments	286844.00	0.00	0.00	0.00	286844.00	270173.34	3209.85	-3564.95	269818.24	16670.66	17025.76
14	Pollution Control Equipments	2229637.65	0.00	0.00	0.00	2229637.65	1345324.03	76476.05	-135628.46	1286171.62	884313.62	943466.03
15	Fire Fighting Equipments	243961.34	0.00	0.00	0.00	243961.34	181885.63	8640.77	-14517.07	176009.33	62075.71	67952.01
16	Vehicle	2155003.00	0.00	0.00	0.00	2155003.00	1856369.28	74588.34	-103076.54	1827881.08	298633.72	327121.92
17	Electronic Equipments	1796560.08	0.00	6667.00	0.00	1803227.08	1782103.00	1827.28	-1191.85	1782738.43	14457.08	20488.65
18	Weigh Bridge & W.Scale	216378.00	0.00	0.00	0.00	216378.00	196022.22	14447.51	-7810.34	202659.39	20355.78	13718.61
19	Bio-Pest Laboratory	193917.00	0.00	0.00	0.00	193917.00	127070.15	34340.18	-35520.46	125889.87	66846.85	68027.13
20	Computers	80928.00	0.00	21905	0.00	102833.00	24945.92	34507.90	0.00	59453.82	55982.08	43379.18
	<b>Sub Total (A)</b>	<b>65366144.14</b>	<b>50452.00</b>	<b>28572.00</b>	<b>0.00</b>	<b>65445168.14</b>	<b>54857613.68</b>	<b>1294342.94</b>	<b>-1379889.69</b>	<b>54772066.93</b>	<b>10508530.46</b>	<b>10673101.21</b>
	<b>B. Tangible Assets</b>											
1	Leashold Land	2249745.00	0.00	0.00	0.00	2249745.00	421952.47	22782.26	-44336.17	400398.56	1827792.53	1849346.44
	<b>Sub Total (B)</b>	<b>2249745.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2249745.00</b>	<b>421952.47</b>	<b>22782.26</b>	<b>-44336.17</b>	<b>400398.56</b>	<b>1827792.53</b>	<b>1849346.44</b>
	<b>GRAND TOTAL \ (A+B)</b>	<b>67615889.14</b>	<b>50452.00</b>	<b>28572.00</b>	<b>0.00</b>	<b>67694913.14</b>	<b>55279566.15</b>	<b>1317125.20</b>	<b>-1424225.86</b>	<b>55172465.49</b>	<b>12336322.99</b>	<b>12522447.65</b>

\*Note: Depreciation is charged as per Provision of Companies Act 2013. Due to change in depreciation difference for earlier years is charged on earning. For future details please refer notes to account

**MAHARASHTRA INSECTICIDES LIMITED, AKOLA**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
	Amt (`.)	Amt (`.)
<b>10. NON CURRENT INVESTMENT</b>		
(a) Investments in Government or Trust Securities (NSC with Sales Tax Shriganganagar)	2000.00	2000.00
<b>Total</b>	<b>2000.00</b>	<b>2000.00</b>

(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
	Amt (`.)	Amt (`.)
<b>11. LONG TERM LOANS AND ADVANCES</b>		
(a) Capital Advances;		
i) Secured, Considered good		
ii) Unsecured, Considered good		
iii) Doubtful		
(b) Security Deposits;		
i) Secured, Considered good	1623566.00	1754558.00
(c) Loans and Advances to Related Parties		
i) MAIDC LTD.( Holding Co.)	61571333.56	56372590.36
(d) Other Loans and Advances		
i) Unsecured, Considered good		
Electricity Duty Receivable - Claim Receivable	411332.33	411332.33
<b>Total</b>	<b>63606231.89</b>	<b>58538480.69</b>

(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
	Amt (`.)	Amt (`.)
<b>12. TRADE RECEIVABLES / SUNDRY DEBTORS</b>		
For the period of less than 6 months		
Unsecured, Considered good. MAIDC LTD.	31122472.77	40026002.44
Other Sundry Debtors	11000.00	89353.00
Total	31133472.77	40115355.44
For the period of more than 6 month		
Unsecured, Considered doubtful.	14277923.37	14277923.37
		-
Less : Provision for doubtful	-14277923.37	14277923.37
Total `.	0.00	0.00
<b>Total</b>	<b>31133472.77</b>	<b>40115355.44</b>
<b>Balances of Trade Receivables are subject to confirmation.</b>		

(Amount `.)

PARTICULARS		31.03.2016	31.03.2015
		Amt ( `.)	Amt ( `.)
<b>13.</b>	<b>INVENTORIES</b>		
<b>a)</b>			
(i)	<u>Raw Materials :</u>		
	Technical Grade	15905172.11	14059973.80
	Auxillary	9550421.39	8018789.92
(ii)	Work-in-Progress( Semi finished goods)	5890003.60	1715310.90
(iii)	Finished Goods	10298354.67	5820488.99
(iv)	Stores and Spares	2397826.59	2225915.70
<b>b)</b>	<u>Manufactured Components :</u>		
(i)	Bulk Processed Materials	11558176.07	8147171.13
(ii)	Pending Reformulation Materials	4852374.16	5320602.14
(iii)	Leakage Materials	201418.96	280023.83
(iii)	Packing Materials	10317978.10	10872317.38
	<b>TOTAL</b>	<b>70971725.65</b>	<b>56460593.79</b>

(Amount `.)

PARTICULARS		31.03.2016	31.03.2015
		Amt ( `.)	Amt ( `.)
<b>14.</b>	<b>CASH &amp; CASH EQUIVALENTS</b>		
a)	Balances with Banks		
(i)	State Bank of India, Akola 11125283962	969000.07	1348414.41
(ii)	State Bank of India, Lote 11285480251	10179.00	10809.00
(iii)	Syndicate Bank, Akola 51101010000340	122478.68	67079.68
b)	Cash on Hand	0.00	20064.00
	<b>TOTAL `.</b>	<b>1101657.75</b>	<b>1446367.09</b>

(Amount `.)

PARTICULARS		31.03.2016	31.03.2015
		Amt ( `.)	Amt ( `.)
<b>15.</b>	<b>SHORT TERM LOANS &amp; ADVANCES</b>		
a)	Others (specify nature).		
i)	Unsecured, Considered good		
ii)	Advance Recoverable in Cash or in kind or for value to be considered good	975817.00	902989.00
	Interest Receivable	17843.00	24911.00
	Advances to Staff	709504.00	829047.00
	Advance Income Tax And TDS	2444463.00	2866957.00
	<u>Balance with Revenue Authorities-</u>		
	Sales Tax (under protest)	100000.00	100000.00
	MODVAT Adjustable	1657537.00	1289683.00
	Input Tax Credit Adjustable	0.00	52967.00
iii)	Doubtful		
	Considered Doubtful (Including Advance to Supplier of Lote)	915811.34	915811.34
	Less : Provision for doubtful loans and advances	-891948.34	-891948.34
	<b>Total</b>	<b>5929027.00</b>	<b>6090417.00</b>

**In opinion of the Board of Directors, current assets if realized in normal course of business will approximately amount to the value at which they are stated in the Balance Sheet.**

**In opinion of the Board of Directors, the asset which will realise within 12months from the reporting date is considered as Current Asset and others are considered as Non Current Asset.**

(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
	Amt ( `.)	Amt ( `.)
<b>16. SALES</b>		
a) Sale of Products		
i) Manufacture Products (M.S.)	164305569.00	231018698.68
ii) Bulk Processed Products (M.S.)	0.00	0.00
iii) Other Sales : Scarp	455490.00	178140.00
Less: (d) Excise Duty	-19558817.00	-26280624.00
<b>Total</b>	<b>145202242.00</b>	<b>204916214.68</b>

(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
	Amt ( `.)	Amt ( `.)
<b>17. OTHER INCOME</b>		
a) Interest Income (in case of a comp. other than a finance co.)	6607738.00	6608339.00
b) Net gain/loss on sale of Fixed Assets	110692.00	0.00
c) Excess Provision written back	0.00	0.00
d) Sundry Credit balances written off	3160992.87	1.38
e) Rent Received	4200.00	4850.00
f) Other receipts	192065.75	29399.00
g) Bad debt recovered	0.00	0.00
h) Discount Received	859154.85	707384.00
<b>Total</b>	<b>10934843.47</b>	<b>7349973.38</b>

(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
	Amt ( `.)	Amt ( `.)
<b>18. COST OF MATERIALS CONSUMED</b>		
a) Opening Stock	27679389.69	5656807.48
Add : Purchases :	65374844.00	113146305.38
Less : Closing Stock	30509386.62	27679389.69
<b>MATERIAL COST OF RAW MATERIAL CONSUMED</b>	<b>62544847.07</b>	<b>91123723.17</b>

(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
	Amt ( `.)	Amt ( `.)
<b>19. PURCHASES OF STOCK-IN-TRADE</b>		
a) MATERIAL COST OF RAW MATERIAL CONSUMED	49668788.00	52621515.65
<b>Total</b>	<b>49668788.00</b>	<b>52621515.65</b>



(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
	Amt (.)	Amt (.)
<b>20. CHANGE IN INVENTORIES</b>		
a) Opening Stock	15682971.02	12722011.23
Semi Finished Good	1715310.90	6922827.92
Finished Good	5820488.99	1738922.66
Bulk Processed Materials	8147171.13	4060254.65
b) Closing Stock	27746534.34	15682971.02
Semi Finished Good	5890003.60	1715310.90
Finished Good	10298354.67	5820488.99
Bulk Processed Materials	11558176.07	8147171.13
Change in Inventories Total `.	<b>-12063563.32</b>	<b>-2960959.79</b>

(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
	Amt (.)	Amt (.)
<b>21. EMPLOYEE BENEFIT EXPENSES</b>		
a) Salaries & Wages *		
i) Chief Executive	1202030.00	1024540.00
ii) Employees	21928343.00	24774159.00
b) Contribution to Superannuation fund	2349815.00	2404969.00
c) Contribution to Gratuity fund	1777795.00	1206603.00
d) Medical and Education reimbursement	18200.00	3000.00
e) Staff Welfare Exp	407892.00	585098.00
f) Staff Training Exp	24775.00	7500.00
<b>Total</b>	<b>27708850.00</b>	<b>30005869.00</b>
<b>* Salaries and wages include : Salaries,wages,bonus,compensated,absences and all other amounts payable employees in respect of service rendered as per their employment terms under contract of service / employment.</b>		

(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
	Amt (.)	Amt (.)
<b>22. FINANCE COST</b>		
a) Other Borrowing Cost- Bank Charges	4354.29	3217.99
<b>Total</b>	<b>3217.99</b>	<b>3217.99</b>

(Amount `.)

PARTICULARS		31.03.2016	31.03.2015
		Amt (.)	Amt (.)
<b>23. OTHER EXPENSES</b>			
(a)	DIRECT/PRODUCTION EXPENSES	18252920.43	24911354.17
	Stores and Spares consumed	1465701.15	1541903.39
	Packing Materials consumed	11848968.28	16279940.28
	Power and Fuel	926266.00	839515.00
	Water Charges	451481.00	487750.00
	Carriages Inward	323328.00	279925.00
	Factory and Other Manufacturing expenses	1460271.50	1853033.50
	Excises duty & CST on Purchases	1350998.50	652668.00
	Procurement charges paid to MAIDC	0.00	1851358.00
	Repairs and Maintenance Plant and Machinery	94542.00	25617.00
	Repairs & Maintenance Other	331364.00	1099644.00
		<b>5424878.35</b>	<b>5277970.00</b>
(b)	ADMINISTRATIVE EXPENSES		
	Office Expenses	1094301.00	1346511.00
	Rates & Taxes	68670.00	152761.00
	Carriage Outward	1212479.55	1457731.00
	Insurance	356513.00	328553.00
	Legal & Professional Charges	107890.00	99165.00
	Advertisement	299264.00	74183.00
	Printing & Stationery	88985.00	85463.00
	Postage & Telegram	85678.80	73583.00
	Vehicle Expenses	475366.00	392419.00
	Travelling Expenses	326850.00	246930.00
	Sales Tax	0.00	65477.00
	Other Selling Expenses	897873.00	844240.00
	Auditor Remuneration	105000.00	102000.00
	Donation Expenses	10000.00	0.00
	Security Expenses	2960008.00	8954.00
	<b>Total</b>	<b>23677798.78</b>	<b>30189324.17</b>

(Amount `.)

PARTICULARS		31.03.2016	31.03.2015
		Amt (.)	Amt (.)
<b>24. Prior Period Items :</b>			
	Salaries & Benefits	0.00	0.00
	Manufacturing & Other Expenses	1307983.70	506.00
	Employee G.Gratuity Insurance Premium	0.00	2256912.00
		<b>1307983.70</b>	<b>2257418.00</b>

(Amount `.)

PARTICULARS	31.03.2016	31.03.2015
	Amt ( `.)	Amt ( `.)
<b>25. EARNINGS PER SHARE (EPS)</b>		
(a) attributable to Equity Shareholders	1140031.75	3344992.21
Average number of equity shares used as denominator for calculating EPS	100000	100000
Weighted Average number of equity shares used as denominator for calculating DEPS	100000	100000
Basic Earnings per share `.	11.40	33.45
Diluted Earnings per share `.	11.40	33.45
Face Value per equity share `.	100	100

Dr. Ashok Karanjkar  
Chairman

S. B. Mundada  
Chief Executive

A.B. Uplenchwar  
Executive Director

V.A. Sakpal  
Director

Place: Mumbai  
Date: 10 Feb 2017

As per Our Report of even date,  
For Prashant Lohiya & Associates,  
Chartered Accountants,

Place : Akola

Date : 17 Feb 2017

P.K.Lohiya.....Partner M.No. 48469.  
Firm Regn No. 114659W.

**MAHARASHTRA INSECTICIDES LIMITED, AKOLA.**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

**NOTE NO. 26: ACCOUNTING POLICIES & NOTES:**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**a) Basis of Accounting**

The financial statement are prepared under the historical cost convention on accrual basis and is in accordance with generally accepted accounting principles and complying with the accounting standard referred to in Section 133 of the Companies Act 2013.

**b) Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation. Cost includes taxes and duties (but does not include excise duty for which CENVAT credit is available), freight, installation cost and other direct expenses incurred towards acquiring fixed assets.

**c) Depreciation**

Depreciation on fixed assets other than leasehold land which is being amortized over the period of lease, Depreciation is provided on straight line method. As per Companies Act 2013, the useful life of the assets as mentioned in the Schedule II has been adopted. Accordingly depreciation is charged on carrying value of assets as per Companies Act, 2013. Carrying value of assets is determined as Original cost – Depreciation charged up to 31.03.2014. Useful remaining life is considered as Useful life - expired life of asset. There is no impairment of assets.

In case of assets which has already been depreciated at full value, or the WDV balance is less than 5% - i.e. carrying value as suggested by the Act, such assets are carried at a value which existed in the books as on 1<sup>st</sup> April, 2014.

There was calculation error in Depreciation for 2014-15 which was calculated as per WDV method as against SLM, therefore depreciation was over charged by ₹ 1424226/-which is reversed in this financial year and is credited to General Reserve.

**d) Investments**

Investments are stated at cost.

**e) Inventories.**

Inventories are valued AS PER Accounting Standard issued by ICAI on inventories and details of the same are as under:-

i) Raw materials, Packing materials and consumable stores - At cost on weighted average basis. Cost includes purchase price, freight and other direct expenses.

**MAHARASHTRA INSECTICIDES LIMITED, AKOLA.**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

ii) Stock-in-process - At raw material content value.

iii) Finished Goods - At cost or Net realizable value whichever is less. Cost includes material, direct labour, overheads and excise duty other than selling and distribution overheads. Excise duty on goods manufactured by the Company and lying in inventory is included as part of valuation of finished goods.

iv) Closing stock of leakage / damage material and materials received for reformulation is valued at raw material cost content.

**f) Revenue recognition**

Sales are recognized on the basis of invoices and are shown net of returns and are inclusive of excise duty and exclusive of MVAT.

**g) Retirement benefits**

In respect of gratuity, the Company is contributing from 01.04.1989 to Group Gratuity cum Life Assurance (cash accumulation) scheme which is charged against revenue every year. In respect of Provident fund, the Company is regularly contributing to approve Trust fund/Commissioner of Provident fund. In respect of earned leave, encashment benefits payable to employees are accounted for on the basis of an actuarial valuation.

**h) Taxes on Income**

Current tax is determined as the amount of tax payable under the Provisions of Income Tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, 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 period/s.

**2. CONTINGENT LIABILITY : -**

No provision is made for liabilities, which are contingent in nature, but if material, these are disclosed by way of notes.

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for ` . NIL (Previous year ` . NIL)
- b) The sales tax assessment of the Company has been completed upto F.Y. 2004-2005.  
However the Company has received demand for ` . 7,78,453/- for F.Y. 1994-95 from Dy. Commissioner of Sales Tax (Admn), Nagpur for which the Company had preferred

**MAHARASHTRA INSECTICIDES LIMITED, AKOLA.**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

an appeal before the Maharashtra Sales Tax Tribunal, Mumbai by making part payment of ` 1,00,000/- in protest.

- c) An amount of ` 1,53,635/- has been deposited in High Court, Nagpur Bench in respect of suit filed by M/s. Deshmukh Printers, Akola for ` 2,53,645.58 for claiming damages against the Company since they were not awarded contract for printing of leaf lets. The case has been transferred to Hon. District Civil Court, Akola for further proceeding.
- d) The Company is making provision for arrears of pay as per 6<sup>th</sup> pay Commission recommendations – since the same are already made applicable to Holding Company, and proposal for approval of the same for this company is pending before State Government. The Provision for pay arrears are made at ` 43,03,920/- ( previous year ` 43,89,744/-), and total provision under this head is at held ` 333.71 lacs. Similarly provisions for Gratuity ( as increased for increased pay – because of 6<sup>th</sup> pay comm.. application ) is made at ` 2,00,000/- ( previous year ` 22,56,912/-), and total of such provision is held at ` 46.57 lacs.
3. The total issued & paid up capital is of ` 1,00,00,000/- (Previous year ` 1,00,00,000/-) out of which capital of ` 700/-, held by nominees of MAIDC and capital of ` 99,99,300/- by MAIDC Ltd.
4. a) The Company makes 100% provision for debtors wherein transactions with the party are stopped and legal proceeding is started irrespective of outstanding period. Also, the Company makes 100% provision in respect of advances outstanding for a period exceeding three years. For Debtors & advances outstanding more than one year and two years, the Company makes ad-hoc provision @ 10% and 25% respectively.
- b) The Balances of Sundry Debtors, Sundry Creditors, loans & advances are subject to reconciliation and confirmation, however the Company has sent balance confirmation letters to them, the response of which is awaited.
5. In the opinion of the Board of Directors, current assets, loans & advances are approximately of the value stated, if realized in ordinary course of business barring ` 1,51,93,735/- which are considered as doubtful previous year ( ` 1,51,60,918/-). Provision for Doubtful debts and Advances has been made at ` 1,51,69,872/-(Previous year ` 1,51,60,918/- ). Further provision for all known and determined liabilities is adequate and not in excess of the amount reasonably required.

**MAHARASHTRA INSECTICIDES LIMITED, AKOLA.**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

6. a) Total amount due to Small Scale Industrial Undertakings of which amount outstanding for more than 30 days, exceeding ` . 1,00,000/- is Nil. The said information has been compiled with reference to records available with the Company.
- b) The Company has not received any intimation from the suppliers regarding their status under Micro, Small and Medium Enterprises Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid or payable as required under the said Act has not been given.
7. The purchases of raw materials, packing materials, capital goods and civil works are monitored by the Holding Company i.e M.A.I.D.C. Ltd. The entire sale within Maharashtra State is made to Holding Company, Sales prices are fixed on input cost basis under the guidance of Holding Company from time to time.
8. The Company is following financial instructions of the Holding Company, MAIDC Ltd. All rules and regulations and policies are framed by the Holding Company.
9. One of the raw materials, technical grade i.e Quinolphos Technical supplied by M/s Arlab Limited, Mumbai since found of deteriorated standard by the management, the finished product thereof was withdrawn from the market during the F.Y 1993-94 and 1994-95. The cost of such deteriorated material amounted Rs 26.03 lacs. The Management has filed the Civil Suit in the Mumbai High Court against M/s. Arlab Ltd., praying the recovery of ` . 38,15,125 /- towards the cost and interest in this respect. The specific liabilities are yet to be fixed. The case has been transferred to Hon. City Civil Court, Mumbai.
10. The stock of finished goods, stores & spares, raw materials, work in progress have been physically verified by the Management at the year end and there are no major differences and some minor differences which are noticed have been reconciled.
11. a) Total debtors outstanding for more than 3 years period wherein transactions with the party are stopped and legal proceeding is started aggregating to ` . 1,42,77,923/- ( Previous year ` . 142,77,923/-), for which the Company has made 100% provision totaling to ` . 1,42,77,923/- (Previous year ` . 1,42,77,923/-). Ad hoc provision @ 25% for debtors outstanding for more than two year not exceeding three years has been ` . NIL. (Previous year ` NIL).
- b) The total Advances outstanding for more than 3 years aggregating to ` . 8,82,994/- or which the Company has considered 100% doubtful and accordingly provision at 100% for these advances has been made. (Previous year ` . 8,82,994/-). Adhoc provision @ 25%

**MAHARASHTRA INSECTICIDES LIMITED, AKOLA.**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

for Advances outstanding for more than Two year not exceeding three years has been made at ` . 8954/- (Previous year ` NIL).

**12.The Company has** made provision of ` . Nil for Ex-gratia (Sanugruh Anudan) Bonus to employees for the year 2015-16 (Previous year ` . 11.50 Lakhs). As per Payment of Bonus Act, the amount comes to Nil since all the employees are working above the minimum limit. Total of such provision is held at ` . 34.11 lacs.

**13.Deferred Tax Liability/ Asset** for current year has been adjusted against Deferred Tax Asset and net difference of ` . /- has been shown as reverse tax effect in Profit and Loss Account.

Deferred Tax Assets	As at 31-3-2016	As at 31-3-2015
As per last Balance Sheet	41,54,156	29,17,986
Add – Provision	5,53,156	12,36,170
Net deferred tax Assets	47,07,312	41,54,156

**14. Related Party Transaction:**

Name of the related parties and relationship

a) Maharashtra Agro Industries Development Corporation Limited (Holding Company)

Sr. No	Particulars	Current Year ` . in lakhs	Previous year ` . In lakhs
1.	Sale of goods	1643.06	2310.19
2.	Procurement expenses reimbursed to MAIDC	Nil	18.51
3.	Interest received from MAIDC	63.64	66.08
3.	Receivables from MAIDC Ltd. For Sales	311.22	400.26
4.	Receivable from MAIDC Ltd. (Previous)	615.71	563.73
5.	Total Receivable from MAIDC	926.93	963.99

b) Remuneration to Chief Executive / Director

1	Shri S. B. Mundada / Shri M. H. Uge		
1	Salary	11.34	10.25
2	PF/FPF Contribution	1.07	1.10
3	Perquisites	0.18	0.03
4	Computer Advance outstanding	Nil	0.03



**MAHARASHTRA INSECTICIDES LIMITED, AKOLA.**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

15. The Company was manufacturing Endosulfan which is banned for sale / manufacture by the Hon. Supreme Court of India, vide safety order dated 13/05/2012. The matter has been since been pending before the apex court. The Company holds stock of formulated Endosulfan, 49124 liters which was valued by the company on 31<sup>st</sup> March, 2012 at ` . 76.98 lakhs. While technical product of 50 kg costing ` . 0.11 lacs and specific packing material for the same was valued at ` . 68.32 lakhs which after user remained at ` . 56.47 lakhs. The matter is still pending before the apex court. The material has already expired and the packing material can not be reworked – reused and hence the net realizable value of the same has been considered at NIL in previous year.
16. The Company has written off liabilities for Security Deposits / Dealership Deposit / Earnest Money Deposit & Sundry Creditors outstanding from - for period prior to 31<sup>st</sup> March 2009, which have been other wise settled for quality, quantity or other reasons and are not claimed by parties since then. The amounts are at ` . 2462963/- for Sundry Creditors, ` . 528357/- for Security Deposits, ` . 74935/- for E.M.D. & ` . 94737/- for Dealership Deposits totaling to ` . 3160993/-. The same are treated as other income.

**MAHARASHTRA INSECTICIDES LIMITED, AKOLA**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2016.**

16. Information pursuant to the provisions of Companies Act, 2013 ( As Certified by Management.)

QUANTITATIVE DETAILS FOR THE YEAR ENDED ON 31ST MARCH, 2016.

	Class of Goods	Description	Units	2015-16		2014-15	
				QTY	Value	QTY	Value
a)	<b>Particular of capacity</b>						
	Licenced Capacity :						
	(In terms of technical for all types of formulations)						
	Technical Formulated Pest.	D.P.	MT	0.00		0.00	
	Installed capacity (In terms of formulated pesticides)						
	Formulated Pesticides						
	D.P.	D.P.	MT	0.000		0.000	
	W.D.P.	W.D.P.	MT	0.000		0.000	
	E.C.	E.C.	KL	2250.000		2250.000	
	Granuals Pest		MT	1800.000		1800.000	
	Technical Pest		MT	100.000		100.000	
	(Produced at Lote T.P.P)						
b)	<b>Particulars in respect of Production</b>						
	Formulated Pesticides						
	W.D.P.(Bulk)		MT	163.180		197.686	
	E.C.		KL	330.577		517.420	
	E.C.Bulk		KL	21.455		12.740	
	Granual Pest.		MT	0.000		0.000	
	Bio-Pest.(Tricoderma)		MT	0.000		0.000	
c)	<b>Details of Sales</b>						( in lakh)
1)	M.S.Sales			2015-16		2014-15	
			UNIT	QTY	VALUE	QTY	VALUE
i)	Manufactured Products	EC	LTRS	324327.00	515.85	507143.00	1477.08
		WDP	MT	0.00		144.720	488.37
		Total (i)			515.85		1965.45
ii)	Bulk processed Products	WDP	MT	157.34	1052.29	51.053	256.21
		EC	LTRS	19705.00	121.53	12710.000	88.53
		Total (ii)			1173.82		344.74
	GRAND TOTAL				1689.67		2310.19
2)	Other Sales	Total (iii)			4.55		1.78
	GRAND TOTAL				1694.22		2311.97

	Class of Goods	Description	Units	2015-16		2014-15	
d)	<b>Details of Opening Stocks</b>						
1)	Manufactured Products		UNIT	QTY	VALUE	QTY	VALUE
		WDP	MT	3.820	12.67	0.000	0.00
		EC	LTRS	14380.00	45.53	4156.000	11.77
		GRANUALS	MT	0.000	0.00	0.000	0.00
		BIO-PEST	MT	0.000	0.00	0.000	0.000
		Total 1			58.20		11.77
2)	Bulk processed Products						
		WDP	MT	34.555	81.42	18.379	45.62
		EC	LTR	30.00	0.06	600.000	0.60
		Total 2			81.48		46.22
3)	Semi Finished Products						
		WDP		0.00	0.00	0.030	0.09
		EC		8730.00	17.15	36250.00	69.14
		GRANUALS		0.000	0.00	0.000	0.00
		BIO-PEST		0.000	0.00	0.000	0.00
		Total 3			17.15		69.23
	TOTAL	1+2+3			156.83		127.22
e)	<b>Details Of Closing Stocks</b>						
1)	Manufactured Products		UNIT	QTY	VALUE	QTY	VALUE
		WDP	MT	0.00	0.00	3.820	12.67
		EC	LTRS	18840.00	45.48	14380.000	45.53
		GRANUALS	MT	0.00	0.00	0.000	0.000
		BIO-PEST	MT	0.00	0.00	0.000	0.00
		Total 1			45.48		58.20
2)	Bulk processed Products						
		WDP	MT	11.91	33.64	34.555	81.42
		EC	LTRS	2970.00	10.38	30.00	0.06

	Class of Goods	Description	Units	2015-16		2014-15	
				QTY	VALUE	QTY	VALUE
		Total 2		44.02		81.48	
3	Semi Finished Products	WDP	MT	0.000	0.00	0.000	0.00
		EC	LTRS	32330.00	58.90	8730.00	17.15
		GRANUALS	MT	0.00	0.00	0.000	0.00
		BIO-PEST	MT	0.00	0.00	0.000	0.00
		Total 3			58.90		17.15
	TOTAL	1+2+3		148.40		156.83	
Closing stocks valued as per book balance after physical verification.							
f)	<b>Raw Materials Consumed.</b>						
				2015-16		2014-2015	
	Items.		Unit	Qty.	Value	Qty.	Value
	Technical						
	Cypermethrin		MT	3.000	16.61	1.600	8.96
	Endosulfan		MT	31.250	97.71	40.500	118.70
	Dimethoate		MT	0.200	1.29	0.600	3.87
	Fenvelrate		MT	7.000	15.40	7.750	17.05
	Malathion		MT	40.500	202.30	72.218	343.87
	Quinolphos		MT	12.895	51.00	12.190	49.64
	Monocrotophos		MT	15.626	63.96	21.2630	87.04
	Phorate		MT		448.27		629.13
	Chloropyriphos		MT				
	Ethion Tech		MT				
	TOTAL						
	Auxiliaries & Others		Various		150.99		423.11
	R.M. TOTAL				150.99		423.11
	Consumption includes quantity of Tech. Raw material sold						
	as such `nil/- (Previous year NIL) and other issues.						

**MAHARASHTRA INSECTICIDES LIMITED, AKOLA**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2016.**

16. Information pursuant to the provisions Companies Act, 2013. (As Certified by Management.)  
 QUANTITATIVE DETAILS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2016.

	Class of Goods	Description	Units	2015-16		2014-15	
				Qty.	Value	Qty.	Value
3)	Purchase of Bulk processed/Traded materials.			Qty.	Value	Qty.	Value
	Bulk Processed	WDP	MT	158.000	403.45	214.550	473.90
	Bulk Processed	EC	LTRS	29100.00	93.23	10000	52.32
	Traded	WDP	MT	0.00	0.00	0.000	0.00
	Bulk Total				496.68		526.22
	Grand Total 1 +2 + 3				1095.94		1578.46
g)	Value of Imported & Indigenous raw materials and percentage of their consumption to total consumption.						
	i) Imported				0.00		0.00
	Percentage				0.00		0.00
	ii) Indigenous				599.26		1052.24
	Percentage				100.00%		100.00%
h)	CIF value of Imports				0.00		0.00
i)	Expenditure in Foreign Currency				0.00		0.00
j)	Earning in Foreign Exchange				0.00		0.00

Dr. Ashok Karanjkar  
Chairman

S.B Mundada  
Chief Executive

A.B. Uplenchwar  
Executive Director

V.A. Sakpal  
Director

Place: Mumbai  
Date: 10 FEB 2017

As per Our Report of even date,  
For Prashant Lohiya & Associates,  
Chartered Accountants,

Place: Akola

Date: 17 FEB 2017

P.K.Lohiya.....Partner M.No. 48469.  
Firm Regn No. 114659W.

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LIMITED**  
**KRUSHI UDYOG BHAWAN, AAREY MILK COLONY, DINKARRAO DESAI MARG, GOREGAON (EAST),**  
**MUMBAI – 400 065**

The Govt. of India promoted the establishment of seventeen State Agro Industries Corporations with the objective of streamlining the system of input distribution and extending other agro services to the farmers under the national guidelines issued by Govt of India. MAIDC Ltd., known as "KRUSHIUDYOG" was set up on 15.12.1965 as a Govt Company under the Companies Act, 1956. The authorized capital of the Corporation is ` 8.00 Crore, and the paid up capital of the Corporation as on 31.3.2016 is ` 5.50 Crore contributed by Govt of India ` 2.50 Crore and Govt of Maharashtra ` 3.00 Crore.

The broad objectives for setting up of the Corporation were

1. To manufacture and distribute Agricultural Farm Machinery.
2. To manufacture and distribute other agricultural inputs such as Fertilizers, Pesticides etc.
3. To manufacture and distribute products pertaining to Dairy, Poultry and Allied Trade.
4. To develop agro based industries for carrying out-processing of agricultural and to assist such industries.
5. To render assistance to individuals, who are in the field of agriculture and allied industries in modernizing their farms and industries.

Based on the above objectives, the Corporation undertook activities as mentioned below. The Registered Office/Head Office of the Corporation is situated in Mumbai. The Manufacturing Units and Regional Offices (Marketing Offices) are situated all over the State.

Operational/Financial Results of the Corporation of last three years are as under.

(` in lakh)

PARTICULARS	2013-14	2014-15	2015-16
Paid up Capital	550.00	550.00	550.00
Reserves & Surplus	13482.70	16561.56	17659.12
Capital Employed	15471.38	14451.22	15990.53
Sales	131561.06	142092.76	116512.10
Profit Before Tax	4866.49	5668.58	2011.48
Profit After Tax	1548.89	3260.68	1140.84
Dividend	27.50	27.50	27.50

**ACTIVITIES OF THE CORPORATION**

1. i) Manufacture & Sales of NPK Fertilizers :

The Corporation manufactures the following grades of NPK Fertilizers and markets them under "KRUSHIUDYOG" Brand name.

20:10:10                      18:18:10                      10:20:20                      17:17:17

"KRUSHIUDYOG" NPK Fertilizers are manufactured at following places.

1. Rasayani, District Raigad
2. Pachora, District Jalgaon
3. Nanded, District Nanded
4. Wardha, District Wardha
5. Kolhapur, District Kolhapur
6. Jalna, District Jalna

The capacity of the plants and the total investment therein are given below.

(` in lakh)

Plants	Capacity (MTs) (Annual Basis)	Investment as on 31.3.2014	Investment as on 31.3.2015	Investment as on 31.3.2016
Rasayani	60,000	346.66	361.20	363.20
Pachora	70,000	271.92	310.61	310.61
Nanded	70,000	217.84	217.84	217.84
Wardha	65,000	528.58	516.90	517.04
Kolhapur	30,000	175.32	186.90	189.98
Jalna	30,000	320.94	320.25	320.38

The actual production and sales of NPK Fertilizers for the last three years are as under.

Year	Production (MTs)	Sales (MTs)
2013-14	1,90,812	2,00,257
2014-15	1,89,046	1,97,564
2015-16	1,59,150	1,52,141

#### ii) Traded Fertilizers

The Corporation sells Urea, DAP, MOP, SSP etc in the State of Maharashtra. The details of last three year's sales are as under.

Year	Sales (MTs)	Value (` In lakh)
2013-14	4,10,702	48,689.14
2014-15	3,05,658	37,507.13
2015-16	3,45,522	47,731.68

#### 2. Formulation and Sales of Pesticides

All the important Pesticides are formulated by M/s Maharashtra Insecticides Limited, Akola, a wholly owned Subsidiary Company and marketed by the Corporation under the brand name "KRUSHIUDYOG" such as COC, Malathion, Dimethoate, Quinolophos, Cypermethrin, Fenevelrate, Monocrotophos, Chlorpyrifos, Dicofil, Ethion, Phorate 10 G etc.

The total sales of Pesticides during the last three years are given below.

(` In lakh)

Year	Sales
2013-14	9,177.03
2014-15	8,522.72
2015-16	5,105.65

#### 3. Manufacture and Sales of Farm Machinery

The Corporation manufactures and sells following farm machinery and implements.

##### i) Tractors & Implements

The Corporation has a dealership of the following makes of Tractors.

Hindustan	45 HP	50 HP	61 HP	58 HP	
HMT	18 HP	25 HP	35 HP	58 HP	
Mitsubishi	18.5 HP				
Mahindra	18.5 HP	25 HP	30 HP	35 HP	225 DI

- ii) Power Tiller  
Mitsubishi 8-10 HP 12 HP  
KAMCO 8-10 HP
- iii) KRUSHIVATORS
- iv) Electric Pump Sets
- v) KRUSHIUDYOG Implements
- 1) Power Sprayers-cum-Dusters
- 2) Hand Operated Plant Protection Equipments
- 3) Paddy Sickles
- 4) Grain Storage Bins
- 5) Seed-cum-Fertilizer Drill
- 6) Sarayantra
- 7) Bullock Keni
- 8) Bullock Carts
- 9) Multi-crop Thresher

"KRUSHIUDYOG" Agricultural Implements are manufactured at Agro Engineering Works, Chinchwad, Pune.

The total sales of agricultural products during last three years are given below.

( In lakh)

Year	Sales
2013-14	34,688.01
2014-15	57,174.13
2015-16	35,858.85

#### 4. Manufacture & Sales of Animal Feed

The following major types of Animal Feeds are manufactured in Mash and Pallet Forms and marketed under brand name "SUGRAS/MAHAAGRO".

- i. Cattle Feeds
- ii. Poultry Feeds
- iii. Others

**The Animal Feed Factories are situated at the following places.**

- i. Chinchwad, Pune

( in lakh)

Plants	Capacity (On Single Shift Basis)	Investment as on 31.3.2014	Investment as on 31.3.2015	Investment as on 31.3.2016
Sugras Factory, Chinchwad	30,000	108.23	126.56	126.56

The actual production and sales of "SUGRAS/MAHAAGRO" Feed for the last three years are as under.



Year	Production (MTs)	Sales (MTs)
2013-14	2,736	341.06
2014-15	2,856	523.66
2015-16	6,162	1,088.75

This year we could convince M/s Manchar Dairy, M/s. Chitale Dairy and Valsad Dairy of Gujrat and started supply of Animal Feed as per their formula. We have also introduced Emu Feed and Mah Gold Super Feed etc.

5. Processing of Fruits and Vegetables

The Corporation took over the NOGA Factory at Nagpur in 1972.

The capacity of the plant is 4,950 MTs per annum. The actual production, sold under the brand name "NOGA" for the last three years is as under.

Year	Production (MTs)	Sales (Value) (` in lakh)
2013-2014	1,510	801.97
2014-2015	1,866	843.87
2015-2016	1,991	762.30

**ON GOING PROJECTS/FUTURE PLANS**

Keeping in view the changing economic environment in the country, more particularly with regard to the concept of liberalization, it has become necessary to take a fresh look at the Corporation's objectives and activities. In view of this, I propose:-

**a) Product Diversifications:**

i) The corporation added Micronutrients like Zinc Sulphate & Ferrous Sulphate in the list of its products. It is also proposed to start trading in new products like water soluble fertilizers, liquid fertilizers etc. considering the estimated increase in water irrigation area in near future.

ii) To sign MOU with Punjabrao Krishi Vidyapeeth, Akola and Mahatma Phule Krishi Vidyapeeth, Rahuri for production of Custard Apple Pulper, Wheat Grass Powder Machine and Pneumatic Planter respectively. These items will be produced under MAIDC Brand name through vendors. The Corporation has also propose to produce Sugarcane Bud Chipper for the open market as well.

iii) Low cost Urea Brequetting Machine has also been developed by us. Necessary certificate has been obtained from the Agriculture University. This item can be included under proposals for procurement by Commissioner Agriculture. Corporation could also explore the possibility of selling this item to the Primary Agriculture Credit Societies and Farmers Groups in paddy growing areas.

iv) Corporation also considering entering into marketing of fruits & vegetables on a pilot basis as a new activity. This would assist us in reaching out directly to farmers and thereby assist in the sale of our fertilizers, pesticides and animal feed products.

**b) Setting up of New Customized Fertilizer Plant:-**

i) MAIDC is in process of setting up of Customized Fertilizers Plant on PPP model basis at Rahata-Puntamba, Dist. Ahmednagar. The customized Fertilizers concept provide/stands for fertilizers as per the need of soil/crop etc. This will help the farmers to lower the fertilizer cost with optimum use of fertilizers and maximize the crop yield.

ii) So far as NOGA is concerned we have planned to set up PET bottling facility for juices, squashes and liquid products since cans are no longer acceptable in the retail market. With this facility, we would increase our presence in the market.

iii) Developing R&D infrastructure testing laboratory facilities for various agril. Implements required under various GOM/GOI schemes at Pachora, Dist. Jalgaon.

iv) Establishment of Agro Engineering Service Centre (AESC) at each taluka level for sales and service to the farmers such as custom hiring centre, storage and distribution of inputs under various GOM / GOI schemes.

**c) Restructuring of Corporation:-**

i) In the light of ever changing economic environment, it has become necessary for the corporation to review and restructure its existing activities and business. Accordingly, Corporation is looking to strengthen itself through significant restructure of its present business & products in all respects through

–

1. Business stratification.
2. Human Resource Management Development & Automation
3. Business process redevelopment and automation mainly using the latest IT enabled technology.
- 4 Financial re-engineering and development of system and packages including MIS and Financial Accounting.

To achieve above, the Corporation is in the process of appointing consultant, who would oversee the process at micro level and would provide basic, cost effective and workable model to achieve the restructuring objectives.

ii) Switching over to fully web based ERP/SAP system from existing single user Fox base accounting system. The objective behind computerization is to make available accurate and timely data to facilitate various statutory compliances and most importantly to facilitate timely management decisions.

**d) Additional Revenue Sources:-**

Presently the Corporation is indulged into Fertilizers, Pesticides, Agril Engineering, Animal Feed and Food Processing activities. All these activities are allied to the main objective of the Company. It is to see whether Corporation could diversify or undertake viable and most importantly activities which fulfill the requirement of farmers of the state in true sense. The Corporation is explore the possibilities to utilize the available resources for the purpose of creating logistic facilities, construction of Warehouses and such allied activities in near future.

**Three years result at a glance of the Corporation is as under: ( in lakh)**

	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
<b>OPERATING RESULTS</b>			
Sales	131561.06	142092.76	116512.10
Other Income	2898.63	3061.75	2525.23
Gross Earning	134459.69	145154.51	119037.33
Operating Profit	6013.21	6303.38	4486.53
Depreciation	133.30	214.41	197.92
Interest	109.51	116.19	115.43
Profit Before Tax	5770.40	5973.20	2011.48
Income Tax, WT & PPT	4221.51	2200.00	750.004
Profit After Tax	1548.89	3260.68	1140.84
<b>FINANCIAL POSITION</b>			
Paid Up Capital	550.00	550.00	550.00
Reserves & Surplus	13482.70	16561.56	17659.12
Net Worth	14032.70	17111.56	18209.12
Loan Funds	1140.12	0.00	0.00
Capital Employed	15471.38	14451.22	15990.53
<b>FIXED ASSETS</b>			
Gross	3848.80	4364.50	4465.21
Net	2020.49	2219.20	2134.45
Net Current Assets	13341.73	12231.40	13856.08

**The Maharashtra Agro Industries Development Corporation Limited.**

<p><b>The Maharashtra Agro Industries Development Corporation Limited. Regional Offices :</b></p> <p>1) Behind Agyaram Devi Petrol Pump, Ganesh Peth, Nagpur - 440018 Ph 2729973, 2720314</p> <p>2) Deolali Naka New Mumbai-Agro Road, Nashik - 422001 Ph 2595879, 25944978</p> <p>3) 517/E Maharani Tarabai Chowk, Kawala Naka, Kolhapur - 416001 Ph 2537682, 2537811</p> <p>4) Shakti Sahakar Opp, State Transport Divisional Workshop, Aurangabad - 431001 Ph 2321332 2332190</p> <p>5) Plot No 657 to 660 Gultekadi, Market Yard, P.B. No1412, Pune - 411037 Ph 24270421, 24263985</p> <p>6) Samrudhi, New Mondha, Near State Bank of India Nanded - 431602 Ph 233402, 245011</p> <p>7) Paras Building, Damale Chowk, Near Santoshi Mata Mandir, Akola - 444001 Ph 2437172 ,2426021</p> <p>8) Plot No P-73, MIDC Area, Mirjole, Dist: Ratnagiri - 415612 Ph 230520, 230518</p> <p>9) Naik Nivas, 1st Floor, Shivaji Chowk, Osmanabad - 413501 Ph 223318, 222067</p> <p>10) Chaudhari Complex, Chaudhari Chowk, Cotton Market, V.M.V. Road, Amravati - 444601 Ph 2567889, 2562065</p> <p>11) Popat Building, IInd Floor, Purti Bazar, Near Jatpura, Chandrapur - 442401 Ph -254043</p> <p>12) Zilla Sahakari Building, Plot No. 48, Shahu Nagar Hsg Society, Jalgaon - 425 001 Ph 2239488, 2236108</p>	<p>13) Regional Office, Thane Krushiudyog Bhavan, Dinkarrao Desai Marg, Aarey Milk Colony, Goregaon (E), Mumbai - 400 065</p> <p><b><u>Sub Regional Offices:</u></b></p> <p>"Sadhana Ratna", Kotecha Colony, Jalna Road, Beed - 431 122 Ph 223271</p> <p><b><u>Fertilizers Units:</u></b></p> <p>Rasayani, Tal. Panvel., Dist: Raigad - 410207 Ph 250250, 250439</p> <p>Bhadgaon Road, Pachora, Dist Jalgaon - 242 201 Ph 245198, 245209</p> <p>MIDC Industrial Estate, Plot No B-2/B-3, P.B. 45 Nanded - 431602 Ph 226503, 226010</p> <p>MIDC Industrial Estate, Plot No F1/F-2, Wardha - 442001 Ph 260515, 260433</p> <p>19, MIDC Industrial Estate, Gokul Shirgaon, Tal. : Karveer, Dist: Kolhapur- 416001 Ph 2671064, 267263</p> <p>C-51 MIDC Industrial Estate, Jalna - 431203 Ph 220722, 221549</p> <p><b><u>Animal Feed Units:</u></b></p> <p>MIDC Industrial Estate, Plot No D-11/52, Chinchwad, Pune - 411019 Ph 27473552, 27472502</p>	<p><b><u>Food Processing Units:</u></b> <b><u>Noga Factory, Hingana</u></b> B-17 to 20 MIDC Area, Hingana, Nagpur-440016. Ph 237 398</p> <p><b><u>Agro Engg. Works</u></b> MIDC Industrial Estate, Plot No D-11/52 Chinchwad, Pune - 411019 Ph 2747256, 27475251</p> <p><b><u>Research &amp; Development Centre.</u></b> Girad Road, Pachora - 424 201 Dist Jalgaon Ph @ 44523</p> <p><b><u>Kasarde complex</u></b> At Post Kasarde, Taluka Kankavali, Dist : Sindhudurg Ph 240236</p> <p><b><u>Subsidiary Company:</u></b> Maharashtra Insecticides Ltd. C-4, MIDC Industrial Area, Shivani, Akola - 444 104 Ph 2258052 2258053 2258641 2258451</p> <p>Maharashtra Insecticides Ltd. Plot No F-4, MIDC Industrial Area, At Post- Lote Prshuram Taluka Khed, Dist: Ratnagiri -415722 Ph 272672, 272572</p>
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**ANNEXURE - I**

**PART I : Chronology of events connected with finalization of Audited Accounts for the financial Year 2015-16 of The MAIDC Ltd., Mumbai.**

<b>S.No.</b>	<b>Task</b>	<b>Date with period</b>
1.	Date of Approaching CAG for appointment of Statutory Auditors	--
2.	Date of Appointment of Statutory Auditors	31.07.2015
3	Date of handing over the Annual Accounts to Statutory Auditors	30.09.2016
4	Date of Compilation of Audited accounts of the Corporation	30.03.2017
5	Date of finalization of Annual Accounts (Adoption by BOD)	30.03.2017
6.	Time taken by the Statutory Auditors for auditing the accounts	180 Days
7.	Date of Raising of Queries from Auditors	10.12.2016
8.	Time taken in resolving audit queries and the date of receipt of the final audit report in the Corporation (CAG's comments)	19.05.2017/150 Days
9.	The date when the Annual Report and Audited Accounts of the Corporation were approved (Date of AGM)	21.06.2017
10.	Date and Time taken in translation of Annual Reports and Audited Accounts of the Corporation	16.08.2017 / 60 Days
11.	Date when the Annual Report and Audited Accounts of the Corporation were sent to the Ministry for being laid on the Table. Hindi	20.03.2018

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## ANNEXURE - II

### **Part II : Detailed reasons (in narrative form) for delay for not laying the Annual Report for the year 2015-16 within nine months from close of the financial year before Parliament.**

- i) Appointment of Auditors for the financial year 2015-16 Letter No.1035/  
Dtd.31.07.2015 received from CAG-III on Date 20.08.2015.
- ii) CAG's comments received on 19.05.2017.
- iii) AGM of Corporation for the Accounting Year 2015-16 was held on 21<sup>st</sup> June 2017 and the accounts of the Corporation for the year 2015-16 including consolidated account for the year 2015-16 was approved and adopted on 21<sup>st</sup> June 2017.
- iv) The regular printing contractor of the Corporation shows unwillingness to print Annual Accounts due to his personal issue, hence the Annual Accounts for the year 2015-16 was printed from another local printer on priority basis.
- v) Due to change in Companies Act 2013, calculations of % on depreciation of Assets have been effected from F.Y.2015-16.

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