



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

CONSOLIDATED ANNUAL ACCOUNTS

2016 - 2017

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
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
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

ANNUAL REPORT 2016-17

Contents

Sr.No.	Particulars	Page No.
1.	Director's Report	4 - 18
2.	Independent Auditors Report (Standalone)	19 - 40
3.	CAG Report (Standalone)	41
4.	Balance Sheet (Standalone)	42 - 43
5.	Profit & Loss (Standalone)	44 - 45
6.	Cash Flow Statement (Standalone)	46
7.	Notes to Financial Statement (Standalone)	47 - 73
8.	Segment Report (Standalone)	74
9.	Independent Auditors Report (Consolidated)	76 - 96
10.	CAG Report (Consolidated)	97 - 99
11.	Balance Sheet (Consolidated)	100 - 101
12.	Profit & Loss (Consolidated)	102 - 103
13.	Cash Flow Statement (Consolidated)	104
14.	Notes to Financial Statement (Consolidated)	105 - 128
15.	Segment Report (Consolidated)	129
16.	Maharashtra Insecticides Ltd. 31 st Annual Report	130 - 162
17.	Brief Notes on MAIDC	163 - 168

The Maharashtra Agro Industries Development Corporation Limited
51st Annual Report 2016-17
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 51st Annual Report on the working of your Corporation for the year 2016-17 together with audited stand alone statement of accounts for the year ended 31st March 2017 along with report of the Auditors thereon. I also present herewith audited consolidated statement of accounts for the year ended 31st March 2017 along with report of the Auditors thereon

1. FINANCIAL RESULTS:-

	Rs in Crore			
	Stand Alone		Consolidated	
	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2017	For the year ended 31st March 2016
A. Sales	988.80	1165.12	988.87	1165.17
B. Other Income	30.13	25.25	30.14	25.71
C. Gross Contributions	74.56	62.18	74.35	62.02
D. Expenses				
R.O. Expenses	16.11	15.26	16.11	15.26
H.O. Expenses	27.75	22.24	27.75	22.24
Interest	1.75	1.15	1.03	0.52
	45.61	38.65	44.89	38.02
E. Provisions				
Depreciation	1.69	1.98	1.80	2.11
Provision for Doubtful debts / Advance	0.85	1.43	0.86	1.43
Taxation	9.60	8.71	9.97	8.79
	12.14	12.12	12.63	12.33
F. Total Expenses	57.75	50.77	57.52	50.35
G. Net Contribution (C-F)	16.81	11.41	16.83	11.67
Earnings per Share	305.65	207.43	305.96	212.13

The salient features of the accounts for the year 2016-17 were as under.

During the year 2016-17, the Corporation has achieved sales turnover of Rs. 988.80 Crore (P.Y. Rs. 1165.12 Crore) and contribution at Division level Rs. 74.56 Crore (P.Y. Rs. 62.18 Crore).

The performance of the Corporation during the year 2016-17 has shown declining trend as compared to the performance of previous year. Your Company earned Cash Profit of Rs. 28.95 Crore (P.Y. Rs. 23.53 Crore). There is 15.13 decreased in Sales Turnover during 2016-17 over previous year, while contribution also has increased by 47.33 % over previous year. The sales performances of various division during the was as under :

Division	Rs. in Crore		
	Sales performance		% increase/ (decrease) over previous year
	2016-17	2015-16	
Fertilizers	505.44	737.02	(31.42%)
Pesticide	106.14	51.06	107.87%
Agro-Engg.	365.53	358.65	1.91%
Animal Feed	4.49	10.92	(58.88%)
NOGA	7.20	7.47	(3.61%)

As regards to HO expenses was increase of Rs. 27.75 Crore(P.Y. Rs.22.24 Crore). The accounts for 2016-17 shows Profit after Tax (PAT) at Rs. 16.81 Crore (P.Y. Rs.11.41 Crore) and Profit before Depreciation, Interest & Tax (PBDIT) at Rs. 29.31Crore (P.Y. Rs. 23.25 Crore). Selling expenses incurred during the year Rs. 8.63 Crore (P.Y. Rs. 5.92 Crore).

Effective cash management and trade policies vis-a-vis vendors facilitated Company good trade terms leading to commission and discounts of Rs. 1.58 Crore in 2016-17 (Rs. 4.45 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 the financial statements of Subsidiary Company viz. Maharashtra Insecticides Limited. The Net Profit after Tax as per Consolidated Financial Statements is Rs. 16.83 Crore (P.Y. Rs. 11.67 Crore).

3. DIVIDEND:-

For the year 2016-17 company has earned reasonable net profits. However your company is facing challenge of competition from private sector as well as on account of Direct Benefit Transfer introduced by the Government which has resulted in further reduction in the turnover. The Provisional results of your Company for the year 2017-18 show around 39% reduction in turnover and provisional net loss of Rs.1281.95 lakh. This will need realigning of product mix which may need capital investment. Your Directors, therefore do not recommend any dividend for the year 2016-17.

4. REVIEW OF OPERATIONS:-

CORPORATION:

The turnover during the year is Rs. 988.80 Crore as against previous year turnover of Rs. 1165.12 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 1,42,380 MTs as against 1, 59,150 MTs last year. NPK aggregating 1,44,991 MTs of valuing Rs. 222.93 Crore were sold during the year as against 152142 MTs of valuing Rs. 233.42 Crore in the previous year.

ii) STRAIGHT FERTILIZERS AND COMPLEXES:

Straight Fertilizers and Complexes aggregating to 2,28,089 MTs of valuing Rs. 269.15 Crore were sold during the year as against 3,45,522 MTs of valuing Rs. 508.16 Crore in the previous year.

The decrease in the activity of Fertilizers Division was mainly due to draught situation in the State of Maharashtra as well as uneven and poor rainfall during monsoon in the previous year.

b) PESTICIDES DIVISION:

The total sale of Pesticides activity during the year under consideration aggregated to Rs. 106.14 Crore as against the total sales of Rs. 51.06 Crore during the previous year. Major sales of pesticide division to the Government of Maharashtra in their various schemes and in previous year there was increase in the sales of pesticides was mainly due to increase in demand from GOM.

c) AGRICULTURE ENGINEERING DIVISION :-

The performance of Agriculture Engineering Division has been good with sale of Rs. 365.53 Crore against previous year sale of Rs. 358.65 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, 2542 MTs of Animal Feed was produced as against 6162 MTs in the previous year. The sales aggregated to 2542 MTs value Rs. 4.49 Crore as against 6162 MTs value Rs. 10.92 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 Rs.7.20 Crore during the year as against Rs. 7.47 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 Rs. 0.01 Crore have been written off during the year & Rs.0.28 Crore have been written back during the year with net accounting effect of Rs.0.27 Crore during 2016-17.

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:-

1. Possibilities of giving NOGA brand on Royalty are being considered so as to enhance its wide publicity.
2. It is proposed to enhance Domestic market for NOGA with the help of Private Player.
3. Revenue recurring Model may be introduced with the help of Experts for idle properties of the Corporation.
4. To capture untapped open market areas in the State of Maharashtra for KU make fertilizers and pesticides. etc

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 Rs. 0.85 Crore (P.Y.Rs. 1.43 Crore) during 2016-17 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 Crore	
	For the year ended 31st March 2017	For the year ended 31st March 2016
A. Sales	22.13	14.52
B. Other Income	0.74	1.10
C. Gross Contributions	0.61	0.38
D. Expenses		
R.O. Expenses	0	0
H.O. Expenses	0	0
Interest	0	0
E. Provisions		
Depreciation	0.10	0.13
Provision for Doubtful debts / Advance	0	0
Taxation	0.37	0.14
F. Total Expenses	0.47	0.27
G. Net Contribution (C-F)	0.14	0.11
Earnings per Share	14.16	11.40

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 provision of 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

1. Additional Chief Secretary (Agril), GOM & Director, MAIDC Chairman of the Committee
2. Commissioner (Agril.), GOM & Director, MAIDC Member
3. 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 aggregate CSR provision for the year ended on 31/03/2017 is Rs.260.67 lakhs (out of which Rs. 83.64 for the current year and Rs.177.03 Lakhs upto 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.	Name	Designation	From	To
01	Shri Pandurang Fundkar Hon'ble Minister (Agril)	Chairman	08.07.2016	Till Date
02	Shri Sadashiv Khot Hon'ble Minister of State (Agril)	Director	08.07.2016	Till Date
03	Shri Dinesh Kumar Jain IAS Additional Chief Secretary (Agril.),	Director	30.06.2015	07/09/2016
04	Shri Bijay Kumar Pr. Secretary (Agril.)	Director	07/09/2016	Till Date
05	Shri Vikas Deshmukh IAS Commissioner (Agriculture)	Director	06.01.2015	Till Date
06	Shri C.R. Lohi Dy. Commissioner, Deptt. of Agril, coop, & Farmers Welfare, GOI	Director	22.02.2013	Till date.
07	Shri Arvindkumar IAS – M.D.	Managing Director	09.02.2015	12.08.2016
07	Dr. Ashok Karanjkar, IAS – M.D.	Managing Director	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 2016-17:

1	2	3	4	5
Name of the employee	Designation of the employee	Remuneration received Rs.	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee
Mr. V.A. Sakpal	DGM(F&A)	1666676.00	On Scale	B.Com. Dip in Com
Mr. R.E. Shinde	DGM(Fert)	1554533.00	On Scale	D.M.E.
Mr. A.B. Uplenchwar	DGM(Pest)	1552053.00	On Scale	B.Tech.
Mr. R.S. Baviskar	D.G.M. (F&A)	1424321.00	On Scale	M.Com., ICWA
Mr. V.B. Patil	Dy. Mgr. (Fert)	1342343.00	On Scale	D.M.E.
Mr. S.M. Khairmode	Mgr. (Estt/Fund)	1338133.00	On Scale	B.Com., DMM
Mr. B.H. Solankhe	Dy. Mgr. (A.E.)	1329547.00	On Scale	B.Com.
Mr. M.B. Barangale	Dy. Mgr. (Fert)	1321411.00	On Scale	B.Com.
Mr. D.K. Suryagan	DGM(A.E.)	1319036.00	On Scale	B.Tech.
Mr. M.V. Apte	Mgr. (I.T.)	1312050.00	On Scale	B.A. Dip in 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
03.11.1982	57 Years	N.A.	NIL	NO
25.05.1983	58 Years	N.A.	NIL	NO
01.06.1984	57 Years	N.A.	NIL	NO
20.09.1993	58 Years	N.A.	NIL	NO
08.07.1984	56 Years	N.A.	NIL	NO
01.07.1986	53 Years	N.A.	NIL	NO
01.01.1986	58 Years	N.A.	NIL	NO
02.12.1985	58 Years	N.A.	NIL	NO
07.05.1991	55 Years	N.A.	NIL	NO
01.06.1998	50 Years	N.A.	NIL	NO

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

The information as required by the Section 134 of the Act read with Rule 8 of The Companies (Accounts) Rules 2014, the information pertaining to Technology Absorption and Foreign Exchange Earnings and Outgo is NIL (PY NIL). The Information in respect of conservation of of energy 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 2016-17. 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 2016-17.

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: 23 May 2018

ANNEXURE-1(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 2016-17	Previous Year 2015-16
1.	ELECTRICITY :-		
	a) Unit Consumed/Purchased (Kwh) :-	12,94,508	12,57,830
	Total Amount (Rs.)	1,10,24,573	1,08,25,070
	Rate/Unit (Kwh) (Rs)	8.52	8.61
	b) Own Generation		
	i) Diesel Generator	0	0
	ii) Steam Turbine/Generator	0	0
2.	COAL :-		
	Consumed (Kgs)	28,46,872	25,70,572
	Total Amount (Rs.)	1,27,15,173	1,22,01,857
	Rate/Unit (kgs) (Rs.)	4.47	4.75
3.	FURNACE OIL :-		
	Quantity (Kilo Ltrs)	0	1.921
	Total Amount (Rs.)	0	81,046
	Average Rate (Rs.)	0	42,189.48
4.	CONSUMPTION PER UNIT OF PRODUCTION:		
	STANDARD, IF ANY		
	Coal (Specify Quality)	0	17.08
	Electricity	0	8.88
	Furnance Oil (PMT)	0	0
	Others (Specify)	0	0
B)	PRODUCTION :-		
	N.P.K. (MTS) (OWN)	1,34,237	1,36,785
	N.P.K. (MTS) (Outsourcing)	8,143	22,365
	TOTAL	1,42,380	1,59,150

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 2016-17	Previous Year 2015-16
1.	ELECTRICITY :-		
	a) Unit Consumed/Purchased (Kwh) :-	1,11,052	1,24,680
	Total Amount (Rs.)	13,02,656	12,20,480
	Rate/Unit (Kwh) (Rs)	11.73	9.79
	b) Own Generation		
	i) Diesel Generator	0	0
	ii) Steam Turbine/Generator	0	0
2.	STEAM COAL 'C' GRADE :-		
	Quantity In M. T.	618.180	713.830
	Total Amount	26,02,520	38,75,414
	Average Rate/PMT	4,209.97	5,429.04
3.	FURNACE OIL :-		
	Quantity (Kilo Ltrs)	0	0
	Total Amount (Rs.)	0	0
	Average Rate (Rs.)	0	0
4.	CONSUMPTION PER UNIT OF PRODUCTION:		
	STANDARD, IF ANY		
	Electricity (PMT)	80.31	62.63
	Coal	0.447	0.359
	Light Diesel Oil	0	0
	Production At NFN/BPH	1,382.86	1,990.85

FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017

[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	THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LIMITED
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	NIL

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 Turnover of the Company during the year was Rs. 988.80 Crore.

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
01	Fertilizer	9961/99611720	51.11
02	Pesticides	9986/99861193	10.73
03	Agro Engineering	9983/99833290	36.96
04	Animal Feeds	9988/99881700	00.01
05	Processed Food (NOGA)	9988/99881690	00.01

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The ompany	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
01	Maharashtra Insecticide Limited	U24210MH1984HGC032856	Subsidiary	100 %	87(ii)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/HUF	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Central Govt	0.00	2,50,000	2,50,000	45.45	0.00	2,50,000	2,50,000	45.45	0.00
c) State Govt(s)	0.00	3,00,000	3,00,000	54.55	0.00	3,00,000	3,00,000	54.55	0.00
d) Bodies Corp	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Any Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total(A)(1):-	NIL	5,50,000	5,50,000	100.00	NIL	5,50,000	5,50,000	100.00	NIL
2) Foreign									
g) NRIs-Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h) Other-Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Bodies Corp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
k) Any Other....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total(A)(2):-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) State Govt (s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) FIIs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h) Foreign Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total(B)(1)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2. Non Institutions									

a) Bodies Corp. (i) Indian (ii) Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Others(Specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total(B)(2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total (A+B+C)	NIL	5,50,000	5,50,000	100	NIL	5,50,000	5,50,000	100	NIL

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	3,00,000	54.55	0%	3,00,000	54.55	0%	NIL
2.	President of India	2,50,000	45.45	0%	2,50,000	45.45	0%	NIL
	Total	5,50,000	100.00	0%	5,50,000	100.00	0%	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	5,50,000	100%	5,50,000	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):	No Change in the Shareholdings During the Year		No Change in the Shareholdings During the Year	
	At the End of the year	5,50,000	100%	5,50,000	100%

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

There is no shareholding of top 10 share holders other than Directors, Promoter and holders of GDRs and ADRs.

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	0%	NIL	0%
	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):	NA		NA	
	At the End of the year	NIL	0%	NIL	0%

INDEBTEDNESS :

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL	NIL	NIL	NIL
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
- Addition	NIL	NIL	NIL	NIL
- Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
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

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL : NIL

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Rs.	Rs.
1.	Gross salary	20.85	20.85
	(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	0.76	0.76
	(c) Profits in lieu of salary undersection17(3)Income-taxAct,1961	0.42	0.42

2.	Stock Option	0.00	0.00
3.	Sweat Equity	0.00	0.00
4.	Commission - as % of profit - others, specify...	0.00	0.00
5.	Others, please specify	0.00	0.00
6.	Total(A)	22.03	22.03
	Ceiling as per the Act	Not Applicable as No Managerial Remuneration is Paid	

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name	Total
	<u>Independent Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify		
	Total(1)		0.00
	<u>Other Non-Executive Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify Salary		0.00
	Total(2)		0.00
	Total(B)=(1+2)		0.00
	Total Managerial Remuneration		0.00
	Overall Ceiling as per the Act		0.00

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

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	0.00	0.00	0.00	0.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00	0.00
1.	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify...	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00
6.	Total	0.00	0.00	0.00	0.00

IV. PENALTIES/PUNISHMENT/COMPOUNDING 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)
A. Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. Other Officers In Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

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.

Particulars	Details
Name (s) of the related party & nature of relationship	NA
Nature of contracts/arrangements/transaction	NA
Duration of the contracts / arrangements / transaction	NA
Salient terms of the contracts or arrangements or transaction including the value, if any	NA
Amount paid as advances, if any	NA

For and on behalf of the Board of Directors.

**Pandurang Fundkar
Chairman**

**MUMBAI
DATED: 23 May 2018**

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 comprised the Balance Sheet as at 31st March, 2017, 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 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 for impairment, its single super phosphate plants at Rasayani and Jalna and processed fruits and vegetables plant at Motibaug and remaining assets at the dismantled fodder block plant at Yavatmal, 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. 39).
2. Deferred tax assets / liabilities have not been ascertained and accounted for by the Company (Refer Note No. 27(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 ₹ 111.90 lakhs (Previous year ended 31st March, 2016: ₹ 108.61 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. 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 31st March, 2016: ₹ 22.63 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 31st March, 2016: ₹ 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. 30 (a).
5. The Company follows the practice of providing for its old outstanding 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 outstanding 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 lying in the books as on 31st March, 2017 towards VIth Pay arrears payable to employees of ₹ 52.51 lakhs (Previous year ended 31st March, 2016: ₹ 1430.41 lakhs), 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. 8).
7. Long-term and short-term liabilities include amounts aggregating in excess of ₹ 1950 lakhs (Previous year ended 31st March, 2016: ₹ 1800.00 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 Company 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 ₹ 30.81 lakhs (Previous year ended 31st March, 2016: ₹ 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 liabilities have been understated and capital reserve has been overstated to this extent (Refer Note No. 30 (c)).
9. TDS deducted by the debtors aggregating to ₹ 76.75 lakhs (Previous year ended 31st March, 2016: ₹ 76.75 lakhs), relating to earlier years, lying in credit as on 31.03.2017 in the books of the Corporation, has not been adjusted against trade receivable while making provision for doubtful receivable since party-wise breakup of such TDS deducted is not available with the Corporation. This has resulted in provision for doubtful receivables being made on a higher side – amount not ascertained (Refer Note No. 14 (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. 38).

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.

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 11 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 31st March, 2017, 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 ₹ 6.65 lakhs (Previous year ended 31st March, 2016: ₹ 7.55 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 ₹ 2049.24 lakhs (Previous year ended 31st March, 2016: ₹ 2049.37 lakhs) are subject to confirmation / reconciliation and also audit by the Government departments (Refer Note No. 7).
3. Excess expenditure incurred against amount received under certain schemes of ₹ 4.62 lakhs (Previous year ended 31st March, 2016: ₹ 4.62 lakhs) is subject to approval from respective Government Departments (Refer Note No. 7).
4. Interest earned on deposits with bank is shown net of interest paid on amount payable under various government schemes of ₹ 120.15 lakhs (Previous year ended 31st March, 2016: ₹ 229.52 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. 37).
6. 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. 8).
7. Remittance in transit includes ₹ 2.94 lakhs (Previous year ended 31st March, 2016: ₹ 3.20 lakhs) which is lying in transit for the past 6 years and which is being followed up by the Company (Refer Note No. 15 (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 matter described in paragraph 2 in the Basis for Qualified Opinion relating to AS – 22 ‘Accounting for Taxes on Income’, 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. 28 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.
 - iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company (Refer note No. 43 to the financial statements).

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

Place: Mumbai
Date : 23 May 2018

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 except for particulars of assets purchased in earlier years for which records appear to be misplaced.

(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.

(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, except for inventory of its NOGA fruit and vegetable processing division, where the procedures of physical verification, in our opinion, need to be strengthened.

(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 31st March, 2017 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 31st March, 2017 except as stated below:

Sr. No.	Name of Statute	Period	Amount (₹ in lakhs)	Forum where dispute is pending
1.	Income Tax	A. Y. 2006-07	3.51	Commissioner of Income Tax (Appeals)
2.	Income Tax	A. Y. 2007-08	4.41	Commissioner of Income Tax (Appeals)
3.	Income Tax	A. Y. 2008-09	17.30	Jurisdictional AO
4.	Income Tax	A. Y. 2009-10	3.73	Jurisdictional AO
6.	Income Tax	A. Y. 2010-11	51.30	Assessing Officer
7.	Income Tax	A. Y. 2011-12	950.88	Commissioner of Income Tax (Appeals)
8.	Income Tax	A. Y. 2012-13	37.91	Commissioner of Income Tax (Appeals)
9.	Income Tax	A. Y. 2013-14	224.72	Assessing Officer
10.	Income Tax	A. Y. 2014-15	2.94	Assessing Officer
11.	Sales Tax	F. Y. 2002-03 to 2003-04	13.86	Jt. Commissioner of Sales Tax Appeals
12.	Sales Tax	F. Y. 2011-12 to 2012-13	361.01	Jt. Commissioner of Sales Tax Appeals

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. Subsequent to the year end, the Company has noticed a fraud on the Company by its employees in one of its regional offices, involving diversion of funds received from Government agencies, relating to current and earlier years. The fraud is in its preliminary investigation stage and the extent of the fraud is being ascertained by the Company. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, other than the above, we have neither come across nor have we been informed of any instance of fraud by the Company or on the Company by its officers or employees during the year.
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: 23 May 2018

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	Panchayat Samithi, Mawal	0.21	Balance no longer receivable as debtor not acknowledging this amount
2	Asst. Commissioner, Animal Husbandry, Aurangabad	0.73	Balance no longer recoverable as agreement was made at older rate and party does not agree with revised rate which was recorded in books
3	DAHO, Beed	0.05	
4	DAHO, Jalna	0.35	
5	Various Parties	0.01	Small balances over 5 years old

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

During the course of our audit, we have found that the Company has maintained proper records for inventories lying with third parties (dealers).

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 the stock of seeds packing/certification materials and other items has been taken on the basis of stock records after adjustment of shortage/excess found on physical verification and whether due consideration has been given for deterioration in the quality of old stocks, which may result into overvaluation of stock?**

The Company does not hold the stock of seeds packing/certification materials and other such items.

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

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

3. 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.

4. 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 ₹ 120.15 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.

5. 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 : 23 May 2018

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 31st March, 2017**

Sr. No.	Reference / Year	Estimated Original Claim Amount (₹ in lakhs)	Judicial Authority	Present Status
A) CIVIL SUIT				
1	SHETKARI SK PARBHANI RO - Nanded Suit No. RJE 275/2011	07.49 + Interest 3.20	Nanded Court	Next Hearing is on 24/04/2017.
2	GANJEWAR KSK NAIGAON RO – Nanded Suit No. 86/2006	11.18 + Interest 7.58	Nanded Court	Next Hearing is on 20/10/2017.
3	VASUNDHARA S & P NANDED RO – Nanded Suit No. 201/2006	15.54 + Interest 8.35	Nanded Court	Next Hearing is on 02/11/2017.
4	BALAJI AGRO AGENCY, UMRI RO – Nanded Suit No. 236/2006	66.00 + Interest 26.22	Nanded Court	Next Hearing is on 30/10/2017.
5	VASUNDHARA S & F PARBHANI RO – Nanded Suit No. 48/2008	11.71 + Interest 16.11	Nanded Court	Next Hearing is on 16/11/2017.
6	J K SEEDS & PEST PARBHANI RO – Nanded Suit No. 49/2008	12.03 + Interest 9.67	Nanded Court	Next Hearing is on 26/10/2017.
7	RASHMI TRADERS PARBHANI RO – Nanded Suit No. 261/2012	01.66 + Interest 2.49	Nanded Court	Next Hearing is on 02/11/2017.
8	VENKATESH K K PARBHANI RO – Nanded Suit No. 47/2011	29.40 + Interest 59.96	Parbhani Court	Contempt petition filed by MAIDC against Venkatesh. Next Hearing is on 30/10/2017 stayed at high court.
	VENKATESH K K PARBHANI RO – Nanded Suit No. 38/16	178.52 + Interest 100.62	Parbhani Court	Next Hearing is on 30/10/2017.
10	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. Next hearing is on 26/09/2017.

Sr. No.	Reference / Year	Estimated Original Claim Amount (in lakhs)	Judicial Authority	Present Status
11	M/s Raju Traders, Dhule RO – Jalgaon Suit No. 35/2007 (Appeal No. 26/2016)	42.65 + Interest 29.29	Jalgaon Court	Decision is in the favour of the Corporation. On 17.12.2015, however party has filed appeal in district court Jalgaon, Next hearing is on 21.09.2017.
12	Girbane Krushi Seva Kendra, Aurad RO – Osmanabad Suit No. 109/2012	3.67 + Interest 3.49	High Court A'Bad RO Osmanabad	We have filed appeal in High Court A'Bad Branch.
13	Siddeshwar Krushi Kendra, Karkamb RO – Osmanabad Suit No. 117/2013	4.41 + Interest 4.95	Osmanabad Court	Next Hearing is on 07/11/2017.
14	Vasundra Agro Traders, Latur RO Osmanabad Suit No. 27/2010	4.56 + Interest 1.39	High Court A'Bad RO Osmanabad	Decree obtained but party has filed Appeal however court decision in favour of party but we have filed Appeal in the Hon'ble High Court A'Bad Branch.
15	M/s Gajanan KSK Latur Case No. 8851/2017	47.13 + Interest 83.98	High Court A'Bad	Court decision in favour of party but we have filed Appeal in the Hon'ble High Court.
16	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 14/11/2017.
17	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 20/09/2017.
18	Kolhapur Zilla Bijo Sah. Sangh RO – Kolhapur Suit No. 131/2008	10.35 + Interest 7.83	Kolhapur Court	Legal proceedings are in progress.
19	Dattatraya Agro Kendra Gangapur RO – Kolhapur Suit No. 243/2005 & 1041/2012	1.64 + Interest 0.88	Kolhapur Court	Legal proceedings are in progress. Next hearing is on 12/04/2017.
20	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.
21	Ohal Agency Case No. 12/2003 (Appeal 879/2012) RO Pune	1.66 + Interest 6.47	Pune Court	Decision in favour of corporation party has filed Appeal in Pune Court
22	Jawali Taluka Sahkari Kharedi Vikri Sangh RO Pune Suit No. 14/2010	1.52 + Interest 0.99	Pune Court	The matter is pending for evidence.

B) CRIMINAL SUIT

1	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.
2	MAIDC V/S VENKATESH RO Nanded Suit No. 4914/2014	--	HIGH COURT AURANGABAD	Writ petition filed by MAIDC against party against lower court order. Case not came on board.
3	ANAND K A NANDED RO Nanded Suit No. 3708/03	12.50	NANDED COURT	Pending for evidence with Nanded Court. Next Hearing is on 23/10/2017.
4	HEMANI K S K CHINCHKHED RO Nanded Suit No. 4623/04	3.58	NANDED COURT	Pending for summons. Next date 08/11/2017.
5	RAHATKAR TR. CO. LOHA RO Nanded Suit No. 850/04	41.81	NANDED COURT	The matter is pending for cross examination. Next Hearing 08/11/2016.
6	GANJEWAR K S K NAIGAON RO Nanded Suit No. 501/04	11.27	NANDED COURT	Pending for evidence with Nanded Court. Next Hearing 31/10/2017.
7	BALAJI AGRO AGENCY, UMARI RO Nanded Suit No. 2784/04, 20/2015	65.87	NANDED COURT	Pending for evidence with Nanded Court Next Hearing 10/12/2017.
8	VASUNDHARA S & F PARBHANI RO Nanded Suit No. 1752/14	5.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
9	VASUNDHARA S & F PARBHANI RO Nanded Suit No. 3203/04	4.00	NANDED COURT	Pending for evidence with Nanded Court. Next Hearing 23/10/2017.
10	SAIKRUPA K V K NANDED RO Nanded Suit No. 1830/06	13.66	NANDED COURT	Pending for Cross examination of defend. Next Hearing 09/09/2017.
11	J K SEEDS & PEST PARBHANI RO Nanded Suit No. 1831/06	12.03	NANDED COURT	Pending for evidence with Nanded Court. Next hearing 24/10/2017.
12	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 320/2014	22.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
13	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 321/2014	22.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
14	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 322/2014	24.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
15	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 27/2014	10.40	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
16	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 60/2014	1.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
17	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 61/2014	20.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.

18	BALAJI K S K KAWTHA RO Nanded Suit No. 777/2014	0.50	NANDED COURT	Summons to be served. Next Hearing 10/11/2017.
19	M/s Raju Traders , Dhule RO Jalgaon Suit No. 1064/2014, 1065/2014, 1066/2014, 1067/2014, 1068/2014, 1069/2014, 1070/2014, 1071/2014, 1072/2014, 1073/2014, 1074/2014.	17.50	High Court, Aurangabad	The matter is pending with High Court. Next Hearing 12/09/2017.
20	M/s Raju Traders Dhule RO Jalgaon Case No. 743/2006, 1328/2006, 2136/2006.	4.50	High Court, A'bad	Party filed appeal. Next date 30/10/2017.
21	M/s Raju Traders Dhule RO Jalgaon Case No. 2276/2006	2.00	High Court, A'bad	Next hearing 12/09/2017.
22	Ulhas KSK RO Jalgaon Suit No. 1143/2003	0.76	High Court, Aurangabad	The matter is pending with High Court. Next date 23/11/2017.
23	M/s Narayan KSK, Naregaon RO Aurangabad Suit No. 3185/2005	2.67	High Court, Aurangabad	The Corporation has filed appeal in High Court. Next hearing 09/05/2017.
24	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 05/06/2017.
25	Shri S.R Bhambre KSK RO Nashik Suit No. 7/2007 (KSK Satana)	1.89	Nashik Court	The decision of the court is against the Corporation. Appeal filed.
26	Rajendra KSK RO Nashik Suit No. 5569/2005	1.81	Nashik Court	Pending with the respective Court. Next hearing 08/09/2017.
27	Gajanan KSK RO Nashik Suit No. 2677/2007	3.25	Ahmednagar Court	Pending with the respective Court. Next hearing 22/09/2017.
28	M/s Govind Krushi Vikas Kendra, Umardhed RO – Amravati Suit no. 1013/2005, 1536/2005, 1686/2005	92.00	Amravati District Court	We have obtained compromise concern term of 100.00 lacs (77.94 lacs Principle & 22.06 lac Interest) & we have received 62.75 lacs as on 15/03/2017. The remaining amount will be paid in equal installments of 8.75 lacs upto 20/11/2017.

29	Ganesh Agro Agency, Latur RO – Osmanabad Suit no. 964/2005	6.95	Osmanabad Court	The matter is pending in Court. Restore.
30	Praveen KSK RO – Osmanabad Suit no. 1582/2005	1.5	Osmanabad Court	The matter is pending in Court.
31	Sheti Udhyog Agency RO – Osmanabad Suit no. 424/2007	3.41	Osmanabad Court	The matter is pending in Court. Next hearing 08/01/2018.
32	Umesh KSK RO – Osmanabad Suit no. 311/2011	4.02	Osmanabad Court	The matter is pending in Court. Next hearing 17/11/2017.
33	Shubda Auto Agro sales RO – Osmanabad Suit no. 1359/2011	0.95	Osmanabad Court	The matter is pending in Court.
34	Vijay Vasant Jadhav RO – Osmanabad Suit No. 20/2008	10.55	Osmanabad Court	The matter is pending in Court. Next hearing 27/10/2017.
35	Pragati KSK Patur RO – Akola Suit No. 24172/3, 24173/3, 26185/3, 2642/4, 2643/4 – DOA 19/07/2005	28.81	Akola District Court	The matter is Pending in the respective Court. Next Hearing 18/09/2017.
36	Patil K. S. K. Washim 1487/16	13.85	Akola District	Next hearing 16/10/2017.
37	Saikrupa Agro services centre RO – Chandrapur Suit No. 23/2006	7.15	Chandrapur Court	The matter is pending in Court.
38	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.
39	Dattatraya Agro Kendra Gangapur Karnataka State RO Kolhapur Suit No. 111/2015 & 5928/2005	144.00	J.M.F.C Afzalpur Kolhapur	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 23/05/2017.
40	Dattatraya Pesticides Gulburga RO – Kolhapur Suit No. 242/2006	11.00	J.M.F.C Kolhapur	Legal proceedings are in progress. Next Hearing 21/04/2017.
41	Haveli Taluka Sahkari Kharedi Vikri Sangh RO Pune Suit No. 11/2011	166.00	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 has filed appeal in high court.
2	JANTA KSK MANDVI RO Nanded Suit No. 13/14	1.67 + Interest 7.67	NANDED COURT	Next Hearing is on 04/11/2017.
3	INGALE KSK NIWGHA RO Nanded Suit No. 82/07	1.75 + Interest 1.64	PARBHANI COURT	Next Hearing is on 20/12/2017.
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 05/12/2017.
6	RAHTKAR TRADING CO.LOHA RO Nanded Suit No. 61/2011	41.75 + Interest 85.19	NANDED COURT	Application fro attachment of property filed. Next Hearing is on 13/12/2017.
7	SHETKARI S K BASMAT RO Nanded Suit No. 7/12, 03/14	0 + Interest 14.77	NANDED COURT	Stayed.
8	ANAND K A NANDED RO Nanded Suit No. '5/2013	12.01 + Interest 24.12	NANDED COURT	Next Hearing is on 02/12/2017.
9	M/s Gajanan KSK RO Aurangabad Suit No. 102/99-2007	1.53 + Interest 1.62	Aurangabad Court	Recovery is in Process. Next hearing is on 25/10/2017.
10	M/s Balaji RO Aurangabad Suit No. 266/95-2007	3.63 + Interest 1.51	Aurangabad Court	Recovery is in Process. Next hearing is on 07/10/2017.
11	M/s Kakde RO Aurangabad Suit No. 123/96-2001	9.69 + Interest 2.29	Aurangabad Court	Recovery is in Process. Next hearing is on 27/09/2017.
12	M/s Ashirwad RO Aurangabad Suit No. 01200/2006	9.81 + Interest 4.65	Aurangabad Court	Recovery is in Process. Next hearing is on 28/09/2017.
13	M/s Dogargaon RO Aurangabad Suit No. 45/06-2010	1.30 + Interest 0.77	Aurangabad Court	Party is in appeal. Next hearing is on 23/09/2011.
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	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. Next hearing is on 29/09/2017.
16	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 19/09/2017.

17	Gajanan Magaswargiya RO Jalgaon Suit No. 211/99	3.04 + Interest 1.79	Jalgaon Court	Decree obtained but the same is pending for execution. Next hearing is on 19/09/2017.
18	M/s Shankar and Sons Tal. Bhadgaon RO – Jalgaon Suit No. 101/2006	3.56 + Interest 2.66	Jalgaon Court	Decision is in favour of the Corporation. Recovery is in process.
19	M/s Mahesh fertilizers Tal. Amarnern RO – Jalgaon Suit No. 183/2008	4.50 + Interest 10.96	Jalgaon Court	Decision is in favour of the Corporation. We have recovered 2.09 lacs.
20	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. Next hearing is on 06/09/2017.
21	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 25/07/2017.
22	Akole RO Nashik Suit No. 133/2010	15.95 + Interest 14.02	Nashik Court	12.89 lakhs has been recovered. Next hearing 28/07/2017.
23	Zunzar Asc RO Chandrapur Suit No. 107/98/2001	1.50 + Interest 0.94	Chandrapur Court	Decree obtained but the same is pending for execution.
24	Chanda RO Chandrapur Suit No. 235/04	2.61 + Interest 0.45	Chandrapur Court	Decree obtained but the same is pending for execution.
25	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.
26	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.
27	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. Next hearing 17/04/2017.
28	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.
29	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. Recovered 1.75 lacs.
30	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. Recovery 0.19 lakhs.

31	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.
32	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.
33	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.
34	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.
35	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. Recovery 0.40 lakhs received.
36	Azad KSK RO Osmanabad Suit No. 128/2013	3.70 + Interest 0.78	C. J. M. Latur Court	Decree obtained but the same is pending for execution. Next Hearing is on 10/11/2017
37	Taluka Sah Kharedi Vikri Sangh RO Osmanabad Suit No. 46/2005	0.68 + Interest 0.53	C. J. M. Latur Court	Decree obtained but the same is pending for execution. Next hearing is on 03/11/2017.
38	Ramesh Dealers RO Osmanabad Suit No. 70/98	0.89	C. J. M. Latur Court	Decree obtained but the same is pending for execution.
39	Rahul Krushi Seva Kendra RO Osmanabad Suit No. 200142/2010	126 + Interest 131	Osmanabad Court	Decree obtained but the same is pending for execution.
40	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 04/11/2017.
41	Pandharpur Stores RO Osmanabad Suit No. 200181/2010	2.08 + Interest 1.55	Osmanabad Court	Decree obtained but the same is pending for execution.
42	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 17/11/2017.
43	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 17/11/17.
44	Terna KSK RO Osmanabad Suit No. 34/2011	1.52 + Interest 0.94	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 01/11/17.

45	The South Solapur TSKV RO Osmanabad Suit No. 21/2010	1.44 + Interest 0.92	Osmanabad Court	Decree obtained but the same is pending for execution.
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 15/11/2017.
48	Ganesh Agencies 29/2014 Latur	6.94 + Interest 6.82	RO O'bad Court	Case transfer to Latur court for decree execution.
49	Patharinath Trading Co. 28/14	5.64 + 5.09	Ro O'bad Court	Case transfer to Latur court for decree execution.
50	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.
51	M/s Govind Krushi Vikas Kendra, Umarkhed RO – Amravati Suit No. 132/2007	77.94 + Interest 59.98	Amravati District Court	We have obtained compromise concern term of 100.00 lacs (77.94 lac Principle & 22.06 lac Interest) & we have received 62.75 lacs as on 15/03/2017. The remaining amount will be paid in 9 equal instalments of 8.75 lacs upto 20/11/2017.
52	Sahaydri RO Akola Suit No. 34/2007	27.34 + Interest 21.34	Akola Court	Decree obtained but the same is pending for execution. Next hearing is on 20/09/2017.
53	Deep Fertilizers Raipur RO Akola Suit No. 146/2007	6.65 + Interest 3.38	Akola Court	Decree obtained but the same is pending case transfer to Buldhana Court for execution. Next hearing is on 19/09/2017.
54	Vishal RO Akola Suit No. 51/2003	21.55 + Interest 9.66	Akola Court	Decree obtained but the same is pending for execution. Next hearing is on 26/10/2017.
55	M/s Shirol Taluka Sah Sangh Suit No. 82/2004 & 282/2012	1.16 + Interest 0.63	C.S.J.D. Kolhapur	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 05/04/2017.

56	Karnataka Agro Kendra Hubali 48/2016	Interest 0.5	Hubali Kolhapur	MAIDC & party mutually agree to 16.05 + 5.00 lacs interest paid within 1 year upto 26/02/2018. However, party has paid 16.05 lacs principle amount on dated Nov '16 & balance amount 5.00 lacs will be paid dated 26/02/2018 as per joint memo signed by parties.
57	M/s Atpadi Sangh sangli Suit No. 20/2004 & 166/2012	1.06 + Interest 0.54	C.S.J.D. Sangli Kolhapur	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 05/04/2017.

Status of legal cases filed against the Company as on 31st March, 2017

Sr. No.	Reference / Year	Estimated Original Claim Amount (₹ in lakhs)	Judicial Authority	Present Status
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	The Nanded Mathadi, Hamal and others v/s MAIDC Suit No. RCS No. 192/12	1.50	District Court	Court decision awaited
5	IND. Court Dhage v/s MAIDC RO Nanded Suit No. 85/13	----	Industrial Court Jalna	Complained filed by Ex-employee Mr. Dhage for promotional benefit. Next hearing is on 09.10.2017
6	S L Kawtikar v/s MAIDC RO Nanded Suit No. ULP 32/14	----	Labour Court Nanded	Complained filed by Ex-employee Mr. Kawtikar challenging dismissal order. Next hearing is on 27.10.2017
7	Golden Transport Jalgaon v/s M.A.I.D.C Suit No. 290/2004	21.24	High Court, Aurangabad	Court decision awaited 17.00 lakhs deposited in High Court

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 31st March, 2017 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 31st March, 2017:

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 31st March, 2017:

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 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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, 2017 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 : 23 May 2018

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 2017

The preparation of Financial Statements of **Maharashtra Agro Industries Development Corporation Limited, Mumbai** for the year ended 31 March 2017 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 23 May 2018.***

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 2017. 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**

**(S. K. Jaipuriyar)
ACCOUNTANT GENERAL**

**Place : Mumbai
Date : 23.07.2018**

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
BALANCE SHEET AS AT 31st MARCH, 2017

(₹ in lacs)

Particulars	Notes	As At 31.03.2017	As At 31.03.2016
		₹	₹
I EQUITY AND LIABILITIES			
SHAREHOLDERS FUNDS :			
(a) Share Capital	1	550.00	550.00
(b) Reserves and Surplus	2	19336.02	17659.12
		19886.02	18209.12
NON-CURRENT LIABILITIES :			
(a) Other Long-term Liabilities	3	3153.14	2888.49
(b) Long-term Provisions	4	1484.06	1086.70
		4637.20	3975.19
CURRENT LIABILITIES :			
(a) Short-term Borrowings	5	1517.71	-
(b) Trade Payables	6	41394.48	48702.20
(c) Other Current Liabilities	7	13661.58	16744.29
(d) Short-term Provisions	8	1588.70	3494.72
		58162.47	68941.21
TOTAL		82685.69	91125.52
II ASSETS			
NON-CURRENT ASSETS :			
(a) Fixed Assets			
(i) Tangible Assets	9	2073.14	2132.27
(ii) Intangible Assets	9	0.23	0.67
(iii) Capital Work-in-Progress	9	24.89	1.51
		2098.26	2134.45
(b) Non-Current Investment	10	619.60	616.31
(c) Long-term Loans and Advances	11	4773.36	5577.47
(d) Other Non-Current Assets	12	-	-
		5392.96	6193.78

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
BALANCE SHEET AS AT 31st MARCH, 2017**

(₹in lacs)

	Notes	As At 31.03.2017	As At 31.03.2016
CURRENT ASSETS :		₹	₹
(a) Inventories	13	17381.60	19078.08
(b) Trade Receivables	14	25022.16	30328.54
(c) Cash and Bank Balance	15	30198.10	32028.89
(d) Short-term Loans and Advances	16	184.70	100.48
(e) Other Current Assets	17	2407.91	1261.30
Significant Accounting Policies	27		
Notes to the Financial Statements	28-44		
		75194.47	82797.29
TOTAL		82685.69	91125.52

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

Bijay Kumar
Director

CA Shrikant Prabhu
Partner
Membership No. 35296
Mumbai
Date :23 May 2018

Dr. Ashok Karanjkar
Managing Director

Vasant Sakpal
Dy. General Manager (F&A)

Mumbai
Date : 23 May 2018

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017**

(₹ in lacs)

Particulars	Notes	Year ended	Year ended
		31 March, 2017	31 March, 2016
		₹	₹
Revenue from Operations	18	98879.85	116512.10
Other Income	19	3012.97	2525.23
Total Revenue		101892.82	119037.33
Expenses			
(a) Cost of Material Consumed	20	16737.48	19901.94
(b) Purchases of Stock-in-Trade	21	72337.93	82054.12
(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	22	1308.41	6839.33
(d) Employee Benefits Expenses	23	3910.66	4126.32
(e) Finance Costs	24	175.30	115.43
(f) Depreciation and Amortisation	9	169.46	197.92
(g) Other Expenses	25	4966.67	4043.52
Total Expenses		99605.91	117278.58
Profit before Prior Period Items and Tax		2286.91	1758.75
Prior Period Items - Debit/(Credit) - (net)	26	(299.56)	(252.73)
Profit before Tax		2586.47	2011.48
Tax Expense			
(a) Current Tax		960.00	750.00
(b) Prior Years Tax Adjustment Debit/(Credit)		(54.58)	120.64
		905.42	870.64
Profit for the Year		1681.05	1140.84

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017**

	Notes	Year ended 31 March, 2017	Year ended 31 March, 2016
Earnings per Equity Share:		₹	₹
Basic and Diluted Earning per share	41	305.65	207.43
Significant Accounting Policies	27		
Notes to the Financial Statements	28-44		

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

Bijay Kumar
Director

CA Shrikant Prabhu
Partner
Membership No. 35296

Dr. Ashok Karanjkar
Managing Director

Mumbai

Vasant Sakpal
Dy. General Manager (F&A)

Date : 23 May 2018

Mumbai
Date : 23 May 2018

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.

(₹ in lakhs)

Cash Flow Statement for the year ended 31st March, 2017		2016-17		2015-2016	
A	Cash Flow from Operating Activities:				
	Net Profit/(loss) before tax		2586.47		2011.48
	<i>Adjustment for:</i>				
	Depreciation / Amortisation	169.46		197.92	
	Lease Charges	0.52		0.52	
	Prior Period Depreciation / Amortisation	-		1.07	
	Interest Expenses	175.30		115.43	
	(Profit)/Loss on sale of Fixed Assets	9.75		(1.69)	
	Provision for Bad & Doubtful Debts and Advances (net)	81.01		143.04	
	Adjustment for grant	(1.40)		-	
	Provision for Obsolete Stock	9.51		-	
	Prior period grant adjustment	-		(7.44)	
	Dividend Received	(0.20)		(0.15)	
			443.95		448.70
	Operating Profit before working capital changes		3030.42		2460.18
	(Increase)/Decrease in Trade and Other Receivables	3895.07		(11753.06)	
	(Increase)/Decrease in Inventories	1686.97		7319.12	
	(Increase)/Decrease in Loans and Advances	903.57		549.06	
	Increase/(Decrease) in Trade Payables and Other Liabilities	(11641.30)		8277.57	
			(5155.69)		4392.69
	Cash generated from operations		(2125.27)		6852.87
	Direct taxes paid (Net of refund)		(827.95)		(2212.85)
	Net Cash from/(used) Operating Activities - A		(2953.22)		4640.02
B	Cash Flow from Investing Activities :				
	Purchase of Fixed assets (Net) including Capital WIP		(188.50)		(116.68)
	Proceeds from sale of Fixed Assets		43.08		1.78
	Purchase of Investments		(3.29)		(0.90)
	Dividend Received		0.20		0.15
	Net Cash from Investing Activities - B		(148.51)		(115.65)
C	Cash Flow from Financing Activities :				
	Dividend Paid		(33.29)		(33.10)
	Interest paid		(213.47)		(81.29)
	Short-term Borrowings		1,517.71		-
	Net Cash generated/(used in) from Financing Activities- C		1270.95		(114.39)
	Net Increase/(Decrease) in Cash -(A+B+C)		(1830.79)		4409.98
	Cash & Cash equivalents at the beginning of the year		32028.89		27618.91
	Cash & Cash equivalents at the end of the year		30198.10		32028.89

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

Bijay Kumar
Director

Dr. Ashok Karanjkar
Managing Director

Vasant Sakpal
Dy. General Manager (F&A)
Mumbai
Date :23 May 2018

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 :23 May 2018

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note No.1 "SHARE CAPITAL"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
Authorised : 8,00,000 Equity Shares of ₹ 100 each	₹ 800.00	₹ 800.00
Issued, Subscribed and Paid Up 5,50,000 Equity Shares of ₹ 100 each fully paid-up	550.00	550.00
Total	550.00	550.00

Details of Shareholders holding more than 5% Equity Shares:

Name of Shareholders	As At 31.03.2017		As At 31.03.2016	
	Number of shares held in lakhs	% holding	Number of shares held in lakhs	% holding
Government of Maharashtra	300000.00	54.55	300000.00	54.55
Government of India	250000.00	45.45	250000.00	45.45
Total	550000.00	100.00	550000.00	100.00

Note No. 2 "RESERVES AND SURPLUS"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
a) Capital Reserve :	₹	₹
- Capital Reserve	20.00	20.00
- Grant from Government Of Maharashtra Opening balance	31.87	31.87
Less : Utilisation during the year	(1.40)	-
	30.47	31.87
- Grant from Government Of India Opening balance	28.01	38.20
Less : Adjusted during the year - prior period	-	(7.44)
Less : Written back as Depreciation on Assets during the year (Refer Note No. 9)	(2.75)	(2.75)
	25.26	28.01
	75.73	79.88
b) Investment Subsidy Reserve :		
Balance as per last Balance Sheet (Refer Note No. 10)	20.00	20.00
	20.00	20.00
c) CSR Fund :		
Balance as per last Balance Sheet	177.03	78.25
Add : Transferred from Surplus	83.64	98.78
	260.67	177.03
Balance as per last Balance Sheet	17382.21	16373.25
Add : Transferred from Surplus	1597.41	1008.96
	18979.62	17382.21
e) Surplus :		
Balance as per last Balance Sheet	-	-
Add : Profit for the year	1681.05	1140.84
Less : Appropriations		
Proposed Dividend (₹ NIL (P.Y. ₹ 5) per share)	-	(27.50)
Tax on Dividend	-	(5.60)
Transfer to CSR Fund	(83.64)	(98.78)
Transfer to General Reserve	(1597.41)	(1008.96)
Total Appropriation	(1681.05)	(1140.84)
Total	19336.02	17659.12

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note No. 3 "OTHER LONG-TERM LIABILITIES"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
	₹	₹
Deposits from Customers, Suppliers, Contractors and Other Parties*	3153.14	2888.49
Total	3153.14	2888.49

* 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 ₹ 303.70 lakhs (P.Y. ₹ 294.56 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 ₹ 6.65 lakhs (P.Y. ₹ 7.55 lakhs) against which credits are yet to be identified.

Note No. 4 "LONG-TERM PROVISIONS"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
	₹	₹
Provision for Employee Benefits :		
Leave Salary	1268.85	1023.57
Encashment		
Gratuity	215.21	63.13
Total	1484.06	1086.70

Note No. 5 "SHORT-TERM BORROWINGS"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
	₹	₹
Secured : Overdraft from Bank :		
HDFC Bank	1517.71	-
(Overdraft from bank is secured by hypothecation of fixed deposit)		
Total	1517.71	-

Note No. 6 "TRADE PAYABLES"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
	₹	₹
Trade Payables :		
a) Micro, Small and Medium Enterprises	2892.49	2368.98
b) Others*	38501.99	46333.22
Total	41394.48	48702.20

* Trade Payables includes credit balance of various parties of ₹ 755.89 lakhs (P.Y. ₹ 711.20 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 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017**

Note No. 7 "OTHER CURRENT LIABILITIES"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
Others :	₹	₹
a) Advances from Government for various schemes*	2049.24	2049.37
b) Unutilised Subsidy (Received from Govt.of Maharashtra) Payable**	1741.48	3453.10
c) Creditors for Capital goods	10.17	9.31
d) Advances Received from Customers***	5670.60	7299.17
e) Advance from Maharashtra Insecticides Ltd. (Wholly owned Subsidiary)	687.28	615.71
f) Interest Payable to Government for various schemes****	2535.77	2409.25
g) Statutory Liabilities*****	81.61	46.48
h) Employee Related Liabilities	51.87	3.10
i) Other Interest Payable*****	46.60	84.77
j) Deposits	21.00	21.00
k) Dividend Payable (including tax on dividend)	33.36	33.00
l) Other Liabilities*****	732.60	720.03
Total	13661.58	16744.29

* 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 ₹ 29502.25 lakhs (P.Y. ₹ 29136.51 lakhs) out of which total expenditure incurred is ₹ 27453.01 lakhs (P.Y. ₹ 27087.13 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 ₹ 2597.76 lakhs (P.Y. ₹ 3529.35 lakhs) which is subject to confirmation/reconciliation. Also includes ₹ 521.15 lakhs (P.Y. ₹ 411.13) outstanding for more than 3 years for which no claims from the parties are on record and which will be considered for write back after due verification.

**** Includes interest payable of ₹ 2535.77 lakhs (P.Y. ₹ 2409.25 lakhs) to Government for amounts received under various schemes @ 6.5% (P.Y. 7.5%) 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 claims are on record and which will be considered for write back after due verification.

***** Includes excise duty payable of ₹ 27.27 lakhs (P.Y. ₹ 20.81 lakhs) on closing stock of manufactured goods.

***** Includes interest payable of ₹ 46.60 lakhs (P.Y. ₹ 84.77 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 ₹ 60.31 lakhs (P.Y ₹ 16.57 lakhs) for which no claims from the parties are on record and which will be considered for write back after due verification.

Note No. 8 "SHORT TERM PROVISIONS"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
A) Provision for Employee Benefits :	₹	₹
(i) Bonus	22.65	14.17
(ii) Incentives/Ex-gratia*	281.95	281.95
(iii) VIth Pay Revision	52.51	1430.41
(iv) Leave Encashment	138.89	341.19
(v) Gratuity**	521.41	899.82
Total A	1017.41	2967.54
B) Other Provisions :		
(i) Proposed Dividend	-	27.50
(ii) Tax on Dividend	-	5.86
(iii) VAT Provision	94.79	94.79
(iv) Taxation	476.50	399.03
Total B	571.29	527.18
Total (A+B)	1588.70	3494.72

* 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.

** 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)

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Note No. 9 Fixed Assets

Sr. No.	Particulars	GROSS BLOCK					DEPRECIATION /AMORTISATION					NET BLOCK	
		Cost as at 1st April, 2016	Adjustments during the year	Additions during the year	Sales / Adjustments	Cost as at 31st March, 2017	Accumulated up to 1st April, 2016	Provided during the year	Adjusted to Opening Reserve	Deductions during the year	Accumulated up to 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A	Tangible Assets												
1	Land : Freehold	423.91	-	-	-	423.91	-	-	-	-	-	423.91	423.91
	Leasehold	49.44	-	-	-	49.44	13.23	0.52	-	13.75	35.69	36.21	36.21
2	Buildings On Leasehold and Freehold Land *	1661.07	-	6.83	1.52	1661.07	668.77	44.66	-	713.43	947.64	992.30	992.30
3	Plant and Machinery	1262.20	-	0.36	1.09	1267.51	940.12	48.15	1.16	987.11	280.40	322.08	322.08
4	Electrical Installation	120.52	-	0.91	2.35	119.79	91.46	7.00	1.04	97.42	22.37	29.06	29.06
5	Furniture and Fittings	121.82	-	0.91	2.35	120.38	89.34	4.06	2.29	91.11	29.27	32.48	32.48
6	Vehicles	468.89	-	137.94	181.56	425.27	234.48	44.90	129.45	149.93	275.34	234.41	234.41
7	Computers	172.11	-	11.09	1.50	181.70	157.38	11.94	1.50	167.82	13.88	14.73	14.73
8	Office Equipments	132.21	-	8.85	4.84	136.22	109.24	8.31	4.59	112.96	23.26	22.97	22.97
9	Assets Financed out of Capital Grant (Refer Note 8 below)	38.62	-	-	-	38.62	14.49	2.75	-	17.24	21.38	24.13	24.13
10	Assets held for Disposal	8.11	-	-	-	8.11	8.11	-	-	8.11	0.00	0.00	0.00
	TOTAL (A)	4458.90	0.00	165.98	192.86	4432.02	2326.62	172.29	140.03	2358.88	2073.14	2132.28	2132.28
B	Intangible Assets												
	Computer Softwares	4.82	-	-	-	4.82	4.15	0.44	-	4.59	0.23	0.67	0.67
	TOTAL (B)	4.82	-	-	-	4.82	4.15	0.44	-	4.59	0.23	0.67	0.67
	TOTAL (A+B)	4463.72	0.00	165.98	192.86	4436.84	2330.77	172.73	140.03	2363.47	2073.37	2132.95	2132.95
	Previous Year	1.51	-	23.38	-	24.89	-	-	-	-	24.89	1.51	1.51
	Capital work-in-progress	1.51	-	23.38	-	24.89	-	-	-	-	24.89	1.51	1.51
	GRAND TOTAL	4465.23	0.00	189.36	192.86	4461.73	2330.77	172.73	140.03	2363.47	2098.26	2134.46	2134.46

1) 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.

2) * Includes ownership flats (cost ₹ 16.41 lakhs) in Co-Op Housing Societies / Apartment Owner's Association.

4) 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).

5) Depreciation includes prior period depreciation of Nil (P. Y. ₹ 0.30 lakhs)

6) 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 DP period has passed 15yrs. Corporation has asked the Municipal Corporation and Govt. to revoke/cancel the said reservation.

7) Adjustment in respect of assets financed out of capital grant of Nil (P. Y. ₹ 365.74 lakhs) represents capital grant received which is adjusted against the additions of such assets.

8) Details of Assets Financed out of capital grants:

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION						NET BLOCK	
		Cost as at 1st April, 2016	Adjustments during the year	Additions during the year	Sales / Adjustments	Cost as at 31st March, 2017	Accumulated up to 1st April, 2016	Provided during the year	Adjusted to Opening Reserve	Deductions during the year	Accumulated up to 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	Sugras Factory Yeotmal Plant and Machinery	38.62	0.00	0.00	0.00	38.62	14.49	2.74	-	17.24	21.38	24.13	
	TOTAL	38.62	-	-	-	38.62	14.49	2.74	-	17.24	21.38	24.13	

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note No. 10 "NON CURRENT INVESTMENT"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
I. IN GOVERNMENT SECURITIES :	₹	₹
6 Years National Saving Certificates (In the Custody of A.P.O. Authorities) FDR with Commercial Tax Officer Circle Bhopal	0.30 0.05	0.30 0.05
	0.35	0.35
II. IN EQUITY SHARES:		
A) TRADE, UNQUOTED FULLY PAID UP:		
SUBSIDIARIES (WHOLLY OWNED) :		
1,00,000 Equity Shares of Maharashtra Insecticides Ltd., ₹ 100 each	100.00	100.00
B) OTHER TRADE INVESTMENT:		
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	
	79.43	
Less : Provision for diminution in value of Long Term Investment	59.43	20.00
(The Corporation has Investment Subsidy Reserve of ₹ 20.00 lakhs (P.Y. ₹ 20.00 lakhs) created in earlier year 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. 30 (a))	386.20	386.20
MFFP Morshi (Amravati) Project (Refer Note No. 30 (a))	111.90	108.61
	619.20	615.91
III. OTHER THAN TRADE INVESTMENT : FULLY PAID		
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
	0.05	0.05
Total	619.60	616.31

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

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

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
Unsecured, Considered Good unless otherwise specified :	₹	₹
a) Capital Advance	607.74	-
b) Advances to Agro Advantages* (Considered Doubtful)	230.68	230.68
c) Advances Recoverable in cash or in kind (Includes considered Doubtful of ₹ 583.51 lakhs (P.Y. ₹ 765.40 lakhs))	4554.06	6138.49
d) Advances to Employees	0.86	0.92
e) Deposits (Includes considered Doubtful of ₹ 5.75 lakhs (P.Y. ₹ 7.53 lakhs))	141.04	152.07
f) Advance Tax (net of provisions)	58.92	58.93
	5593.30	6581.09
Less: - Provision for Doubtful Advances	819.94	1003.62
Total	4773.36	5577.47

* 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 19 years has elapsed and hence has been provided in full.

Note No. 12 "OTHER NON CURRENT ASSETS"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
Unsecured :	₹	₹
Claims Receivables (Considered Doubtful)	321.17	323.35
Less: - Provision for Doubtful Advances	321.17	323.35
Total	-	-

Note No. 13 "INVENTORIES"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
	₹	₹
Consumable Stores	161.74	156.12
Packing Material	278.20	158.22
Raw Material	5388.30	5941.58
Finished Goods - Manufactured	6237.99	6791.36
Finished Goods - Bought-Out	5213.74	5894.79
Other Stocks	126.80	151.68
	17406.77	19093.75
Less: Provision for Obsolete Stock	25.17	15.67
Total	17381.60	19078.08

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note No. 14 "TRADE RECEIVABLE"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
Unsecured :	₹	₹
Debtors Overdue for more than six months :		
Considered Good	4794.88	4071.07
Considered Doubtful	1639.22	1372.35
Other Debts :		
Considered Good	20227.28	26257.47
	26661.38	31700.89
Less : Provision for Doubtful debts	1639.22	1372.35
Total	25022.16	30328.54

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 ₹ 706.98 lakhs (P.Y. ₹ 761.09 lakhs) in respect of which the Corporation 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 Corporation from the State Government in the absence of availability of necessary intimations from the concerned authorities.

4. TDS deducted by the debtors aggregating to ₹ 76.75 lakhs (P.Y. Rs 76.75 lakhs) lying in credit as on 31.3.2017 in the books of the Corporation, has not been adjusted against trade receivables while making provision for doubtful receivable since party-wise break-up of such TDS deducted is not available with the Corporation.

Note No. 15 "CASH AND BANK BALANCES"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
a) CASH AND CASH EQUIVALENT :	₹	₹
i) Cash on hand	-	-
ii) Term Deposit with Bank :		
Maturity up to 3 Months	-	10900.00
Total (A)	-	10900.00
b) OTHER BANK BALANCES :		
i) Term Deposit with Bank :		
Maturity Period more than 3 Months and upto 1 year	10193.58	17779.07
Maturity Period over 1 year	18505.57	-
(Includes Rs. 6000.00 lakhs (P.Y. Nil) on lien with bank against overdraft facility)		
ii) IN CURRENT ACCOUNTS	277.72	1204.06
iii) IN COLLECTION ACCOUNTS :	1507.22	2372.49
(Includes Cheques on Hand ₹ 779.35 lakhs (P.Y. ₹ 1548.29 lakhs)		
Remittances-in-transit	13.49	3.20
(Including old of ₹ 2.94 lakhs (P.Y. ₹ 3.20 lakhs) yet to be received)		
	30497.58	21358.82
Less: Credit Balance in current accounts	299.54	229.99
Total (B)	30198.04	21128.83
c) BALANCE WITH NON-SCHEDULED BANKS :		
i) IN CURRENT ACCOUNTS :		
Sindhudurg Dist. Central Co-op Bank Ltd	0.05	0.05
Maximum Balance of ₹ 0.04 lakhs (P.Y. ₹ 0.04 lakhs)		
ii) IN COLLECTION ACCOUNTS :		
Yavatmal D.C.C. Bank	0.01	0.01
(Maximum debit balance of ₹ 0.01 lakhs (P.Y. ₹ 0.01 lakhs)		
Total (C)	0.06	0.06
Total (A+B+C)	30198.10	32028.89

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

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

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
a) Unsecured, Considered Good :	₹	₹
Loans and Advances to Employees and Others	159.70	71.78
b) Prepaid Expenses	21.84	24.48
c) Balances with Government Authorities :		
i) P.L.A. A/c	2.59	0.98
ii) Modvat Credit	0.57	0.57
iii) VAT Receivable	-	2.67
	3.16	4.22
Total	184.70	100.48

Note No. 17 "OTHER CURRENT ASSETS"

Particulars	As At 31.03.2017	As At 31.03.2016
Unsecured, Considered Good :	₹	₹
a) Interest Receivables*	1756.21	1075.43
b) Claims Receivables	444.46	16.30
c) Other Receivable	207.24	169.57
Total	2407.91	1261.30

* Includes ₹ 1597.90 lakhs (P.Y. ₹ 1074.27 lakhs) interest accrued on fixed deposits.

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note No. 18 "REVENUE FROM OPERATIONS"

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Sales	₹	₹
A) Manufacturing Products :		
Animal Feed	-	14.94
Fertilizer	21899.58	23131.40
Agro Engineering	247.84	193.19
Processed fruits and vegetables	734.75	762.31
	22882.17	24101.84
Less : Excise Duty	187.04	265.62
Total A	22695.13	23836.22
Animal Feed	448.94	1073.81
Fertilizer	28656.83	50691.55
Agro Engineering	36303.69	35665.66
Pesticides	10613.62	5105.65
Other Sales	161.64	139.21
Total B	76184.72	92675.88
Total (A+B)	98879.85	116512.10

1) Sales shown above are net of Trade discount of ₹ 941.70 lakhs (P.Y. ₹ 544.14 lakhs).

2) Sales shown net of VAT.

Sales break up

Items	2016-17 Value	2015-16 Value
1) Manufactured products	₹	₹
A) Animal Feeds	-	14.94
B) Fertilizers	21899.58	23131.40
C) Agro Engineering	247.84	193.19
D) Processed fruits and vegetables	734.75	762.31
	22882.17	24101.84
Less :- Excise Duty	187.04	265.62
Total (A)	22695.13	23836.22
2) Bought-Out Products		
Fertilizers	26641.15	47731.68
Gypsum	19.65	17.28
Micronutrient	1577.89	2380.29
Bio Fertilizers	366.35	454.86
IWMP Kits	51.79	107.44
Pesticides	10613.62	5105.65
Animal Feed	448.94	1073.81
Agro Engineering	36303.69	35665.66
Others	161.64	139.21
Total (B)	76184.72	92675.88
Total (A+B)	98879.85	116512.10

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note No. 19 "OTHER INCOME"

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
a) Interest Income :	₹	₹
From Customers	14.42	12.97
On Advance to Employees	6.88	1.01
On Investment (Deposit With Bank) (Net of Interest Paid ₹ 120.15 lakhs (P.Y. ₹ 229.52 lakhs) on Unutilised amount received from Government under various Scheme)	2171.42	1947.67
On Other Deposits	1.10	1.57
On Sales Tax Refund	342.61	-
Others	0.02	0.03
Total A	2536.45	1963.25
b) Rent Received :		
From Office Premises	25.65	10.16
From Residential Buildings	3.95	3.63
From Godown	11.06	26.79
Others	59.69	39.63
Total B	100.35	80.21
c) Other Income :		
Cash Discount Received on Purchases	158.32	445.08
Dividend Received	0.20	0.15
Other Receipts**	189.16	33.28
Profit on Sale of Fixed Assets (net)	-	1.69
Sundry Balances Written Back	28.49	1.57
Total C	376.17	481.77
Total (A+B+C)	3012.97	2525.23

** Includes inspection charges of ₹ 154.49 lakhs (P.Y. ₹ 6.55 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, 2017

Note No. 20 "COST OF MATERIAL CONSUMED"

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Opening Stock	₹ 5941.58	₹ 6318.39
Add : Purchases	16184.20	19525.13
Less : Closing Stock	22125.78 5388.30	25843.52 5941.58
Total	16737.48	19901.94

Raw materials consumed breakup

Items	2016-17	2015-16
	₹ in lacs	₹ in lacs
Murate of potash	2971.42	3735.12
Dia Ammonium Phosphate	9996.27	12160.86
Urea	2003.58	2203.33
SSP non K.U.	953.09	993.40
Dolomite	256.90	290.36
Agro Engineering	167.33	78.30
Sugar	151.13	125.06
Processed fruits and vegetables	141.06	220.67
Others	96.70	94.84
Total	16737.48	19901.94

All raw material consumed are of indigenious 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, 2017**

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

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
	₹	₹
Fertilizers	25456.44	39727.66
Pesticides	3943.23	2551.23
Feed	411.09	1024.33
Agro Engineering	34955.28	33899.94
Bio-Fertilizers	335.89	414.20
Gypsum	18.66	13.31
Micro Nutrient	1379.26	2299.84
Bio-Pest	5789.11	2022.81
IWMP Agril Kits	48.97	100.80
Total	72337.93	82054.12

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

Purchases	2016-17	2015-16
	Value	Value
Fertilizers	25456.44	39727.66
Gypsum	18.66	13.31
Micronutrient	1379.26	2299.84
Bio Fert.	335.89	414.20
IWMP Agril Kits	48.97	100.80
Pesticides (Including formulation charges)	9732.34	4574.04
Animal Feed	411.09	1024.33
Agro Engineering products	34955.28	33899.94
Total	72337.93	82054.12

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

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

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Inventories at the end of the year :	₹	₹
Finished Goods	6237.99	6791.36
Stock-in-trade	5340.53	6046.46
(Include old gunny bags for sale of ₹ 126.80 lakhs (P.Y. ₹ 150.75 lakhs))	11578.52	12837.82
Inventories at the beginning of the year :		
Finished Goods	6791.36	5525.90
Stock-in-trade	6046.46	14149.01
	12837.82	19674.91
Excise duties on increase/(decrease) of finished goods	49.11	2.24
Net (Increase)/Decrease in Inventories	1308.41	6839.33

Opening Stock breakup

Items	2016-17	2015-16
	Value	Value
Finished goods		
1. Manufactured products		
Granulated Fertilizers	6575.54	5357.29
Agro Engineering products	84.72	93.18
Processed fruits and Vegetables	131.10	75.43
Total A	6791.36	5525.90
2. Purchased products		
Fertilizers	5717.70	13684.93
Pesticides	36.26	112.80
Agro Engineering Products	140.83	263.06
Others	151.67	88.22
Total B	6046.46	14149.01
Total (A+B)	12837.82	19674.91

Opening 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, 2017**

Closing stock breakup

Items	2016-17 Value	2015-16 Value
1. Manufactured products		
Granulated Fertilizers	6025.91	6575.54
Agro Engineering products	119.45	84.72
Processed fruit and Vegetable	92.63	131.10
Total (A)	6237.99	6791.36
2. Purchased products		
Fertilizers	4950.98	5717.70
Pesticides	136.51	36.26
Agro Engineering products	126.25	140.83
Others	126.79	151.67
Total (B)	5340.53	6046.46
Total (A+B)	11578.52	12837.82

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, 2017

Note No. 23 "EMPLOYEES BENEFITS EXPENSES"

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
	₹	₹
REMUNERATION TO MANAGING DIRECTOR :		
Salary	20.85	16.29
Leave Salary Contribution	0.42	1.06
Pension Contribution	0.76	2.20
	22.03	19.55
REMUNERATION TO EMPLOYEES :		
Salary, Wages and Bonus*	2995.59	3067.79
Contribution to Provident Fund and Other Funds	309.62	427.87
Gratuity	448.67	410.12
Welfare Expense	133.75	199.90
Staff Training Expenses	1.00	1.09
	3888.63	4106.77
Total	3910.66	4126.32

* Include provision for Ex-gratia/ Bonus ₹ 12.29 lakhs (P.Y. ₹ 14.18 lakhs)

Note No. 24 "FINANCE COSTS"

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
	₹	₹
Interest Expenses on :		
On Overdraft from Bank	1.76	-
On Deposit	16.06	14.99
On Income Tax	66.19	0.90
On Other Loan	91.29	99.54
(Including interest paid to subsidiary company of ₹ 72.76 lakhs (P.Y. ₹ 63.64 lakhs))		
Total	175.30	115.43

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note No. 25 "OTHER EXPENSES"

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Manufacturing Expenses :	₹	₹
Stores and Spares Consumed*	234.74	248.46
Packing Material Consumed*	630.24	792.29
Power and Fuel Consumption	131.20	124.12
Water Charges	9.65	11.25
Processing Charges and Other Manufacturing Expenses	481.48	732.57
Repairs and Maintenance :		
Plant and Machinery	16.97	11.37
Buildings	94.54	128.96
Other Assets	25.27	20.69
Selling Expenses :		
Rebates / Discount	166.02	44.07
Commission Paid	25.70	22.17
Advertisement and Publicity	196.77	129.27
Carriage Outward and Other Expenses	475.00	396.59
Establishment Expenses :		
Rent	568.75	107.26
Rates and Taxes	352.90	100.44
Lease Charges	0.52	0.52
Printing and Stationery	73.87	90.08
Postage and Telephone	32.09	33.65
Insurance Charges	85.64	87.49
Vehicle Expenses	94.43	89.84
Bank Charges	1.15	1.70
Legal and Professional Charges	47.68	32.84
Agricultural Research and Development Expenses	4.86	4.37
Travelling and Conveyance :		
Managing Director	5.71	3.23
Director	0.13	11.34
Others	55.06	57.40
Remuneration to Auditors :		
Audit Fees	3.22	3.23
Reimbursement of Expenses	1.25	1.35
Loss on sale of Fixed Assets (net)	9.75	-
Other Expenses	1045.75	596.60
Bad Debts Written-Off	1.34	16.47
Sundry Balance Written-Off	0.05	0.86
Provision for Bad & Doubtful Debts and Advances (net)	85.43	143.04
Total	4966.67	4043.52

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

Note No. 26 "PRIOR PERIOD ITEMS"

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Expenses :	₹	₹
Sales	-	4.68
Lease Charges	-	0.96
Depreciation	-	0.11
Repairs and Maintenance	-	5.77
Food Park Project - Salary and Allowances	-	28.37
- Water Charges	-	28.35
- Other Office Expenses	-	15.13
- Electricity Charges	-	3.56
Total A	1.29	86.93
Rent - Food Park	-	137.61
-Other	-	3.12
Purchase	160.99	191.49
Others	56.44	7.44
Total B	300.85	339.66
Total (A+B)	(299.56)	(252.73)

SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

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:

Particulars	Valuation Basis
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 or 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 relatable 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 31st MARCH, 2017

28) CONTINGENT LIABILITIES NOT PROVIDED FOR:

a) Capital commitments not provided for ₹435.66lakhs(P.Y.₹290.33 lakhs)

b) Claims against the Corporation not acknowledged as debts ₹ 63.91 lakhs (P.Y.₹ 62.41 lakhs).

c) Sales Tax Demand of ₹374.87 lakhs (P.Y. ₹ 198.31 lakhs) disputed by the Corporation.

d) Disputed Income Tax demands of ₹ 362.35 lakhs (P.Y. ₹ 300.06 lakhs).

29) 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 ₹ 0.26 lakhs (P.Y.₹ 0.31 lakhs) is pending.

- 30(a)** The Government of Maharashtra had appointed the Corporation as a nodal agency for erection of two multi fruit processing plants at Katol and Morshi.
- 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 its issue and will be accounted for if 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. However, as per the directives given by Government of Maharashtra, the Katol project is to be taken back from the Official Liquidator. The Corporation has filed an application for the same to Hon'ble High Court, which is pending.
- Pending clarity on the assets available to the Corporation, no impairment on this investment has been recognized in the financial statements.
- The Corporation has spent an amount of ₹111.90 lakhs (P.Y. ₹108.61 lakhs) (net of adjustments) on Morshi project. The same has been shown as investment. During the year, the Morshi plant has been let out for operations to M/s Maha Orange Nagpur on experimental basis for a period of 3 years commencing from February, 2017.
- (b)** 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 proceedings have been launched by the Corporation against the party claiming an amount of ₹102.97 lakhs (P.Y. ₹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. Further rent receivable for occupation of premises from date of arbitration upto 31st March 2017, has not been accounted being contingent in nature depending upon the outcome of the arbitrations.
- (c)** Under the Prime Ministers 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 ₹85.00lakhs. An amount of ₹74.37 lakhs is received from Government of Maharashtra and Government of India for the project. Machineries had been erected and trial production taken but commercial production was not started due to poor demand. Total capital expenditure incurred of ₹43.56lakhs(P.Y. ₹42.50lakhs) has been capitalized. The balance amount of the subsidy of ₹30.81 lakhs (P.Y. ₹31.87 lakhs) is payable. However, the balance unutilized amount is shown as Government grant under Capital Reserve.
- During the year, the Fodder Block plant and machineries were shifted to the Corporations Chinchwad feed factory and commercial production was started.

- (d) The Corporation has received a claim for ₹206.18 lakhs (P.Y. ₹206.18 lakhs) in earlier year 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.
- 31) The Corporation holds leasehold land at Goregaon, Mumbai where original lease period has expired and has been extended by Government of Maharashtra. The Government of Maharashtra has proposed an option to purchase the land and the Corporation has opted for the same. The Corporation has spent ₹ 607.74 lakhs (P.Y. ₹ NIL lakhs) for the land and the same has been shown as Capital Advance since the purchase agreement is pending.
- 32) Other current liabilities includes subsidy received from the Government of Maharashtra of ₹1741.48 lakhs (P.Y. ₹ 3453.10 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.
- 33) 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)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
I. Defined contribution plans		
a. Provident fund		
b. Superannuation fund		
c. State defined contribution plans:		
-Employers Contribution to Employees State Insurance Scheme		
-Employers Contribution to Employees 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	220.15	329.48
-Employers contribution to superannuation fund	-	-
-Employers contribution to employees state insurance	2.74	2.86
-Employers contribution to Employees Pension Scheme 1995	81.53	91.07
II. Defined benefit plans		
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)	7.50%	8.00%
Rate of increase in compensation levels	8.00%	8.00%
Rate of return on plan assets (for funded scheme)	6.07%	7.53%
The estimates of future increase in compensation levels takes into account the inflation, seniority, promotion and other relevant factors.		
A. Changes in the present value of obligation		
Present value of obligation as at beginning of the year	2877.64	2736.76
Interest cost	190.05	218.94
Current service cost	65.24	120.85
Benefits paid	(1004.02)	(451.94)
Actuarial (gain) / loss on obligations	311.15	253.03
Present value of obligation as at end of the year	2440.07	2877.64
B. Changes in the fair value of plan assets		
Present value of plan assets at beginning of the year	2246.34	1988.56
Expected return on plan assets	105.93	149.69
Actuarial gains and (losses)	30.49	560.04
Contributions	668.54	-
Benefits paid	1004.02	451.94
Fair value of plan assets at end of the year	2047.28	2246.34
C. Amount recognized in the balance sheet		
Present value of obligation as at end of the year	2440.07	2877.64
Fair value of plan assets as at the end of the year	2047.28	2246.34
(liability) / asset recognized in the balance sheet	(392.79)	(631.30)
D. Expenses recognized in the statement of profit and loss		
Current service cost	65.24	120.85
Past Service Cost	-	-
Interest cost	190.05	218.94
Expected return on plan assets	(105.93)	(149.69)
Net actuarial (gain) / loss recognized in the period	280.67	253.03
Total expense recognized in statement of profit and loss for current period	430.03	443.14

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 ₹194.28 lakhs (P.Y. ₹110.79 lakhs) against such liability.

34) 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.

35) 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.

36) 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 01.04.2016 to 15.08.2016.

ii) Shri Ashok Karanjkar I.A.S. Managing Director 12.08.2016 to 31.03.2017.

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

Particulars	Current year (₹in lakhs)	Previous year (₹in lakhs)
Purchase of goods	2515.73	1605.72
Interest paid	72.76	63.64
Procurement exp. Reimbursed by MIL	-	-
Reprocessing charges	-	12.13
Outstanding Balances:		
Loans / Advances Payable	687.28	615.71
Sundry Creditors	255.88	311.22

ii) Remuneration to Managing Director

Particulars	Current Year (₹ in lakhs)	Previous Year (₹in lakhs)
Salaries	20.85	16.29
Leave salary	0.42	1.05
Pension contribution	0.76	2.20

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

38) The Corporation does not have a process of getting balance confirmation from suppliers and reconciling the same including major balances in respect of its Fertilizer Division. Adjustment entries, if any, will be passed as and when the reconciliations are taken up and completed.

39) The Corporation has yet to assess for impairment for non-use, its assets at Single Super Phosphate plants at Jalna and at Rasayani, Processed Fruits and Vegetables plant at Motibaug 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.

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

(To the extent information available with the Corporation)

(₹ in lakhs)

Particulars	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.	453.83	105.82
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	100.35	77.80
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

41) 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)	1681.05	1140.84
b) No. of Shares	550000	550000
c) Basic and Diluted EPS	305.65	207.43

42) The Board of Directors at its meeting held on 31st March, 2017 has proposed and recommended dividend of ₹ 5 per share on the ₹ 550 lakhs share capital out of the current year profits. The aggregate amount of proposed dividend is ₹ 27.50 lakhs and the dividend tax payable thereon is ₹ 5.60 lakhs. Hitherto the proposed dividend and the tax thereon was included in the liabilities for the financial year 2015-16 and reduced from surplus. Following the amendment to AS-4 Contingencies and events occurring after the balance sheet date effective financial year commencing on or after 1st April,2016, the proposed dividend and dividend tax thereon is disclosed by the way of a note and is not shown as a liability or reduced from surplus in the financial statements. As a result of this change, the short term provisions as reflected in the balance sheet are lower by ₹33.10lakhs and correspondingly the surplus is higher by this amount.

43) Details of specified bank notes held and transacted during the period 08-Nov-2016 to 30-Dec-2016.

Particulars	Specified Bank Note (₹ in lakhs)	Other denominations (₹ in lakhs)	Total (₹ in lakhs)
Closing cash in hand as on 08.11.2016	-	0.01	0.01
(+) Permitted receipts	109.20	22.97	132.17
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	109.20	22.69	131.89
Closing cash in hand as on 30.12.2016	-	0.29	0.29

44) 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 and Co. LLP
Chartered Accountants
Firm Registration No. 102860W/W100089

Bijay Kumar
Director

CA Shrikant Prabhu
Partner
Membership No. 35296

Dr. Ashok Karanjkar
Managing Director

Mumbai

Vasant Sakpal
Dy. General Manager (F&A)

Date : 23 May 2018

Mumbai
Date : 23 May 2018

Appendix 1
Disclosure of Primary Business 2016-17

Segments

(₹ 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
REVENUE														
External Sale	50543.78	73702.20	10613.62	5105.65	36552.86	35865.13	448.94	1091.76	720.65	747.35	0.00	0.01	98879.85	116512.10
Other Income	161.13	448.41	3.22	1.01	178.69	9.53	(0.58)	40.78	0.04	0.31	2670.47	2025.19	3012.97	2525.23
Total Revenue	50704.91	74150.61	10616.84	5106.66	36731.55	35874.66	448.36	1132.54	720.69	747.66	2670.47	2025.20	101892.82	119037.33
RESULT														
Segment Result	2905.77	2682.11	889.84	411.63	1214.20	1320.47	(71.57)	8.22	(472.74)	(534.71)		-	4465.50	3887.72
Less : Unallocated corporate exp.											2178.59	2128.97	2178.59	2128.97
Operating Profit	2905.77	2682.11	889.84	411.63	1214.20	1320.47	(71.57)	8.22	(472.74)	(534.71)	(2178.59)	(2128.97)	2286.91	1758.75
Prior Period (Income) /Expense	(226.95)	(187.35)	1.29						(73.90)	(65.38)			(299.56)	(252.73)
Miscellaneous Expenditure													-	-
Profit/(Loss) before Tax	3132.72	2869.46	888.55	411.63	1214.20	1320.47	(71.57)	8.22	(472.74)	(534.71)	(2252.49)	(2063.59)	2586.47	2011.48
Income Tax provision											960.00	750.00	960.00	750.00
Balance b. f from last year													-	-
Excess / (Short) provision for											(54.58)	120.64	(54.58)	120.64
Income tax (earlier years)														
Net Profit/(Loss)	3132.72	2869.46	888.55	411.63	1214.20	1320.47	(71.57)	8.22	(472.74)	(534.71)	(3157.91)	(2934.23)	1681.05	1140.84
OTHER INFORMATION														
Segment Assets	29737.28	37579.27	4423.62	1976.68	9246.24	8996.83	189.59	321.43	966.82	955.16	38122.14	41363.14	82685.69	91192.51
Segment Liabilities	27160.14	38073.87	4373.67	2535.39	17834.93	14756.45	103.42	196.10	198.58	133.66	13128.93	17287.92	62799.67	72983.39
Capital Expenditure	0.00	61.30	-	-	0.00	2.75	-	-	6.29	7.95	183.07	410.71	189.36	482.71
Depreciation	62.20	80.49	-	-	5.31	6.09	5.61	6.24	20.30	25.07	76.04	80.03	169.46	197.92

**CONSOLIDATED
FINANCIAL STATEMENTS
2016 – 17**

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 31st March, 2017, 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. 28 (i) (a)).
2. The Group has yet to assess for impairment, its single super phosphate plants at Rasayani and Jalna and processed fruits and vegetables plant at Motibaug and remaining assets at the dismantled fodder block plant at Yavatmal, 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. 40).
3. The investment in fixed assets for the establishment of processing plant at Morshi of ₹ 111.90 lakhs (Previous year ended 31st March, 2016: ₹ 108.61 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. 31(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 31st March, 2016: ₹ 22.63 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 31st March, 2016: ₹ 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. 31(a).
5. The Group follows the practice of providing for its old outstanding 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 outstanding in the absence of availability of necessary intimations from the concerned authorities (Refer Note No. 33 and Note No. 15(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 31st March, 2017 towards VI Pay arrears payable to employees of ₹ 450.31 lakhs (Previous year ended 31st March, 2016: ₹ 1764.12) shown under short-term provisions, 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. 8).
7. Long-term and short-term liabilities include amounts aggregating in excess of ₹ 1950.00 lakhs (Previous year ended 31st March, 2016: ₹ 1800.00) 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 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 ₹ 30.81 lakhs (Previous year ended 31st March, 2016: ₹ 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. 31(c)).

9. TDS deducted by the debtors, aggregating to ₹ 76.75 lakhs (Previous year ended 31st March, 2016: ₹ 76.75 lakhs), relating to earlier years, lying in credit as on 31.03.2017 in the books of the Holding Company, has not been adjusted against trade receivable while making provision for doubtful receivable 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. 15 (4)).
10. The Holding Company does not have a process of getting balance confirmations from suppliers and reconciling the same especially with regards 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.39)
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 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. 28(xi)(b)).
13. 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.
14. 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. 11).

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 14 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 31st March, 2017, 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 ₹ 6.65 lakhs (Previous year ended 31st March, 2016: ₹ 7.55 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 ₹ 2049.24 lakhs (Previous year ended 31st March, 2016: ₹ 2049.37 lakhs) are subject to confirmation / reconciliation and also audit by the Government departments (Refer Note No. 7).
3. Excess expenditure incurred against amount received under certain schemes of ₹ 4.62 lakhs (Previous year ended 31st March, 2016: ₹ 4.62 lakhs) is subject to approval from respective Government Departments (Refer Note No. 7).
4. Interest earned on deposits with bank is shown net of interest paid on amount payable under various government schemes of ₹ 120.15 lakhs (Previous year ended 31st March, 2016: ₹ 229.52 lakhs) (Refer Note No. 20 (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. 38).
6. Provision for Ex-gratia to employees amounting to ₹ 147.47 lakhs for FY 2013-14 lakhs (Previous year ended 31st March, 2016 Rs.170.08 lakhs) and ₹ 134.48 lakhs for FY 2014-15 (Previous year ended 31st March, 2016 Rs.145.98 lakhs) is subject to approval of the State Government (Refer Note No. 8).
7. Remittance in transit includes ₹ 2.94 lakhs (Previous year ended 31st March, 2016: ₹ 3.20 lakhs) which is lying in transit for the past 6 years and which is being followed up (Refer Note No. 16 (b)(iii)).

Other Matters

We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of ₹ 2014.01 lakhs as at 31st March, 2017, total revenues of ₹ 2286.77 lakhs and net cash outflows amounting to ₹ 3.67 lakhs 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 matters described in paragraphs 12 in the Basis for Qualified Opinion relating to AS-22 "Accounting for Taxes on Income", 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 29 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.
 - iv. The Group have provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Group (Refer note No. 44 to the consolidated financial statements).

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

Place: Mumbai
Date: 23 May 2018

CA Shrikant Prabhu
Partner
Membership No. 35296

**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.

These comments are based only on the replies given to directions / sub-directions in the standalone audit report of the Holding Company. Replies to such directions / sub-directions, if any, have not been received from the subsidiary company and hence have not been incorporated in this report.

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	Panchayat Samithi, Mawal	0.21	Balance no longer receivable as debtor not acknowledging this amount
2	Asst. Commissioner, Animal Husbandry, Aurangabad	0.73	Balance no longer recoverable as agreement was made at older rate and party does not agree with revised rate which was recorded in books
3	DAHO, Beed	0.05	
4	DAHO, Jalna	0.35	
5	Various Parties	0.01	Small balances over 5 years old

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

The Holding Company has maintained proper records for inventories lying with third parties (dealers).

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

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

- 1. Whether the stock of seeds packing/certification materials and other items has been taken on the basis of stock records after adjustment of shortage/excess found on physical verification and whether due consideration has been given for deterioration in the quality of old stocks, which may result into overvaluation of stock?**

The Holding Company does not hold the stock of seeds packing/certification materials and other such items.

- 2. 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.

- 3. 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.

- 4. 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 Holding 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 ₹ 120.15 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.

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

As informed to us the pricing policies of the Holding 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 Holding 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: 23 May 2018

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 Holding Company as on 31st March, 2017**

Sr. No.	Reference / Year	Estimated Original Claim Amount (₹ in lakhs)	Judicial Authority	Present Status
A) CIVIL SUIT				
1	SHETKARI SK PARBHANI RO - Nanded Suit No. RJE 275/2011	07.49 + Interest 3.20	Nanded Court	Next Hearing is on 24/04/2017.
2	GANJEWAR KSK NAIGAON RO – Nanded Suit No. 86/2006	11.18 + Interest 7.58	Nanded Court	Next Hearing is on 20/10/2017.
3	VASUNDHARA S & P NANDED RO – Nanded Suit No. 201/2006	15.54 + Interest 8.35	Nanded Court	Next Hearing is on 02/11/2017.
4	BALAJI AGRO AGENCY, UMRI RO – Nanded Suit No. 236/2006	66.00 + Interest 26.22	Nanded Court	Next Hearing is on 30/10/2017.
5	VASUNDHARA S & F PARBHANI RO – Nanded Suit No. 48/2008	11.71 + Interest 16.11	Nanded Court	Next Hearing is on 16/11/2017.
6	J K SEEDS & PEST PARBHANI RO – Nanded Suit No. 49/2008	12.03 + Interest 9.67	Nanded Court	Next Hearing is on 26/10/2017.
7	RASHMI TRADERS PARBHANI RO – Nanded Suit No. 261/2012	01.66 + Interest 2.49	Nanded Court	Next Hearing is on 02/11/2017.
8	VENKATESH K K PARBHANI RO – Nanded Suit No. 47/2011	29.40 + Interest 59.96	Parbhani Court	Contempt petition filed by MAIDC against Venkatesh. Next Hearing is on 30/10/2017 stayed at high court.
9	VENKATESH K K PARBHANI RO – Nanded Suit No. 38/16	178.52 + Interest 100.62	Parbhani Court	Next Hearing is on 30/10/2017.

10	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. Next hearing is on 26/09/2017.
11	M/s Raju Traders, Dhule RO – Jalgaon Suit No. 35/2007 (Appeal No. 26/2016)	42.65 + Interest 29.29	Jalgaon Court	Decision is in the favour of the Corporation. On 17.12.2015, however party has filed appeal in district court Jalgaon, Next hearing is on 21.09.2017.
12	Girbane Krushi Seva Kendra, Aurad RO – Osmanabad Suit No. 109/2012	3.67 + Interest 3.49	High Court A'Bad RO Osmanabad	We have filed appeal in High Court A'Bad Branch.
13	Siddeshwar Krushi Kendra, Karkamb RO – Osmanabad Suit No. 117/2013	4.41 + Interest 4.95	Osmanabad Court	Next Hearing is on 07/11/2017.
14	Vasundra Agro Traders, Latur RO Osmanabad Suit No. 27/2010	4.56 + Interest 1.39	High Court A'Bad RO Osmanabad	Decree obtained but party has filed Appeal however court decision in favour of party but we have filed Appeal in the Hon'ble High Court A'Bad Branch.
15	M/s Gajanan KSK Latur Case No. 8851/2017	47.13 + Interest 83.98	High Court A'Bad	Court decision in favour of party but we have filed Appeal in the Hon'ble High Court.
16	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 14/11/2017.
17	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 20/09/2017.
18	Kolhapur Zilla Bijo Sah. Sangh RO – Kolhapur Suit No. 131/2008	10.35 + Interest 7.83	Kolhapur Court	Legal proceedings are in progress.
19	Dattatraya Agro Kendra Gangapur RO – Kolhapur Suit No. 243/2005 & 1041/2012	1.64 + Interest 0.88	Kolhapur Court	Legal proceedings are in progress. Next hearing is on 12/04/2017.
20	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.
21	Ohal Agency Case No. 12/2003 (Appeal 879/2012) RO Pune	1.66 + Interest 6.47	Pune Court	Decision in favour of corporation party has filed Appeal in Pune Court
22	Jawali Taluka Sahkari Kharedi Vikri Sangh RO Pune Suit No. 14/2010	1.52 + Interest 0.99	Pune Court	The matter is pending for evidence.

B) CRIMINAL SUIT				
1	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.
2	MAIDC V/S VENKATESH RO Nanded Suit No. 4914/2014	--	HIGH COURT AURANGABAD	Writ petition filed by MAIDC against party against lower court order. Case not came on board.
3	ANAND K A NANDED RO Nanded Suit No. 3708/03	12.50	NANDED COURT	Pending for evidence with Nanded Court. Next Hearing is on 23/10/2017.
4	HEMANI K S K CHINCHKHED RO Nanded Suit No. 4623/04	3.58	NANDED COURT	Pending for summons. Next date 08/11/2017.
5	RAHATKAR TR. CO. LOHA RO Nanded Suit No. 850/04	41.81	NANDED COURT	The matter is pending for cross examination. Next Hearing 08/11/2016.
6	GANJEWAR K S K NAIGAON RO Nanded Suit No. 501/04	11.27	NANDED COURT	Pending for evidence with Nanded Court. Next Hearing 31/10/2017.
7	BALAJI AGRO AGENCY, UMARI RO Nanded Suit No. 2784/04, 20/2015	65.87	NANDED COURT	Pending for evidence with Nanded Court Next Hearing 10/12/2017.
8	VASUNDHARA S & F PARBHANI RO Nanded Suit No. 1752/14	5.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
9	VASUNDHARA S & F PARBHANI RO Nanded Suit No. 3203/04	4.00	NANDED COURT	Pending for evidence with Nanded Court. Next Hearing 23/10/2017.
10	SAIKRUPA K V K NANDED RO Nanded Suit No. 1830/06	13.66	NANDED COURT	Pending for Cross examination of defend. Next Hearing 09/09/2017.
11	J K SEEDS & PEST PARBHANI RO Nanded Suit No. 1831/06	12.03	NANDED COURT	Pending for evidence with Nanded Court. Next hearing 24/10/2017.
12	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 320/2014	22.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
13	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 321/2014	22.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
14	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 322/2014	24.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
15	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 27/2014	10.40	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
16	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 60/2014	1.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
17	VENKATESH AGRO AG. PARBHANI RO Nanded Suit No. 61/2014	20.00	PARBHANI COURT	Pending for evidence with Parbhani Court. Next Hearing 30/10/2017.
18	BALAJI K S K KAWTHA RO Nanded Suit No. 777/2014	0.50	NANDED COURT	Summons to be served. Next Hearing 10/11/2017.

19	M/s Raju Traders , Dhule RO Jalgaon Suit No. 1064/2014, 1065/2014, 1066/2014, 1067/2014, 1068/2014, 1069/2014, 1070/2014, 1071/2014, 1072/2014, 1073/2014, 1074/2014.	17.50	High Court, Aurangabad	The matter is pending with High Court. Next Hearing 12/09/2017.
20	M/s Raju Traders Dhule RO Jalgaon Case No. 743/2006, 1328/2006, 2136/2006.	4.50	High Court, A'bad	Party filed appeal. Next date 30/10/2017.
21	M/s Raju Traders Dhule RO Jalgaon Case No. 2276/2006	2.00	High Court, A'bad	Next hearing 12/09/2017.
22	Ulhas KSK RO Jalgaon Suit No. 1143/2003	0.76	High Court, Aurangabad	The matter is pending with High Court. Next date 23/11/2017.
23	M/s Narayan KSK, Naregaon RO Aurangabad Suit No. 3185/2005	2.67	High Court, Aurangabad	The Corporation has filed appeal in High Court. Next hearing 09/05/2017.
24	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 05/06/2017.
25	Shri S.R Bhambre KSK RO Nashik Suit No. 7/2007 (KSK Satana)	1.89	Nashik Court	The decision of the court is against the Corporation. Appeal filed.
26	Rajendra KSK RO Nashik Suit No. 5569/2005	1.81	Nashik Court	Pending with the respective Court. Next hearing 08/09/2017.
27	Gajanan KSK RO Nashik Suit No. 2677/2007	3.25	Ahmednagar Court	Pending with the respective Court. Next hearing 22/09/2017.
28	M/s Govind Krushi Vikas Kendra, Umardhed RO – Amravati Suit no. 1013/2005, 1536/2005, 1686/2005	92.00	Amravati District Court	We have obtained compromise concern term of 100.00 lacs (77.94 lacs Principle & 22.06 lac Interest) & we have received 62.75 lacs as on 15/03/2017. The remaining amount will be paid in equal installments of 8.75 lacs upto 20/11/2017.

29	Ganesh Agro Agency, Latur RO – Osmanabad Suit no. 964/2005	6.95	Osmanabad Court	The matter is pending in Court. Restore.
30	Praveen KSK RO – Osmanabad Suit no. 1582/2005	1.5	Osmanabad Court	The matter is pending in Court.
31	Sheti Udhyog Agency RO – Osmanabad Suit no. 424/2007	3.41	Osmanabad Court	The matter is pending in Court. Next hearing 08/01/2018.
32	Umesh KSK RO – Osmanabad Suit no. 311/2011	4.02	Osmanabad Court	The matter is pending in Court. Next hearing 17/11/2017.
33	Shubda Auto Agro sales RO – Osmanabad Suit no. 1359/2011	0.95	Osmanabad Court	The matter is pending in Court.
34	Vijay Vasant Jadhav RO – Osmanabad Suit No. 20/2008	10.55	Osmanabad Court	The matter is pending in Court. Next hearing 27/10/2017.
35	Pragati KSK Patur RO – Akola Suit No. 24172/3, 24173/3, 26185/3, 2642/4, 2643/4 – DOA 19/07/2005	28.81	Akola District Court	The matter is Pending in the respective Court. Next Hearing 18/09/2017.
36	Patil K. S. K. Washim 1487/16	13.85	Akola District	Next hearing 16/10/2017.
37	Saikrupa Agro services centre RO – Chandrapur Suit No. 23/2006	7.15	Chandrapur Court	The matter is pending in Court.
38	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.
39	Dattatraya Agro Kendra Gangapur Karnataka State RO Kolhapur Suit No. 111/2015 & 5928/2005	144.00	J.M.F.C Afzalpur Kolhapur	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 23/05/2017.
40	Dattatraya Pesticides Gulburga RO – Kolhapur Suit No. 242/2006	11.00	J.M.F.C Kolhapur	Legal proceedings are in progress. Next Hearing 21/04/2017.
41	Haveli Taluka Sahkari Kharedi Vikri Sangh RO Pune Suit No. 11/2011	166.00	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 has filed appeal in high court.
2	JANTA KSK MANDVI RO Nanded Suit No. 13/14	1.67 + Interest 7.67	NANDED COURT	Next Hearing is on 04/11/2017.
3	INGALE KSK NIWGHA RO Nanded Suit No. 82/07	1.75 + Interest 1.64	PARBHANI COURT	Next Hearing is on 20/12/2017.
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 05/12/2017.
6	RAHTKAR TRADING CO.LOHA RO Nanded Suit No. 61/2011	41.75 + Interest 85.19	NANDED COURT	Application fro attachment of property filed. Next Hearing is on 13/12/2017.
7	SHETKARI S K BASMAT RO Nanded Suit No. 7/12, 03/14	0 + Interest 14.77	NANDED COURT	Stayed.
8	ANAND K A NANDED RO Nanded Suit No. '5/2013	12.01 + Interest 24.12	NANDED COURT	Next Hearing is on 02/12/2017.
9	M/s Gajanan KSK RO Aurangabad Suit No. 102/99-2007	1.53 + Interest 1.62	Aurangabad Court	Recovery is in Process. Next hearing is on 25/10/2017.
10	M/s Balaji RO Aurangabad Suit No. 266/95-2007	3.63 + Interest 1.51	Aurangabad Court	Recovery is in Process. Next hearing is on 07/10/2017.
11	M/s Kakde RO Aurangabad Suit No. 123/96-2001	9.69 + Interest 2.29	Aurangabad Court	Recovery is in Process. Next hearing is on 27/09/2017.
12	M/s Ashirwad RO Aurangabad Suit No. 01200/2006	9.81 + Interest 4.65	Aurangabad Court	Recovery is in Process. Next hearing is on 28/09/2017.
13	M/s Dogargaon RO Aurangabad Suit No. 45/06-2010	1.30 + Interest 0.77	Aurangabad Court	Party is in appeal. Next hearing is on 23/09/2011.
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	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. Next hearing is on 29/09/2017.

16	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 19/09/2017.
17	Gajanan Magaswargiya RO Jalgaon Suit No. 211/99	3.04 + Interest 1.79	Jalgaon Court	Decree obtained but the same is pending for execution. Next hearing is on 19/09/2017.
18	M/s Shankar and Sons Tal. Bhadgaon RO – Jalgaon Suit No. 101/2006	3.56 + Interest 2.66	Jalgaon Court	Decision is in favour of the Corporation. Recovery is in process.
19	M/s Mahesh fertilizers Tal. Amarnern RO – Jalgaon Suit No. 183/2008	4.50 + Interest 10.96	Jalgaon Court	Decision is in favour of the Corporation. We have recovered 2.09 lacs.
20	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. Next hearing is on 06/09/2017.
21	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 25/07/2017.
22	Akole RO Nashik Suit No. 133/2010	15.95 + Interest 14.02	Nashik Court	12.89 lakhs has been recovered. Next hearing 28/07/2017.
23	Zunzar Asc RO Chandrapur Suit No. 107/98/2001	1.50 + Interest 0.94	Chandrapur Court	Decree obtained but the same is pending for execution.
24	Chanda RO Chandrapur Suit No. 235/04	2.61 + Interest 0.45	Chandrapur Court	Decree obtained but the same is pending for execution.
25	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.
26	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.
27	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. Next hearing 17/04/2017.
28	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.
29	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. Recovered 1.75 lacs.
30	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. Recovery 0.19 lakhs.
31	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.
32	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.
33	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.
34	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.

35	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. Recovery 0.40 lakhs received.
36	Azad KSK RO Osmanabad Suit No. 128/2013	3.70 + Interest 0.78	C. J. M. Latur Court	Decree obtained but the same is pending for execution. Next Hearing is on 10/11/2017.
37	Taluka Sah Kharedi Vikri Sangh RO Osmanabad Suit No. 46/2005	0.68 + Interest 0.53	C. J. M. Latur Court	Decree obtained but the same is pending for execution. Next hearing is on 03/11/2017.
38	Ramesh Dealers RO Osmanabad Suit No. 70/98	0.89	C. J. M. Latur Court	Decree obtained but the same is pending for execution.
39	Rahul Krushi Seva Kendra RO Osmanabad Suit No. 200142/2010	126 + Interest 131	Osmanabad Court	Decree obtained but the same is pending for execution.
40	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 04/11/2017.
41	Pandharpur Stores RO Osmanabad Suit No. 200181/2010	2.08 + Interest 1.55	Osmanabad Court	Decree obtained but the same is pending for execution.
42	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 17/11/2017.
43	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 17/11/2017.
44	Terna KSK RO Osmanabad Suit No. 34/2011	1.52 + Interest 0.94	Osmanabad Court	Decree obtained but the same is pending for execution. Next Hearing is on 01/11/2017.
45	The South Solapur TSKV RO Osmanabad Suit No. 21/2010	1.44 + Interest 0.92	Osmanabad Court	Decree obtained but the same is pending for execution.
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 15/11/2017.
48	Ganesh Agencies 29/2014 Latur	6.94 + Interest 6.82	RO O'bad Court	Case transfer to Latur court for decree execution.
49	Patharinath Trading Co. 28/14	5.64 + 5.09	Ro O'bad Court	Case transfer to Latur court for decree execution.
50	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.
51	M/s Govind Krushi Vikas Kendra, Umardhed RO – Amravati Suit No. 132/2007	77.94 + Interest 59.98	Amravati District Court	We have obtained compromise concern term of 100.00 lacs (77.94 lac Principle & 22.06 lac Interest) & we have received 62.75 lacs as on 15/03/2017. The remaining amount will be paid in 9 equal instalments of 8.75 lacs upto 20/11/2017.

52	Sahaydri RO Akola Suit No. 34/2007	27.34 + Interest 21.34	Akola Court	Decree obtained but the same is pending for execution. Next hearing is on 20/09/2017.
53	Deep Fertilizers Raipur RO Akola Suit No. 146/2007	6.65 + Interest 3.38	Akola Court	Decree obtained but the same is pending case transfer to Buldhana Court for execution. Next hearing is on 19/09/2017.
54	Vishal RO Akola Suit No. 51/2003	21.55 + Interest 9.66	Akola Court	Decree obtained but the same is pending for execution. Next hearing is on 26/10/2017.
55	M/s Shirol Taluka Sah Sangh Suit No. 82/2004 & 282/2012	1.16 + Interest 0.63	C.S.J.D. Kolhapur	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 05/04/2017.
56	Karnataka Agro Kendra Hubali 48/2016	Interest 0.5	Hubali Kolhapur	MAIDC & party mutually agree to 16.05 + 5.00 lacs interest paid within 1 year upto 26/02/2018. However, party has paid 16.05 lacs principle amount on dated Nov '16 & balance amount 5.00 lacs will be paid dated 26/02/2018 as per joint memo signed by parties.
57	M/s Atpadi Sangh sangli Suit No. 20/2004 & 166/2012	1.06 + Interest 0.54	C.S.J.D. Sangli Kolhapur	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 05/04/2017.

Status of legal cases filed against the Company as on 31st March, 2017

Sr. No.	Reference / Year	Estimated Original Claim Amount (₹ in lakhs)	Judicial Authority	Present Status
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	The Nanded Mathadi, Hamal and others v/s MAIDC Suit No. RCS No. 192/12	1.50	District Court	Court decision awaited

5	IND. Court Dhage v/s MAIDC RO Nanded Suit No. 85/13	----	Industrial Court Jalna	Complained filed by Ex-employee Mr. Dhage for promotional benefit. Next hearing is on 09.10.2017
6	S L Kawtikar v/s MAIDC RO Nanded Suit No. ULP 32/14	----	Labour Court Nanded	Complained filed by Ex-employee Mr. Kawitkar challenging dismissal order. Next hearing is on 27.10.2017
7	Golden Transport Jalgaon v/s M.A.I.D.C Suit No. 290/2004	21.24	High Court, Aurangabad	Court decision awaited 17.00 lakhs deposited in High Court
8	MAIDC V/S Karveer kamgar Sangh Suit No. WP 8434/2013	13.20	High Court Mumbai	Court decision awaited 13.20 lakhs deposited in High Court

Annexure - II to the Independent Auditor'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 31st March, 2017, 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 weaknesses have been identified in the adequacy of the internal financial controls over financial reporting of the Holding Company as at 31st March, 2017:

1. The Holding 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 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 internal financial controls over financial reporting as at 31st March, 2017:

1. The Holding Company 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 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 Holding Company.
2. The Holding Company 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 Holding Company internal financial controls over obtaining confirmations of supplier balances and reconciling the same were not operating effectively which could potentially result in the Holding 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 Holding Company internal financial controls over matching the suppliers outstanding 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 differences arising from such reconciliation.
5. The Holding Company's internal financial controls over crediting the amounts received from debtors to the correct debtors account were not operating effectively at some locations leading to moneies collected from one debtors being adjusted against the balances due from another debtor. This could potentially lead to wrong balances being shown and susceptibility to fraud.

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 Holding 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 31st March, 2017, 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 Controls 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 31st March, 2017 financial statements of the Holding Company, and the material weakness does not affect our opinion on the consolidated financial statements of the Holding 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

CA Shrikant Prabhu
Partner

Place: Mumbai
Date: 23 May 2018
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 2017

The preparation of Consolidated Financial Statements of **Maharashtra Agro Industries Development Corporation Limited, Mumbai** for the year ended 31 March 2017 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 the 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 **23 May 2018**.

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 2017. We conducted a supplementary audit of the Financial Statements of **Maharashtra Agro Industries Development Corporation Limited, Mumbai** but did not conduct 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 enabling a better understanding of the Consolidated Financial Statements and related Audit Report:

COMMENT ON CONSOLIDATED FINANCIAL POSITION

Note to the Consolidated Financial Statements (Note No. 28)

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. This has not been done owing to their Financial Statements

are not being made available for many year. The Company has, however, included the investments in these Companies in its books under 'Other Trade Investment'.

Inclusion 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.

This point has been raised during accounts audit for the year 2015-16. However, the same accounting treatment has been repeated in the year 2016-17.

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

**Place : Mumbai
Date : 24/09/2018**

**(S.K. Jaipuriyar)
PRINCIPAL 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 2017

Comment	Reply
<p>Note to the Consolidated Financial Statements (Note No. 28)</p> <p>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. This has not been done owing to their Financial Statements are not being made available for many year. The Company has, however, included the investments in these Companies in its books under ‘Other Trade Investment’.</p> <p>Inclusion 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.</p> <p>This point has been raised during accounts audit for the year 2015-16. However, the same accounting treatment has been repeated in the year 2016-17.</p>	<p>The Company has already provided for diminution in the value of investment in respect of MOMCPL and BOMCL. Further as per Company Master Details of BOMCL available on website of Ministry of Corporate Affairs BOMCL is under Liquidation. Company Master Details of MOMCPL are not available on the said website.</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.28 of accounts.</p>

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2017**

(₹ in lacs)

Particulars	Notes	As At 31.03.2017	As At 31.03.2016
		₹	₹
I EQUITY AND LIABILITIES			
SHAREHOLDERS FUNDS :			
(a) Share Capital	1	550.00	550.00
(b) Reserves and Surplus	2	20368.84	18683.19
		20918.84	19233.19
NON-CURRENT LIABILITIES :			
(a) Other Long-term Liabilities	3	3270.30	2945.67
(b) Long-term Provisions	4	1574.48	1172.43
		4844.78	4118.10
CURRENT LIABILITIES :			
(a) Short-term Borrowings	5	1517.71	-
(b) Trade Payables	6	41200.43	48507.45
(c) Other Current Liabilities	7	13082.69	16180.87
(d) Short-term Provisions	8	2079.69	3951.73
		57880.52	68640.05
TOTAL		83644.14	91991.34
II ASSETS			
NON-CURRENT ASSETS :			
(a) Fixed Assets			
(i) Tangible Assets	9	2192.05	2257.52
(ii) Intangible Assets	9	0.23	0.67
(iii) Capital Work-in-Progress	9	24.89	1.50
		2217.17	2259.69
(b) Non-Current Investment	10	519.62	516.33
(c) Deferred tax assets (net)	11	67.58	47.07
(d) Long-term Loans and Advances	12	4795.91	5597.82
(e) Other Non-Current Assets	13	-	-
		5383.11	6161.22

**THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2017**

(₹ in lacs)

	Notes	As At 31.03.2017	As At 31.03.2016
CURRENT ASSETS :		₹	₹
(a) Inventories	14	18147.74	19780.72
(b) Trade Receivables	15	25022.23	30328.72
(c) Cash and Bank Balance	16	30203.98	32039.91
(d) Short-term Loans and Advances	17	261.76	159.78
(e) Other Current Assets	18	2408.15	1261.30
Significant Accounting Policies	28		
Notes to the Financial Statements	29-46		
		76043.86	83570.43
TOTAL		83644.14	91991.34

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

Bijay Kumar
Director

CA Shrikant Prabhu
Partner
Membership No. 35296
Mumbai
Date :23 May 2018

Dr. Ashok Karanjkar
Managing Director

Vasant Sakpal
Dy. General Manager (F&A)

Mumbai
Date : 23 May 2018

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017
(₹ in lacs)

Particulars	Notes	Year ended 31 March, 2017	Year ended 31 March, 2016
		₹	₹
Revenue from Operations	19	98886.77	116516.65
Other Income	20	3013.76	2570.94
Total Revenue		101900.53	119087.59
Expenses			
(a) Cost of Material Consumed	21	18245.31	20964.77
(b) Purchases of Stock-in-Trade	22	69822.20	80448.40
(c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	23	1376.36	6745.29
(d) Employee Benefits Expenses	24	4199.95	4403.40
(e) Finance Costs	25	102.54	51.83
(f) Depreciation and Amortisation	9	179.62	211.09
(g) Other Expenses	26	5598.92	4456.81
Total Expenses		99524.90	117281.59
Profit before Prior Period Items and Tax		2375.63	1806.00
Prior Period Items - Debit/(Credit) - (net)	27	(230.40)	(239.65)
Profit before Tax		2606.03	2045.65
Tax Expense			
(a) Current Tax		997.00	763.84
(b) Deferred Tax		(20.50)	(5.53)
(c) Prior Years Tax Adjustment Debit/(Credit)		(53.25)	120.64
		923.25	878.95
Profit for the Year		1682.78	1166.70

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017
(₹ in lakhs)

	Notes	Year ended 31 March, 2017	Year ended 31 March, 2016
Earnings per Equity Share:		₹	₹
Basic and Diluted Earning per share	42	305.96	212.13
Significant Accounting Policies	28		
Notes to the Financial Statements	29-46		

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

Bijay Kumar
Director

CA Shrikant Prabhu
Partner
Membership No. 35296

Dr. Ashok Karanjkar
Managing Director

Mumbai

Vasant Sakpal
Dy. General Manager (F&A)

Date :23 May 2018

Mumbai
Date : 23 May 2018

Cash Flow Statement for the year ended 31st March, 2017		2016-17		2015-2016	
A.	Cash Flow from Operating Activities:				
	Net Profit/(loss) before tax		2606.03		2045.65
	<i>Adjustment for:</i>				
	Depreciation / Amortisation	179.62		211.09	
	Lease Charges	0.52		0.52	
	Prior Period Depreciation / Amortisation	-		1.07	
	Interest Expenses	29.51		51.83	
	(Profit)/Loss on sale of Fixed Assets	9.75		(1.69)	
	Provision for Bad & Doubtful Debts and Advances (net)	81.01		143.04	
	Adjustment for grant	(1.40)		-	
	Provision for Obsolete Stock	9.51		-	
	Prior period grant adjustment	-		(7.44)	
	Dividend Received	(0.20)		(0.15)	
			308.32		398.27
	Operating Profit before working capital changes (Increase)/Decrease in Trade and Other Receivables		2914.35		2443.93
	(Increase)/Decrease in Inventories	3950.46		(11751.94)	
	(Increase)/Decrease in Loans and Advances	1755.80		7159.51	
	Increase/(Decrease) in Trade Payables and Other Liabilities	811.79		547.51	
		(11584.21)		8411.18	
			(5066.16)		4366.26
	Cash generated from operations		(2151.81)		6810.19
	Direct taxes paid (Net of refund)		(875.28)		(2236.42)
	Net Cash from/(used) Operating Activities - A		(3027.09)		4573.77
B.	Cash Flow from Investing Activities :				
	Purchase of Fixed assets (Net) including Capital WIP		(184.55)		(117.47)
	Proceeds from sale of Fixed Assets		43.19		1.78
	Purchase of Investments		(3.29)		(0.90)
	Dividend Received		0.20		0.15
	Net Cash from Investing Activities - B		(144.45)		(116.44)
C.	Cash Flow from Financing Activities :				
	Dividend Paid		(33.29)		(33.10)
	Interest paid		(148.81)		(17.69)
	Short-term Borrowings		1,517.71		-
	Net Cash generated/(used in) from Financing Activities - C		1335.61		(50.79)
	Net Increase/(Decrease) in Cash - (A+B+C)		(1835.94)		4406.54
	Cash & Cash equivalents at the beginning of the year		32039.91		27633.37
	Cash & Cash equivalents at the end of the year		30203.98		32039.91

Note :-

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

Pandurang Fundkar
Chairman

Bijay Kumar
Director

Dr. Ashok Karanjkar
Managing Director
Vasant Sakpal
Dy. General Manager (F&A)
Mumbai

Date : 23 May 2018

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 : 23
May 2018

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note No.1 "SHARE CAPITAL"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
Authorised : 8,00,000 Equity Shares of ₹ 100 each	₹ 800.00	₹ 800.00
Issued, Subscribed and Paid Up 5,50,000 Equity Shares of ₹ 100 each fully paid-up	550.00	550.00
Total	550.00	550.00

Details of Shareholders holding more than 5% Equity Shares:

Name of Shareholders	As At 31.03.2017		As At 31.03.2016	
	Number of shares held in lakhs	% holding	Number of shares held in lakhs	% holding
Government of Maharashtra	300000.00	54.55	300000.00	54.55
Government of India	250000.00	45.45	250000.00	45.45
Total	550000.00	100.00	550000.00	100.00

Note No. 2 "RESERVES AND SURPLUS"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
a) Capital Reserve :	₹	₹
- Capital Reserve	20.00	20.00
- Grant from Government Of Maharashtra		
Opening balance	31.87	31.87
Less : Utilisation during the year	(1.40)	-
	30.47	31.87
- Grant from Government Of India		
Opening balance	28.02	38.20
Less : Adjusted during the year - prior period	-	(7.44)
Less : Written back as Depreciation on Assets during the year (Refer Note No. 9)	(2.74)	(2.74)
	25.28	28.02
	75.75	79.89
Balance as per last Balance Sheet (Refer Note No. 10)	20.00	20.00
	20.00	20.00
c) CSR Fund :		
Balance as per last Balance Sheet	177.03	78.25
Add : Transferred from Surplus	83.64	98.78
	260.67	177.03
Balance as per last Balance Sheet	17382.20	16373.24
Add : Transferred from Surplus	1597.41	1008.96
	18979.61	17382.20
Balance as per last Balance Sheet	1024.07	998.21
Add : Profit for the year	1682.78	1166.70
Less : Appropriations		
Proposed Dividend (₹ NIL (P.Y. ₹ 5) per share)	-	(27.50)
Tax on Dividend	-	(5.60)
Transfer to CSR Fund	(83.64)	(98.78)
Transfer to General Reserve	(1597.41)	(1008.96)
Total Appropriation	(1681.05)	(1140.84)
	1032.81	1024.07
Total	20368.84	18683.19

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH,
2017

Note No. 3 "OTHER LONG-TERM LIABILITIES"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
	₹	₹
a) Deposits from Customers, Suppliers, Contractors and Other Parties*	3257.63	2888.49
b) Deferred Payment Liability for Sales Tax	12.67	57.18
Package Scheme of Incentives 1993-Sales Tax Incentive (Repayable after 10 years from the year of availment in 5 equal installments)		
Total	3270.30	2945.67

* 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 ₹ 303.70 lakhs (P.Y. ₹ 294.56 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 ₹ 6.65 lakhs (P.Y. ₹ 7.55 lakhs) against which credits are yet to be identified.

Note No. 4 "LONG-TERM PROVISIONS"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
	₹	₹
Provision for Employee Benefits :		
Leave Salary Encashment	1359.27	1109.30
Gratuity	215.21	63.13
Total	1574.48	1172.43

Note No. 5 "SHORT-TERM BORROWINGS"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
	₹	₹
Secured :		
Overdraft from Bank :		
HDFC Bank	1517.71	-
(Overdraft from bank is secured by hypothecation of fixed deposit)		
Total	1517.71	-

Note No. 6 "TRADE PAYABLES"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
	₹	₹
Trade Payables :		
a) Micro, Small and Medium Enterprises	2892.49	2368.98
b) Others*	38307.94	46138.47
Total	41200.43	48507.45

* Trade Payables includes credit balance of various parties of ₹ 755.89 lakhs (P.Y. ₹ 711.20 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, 2017

Note No. 7 "OTHER CURRENT LIABILITIES"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
Others :	₹	₹
a) Advances from Government for various schemes*	2049.24	2049.37
b) Unutilised Subsidy (Received from Govt.of Maharashtra) Payable**	1741.48	3453.10
c) Creditors for Capital goods	10.17	9.31
d) Advances/Deposits Received from Customers/Suppliers/Contractors/Dealers***	5752.68	7365.96
e) Advance from Maharashtra Insecticides Ltd. (Wholly owned Subsidiary)	0.00	0.00
f) Interest Payable to Government for various schemes****	2535.77	2409.25
g) Statutory Liabilities*****	90.07	59.96
h) Employee Related Liabilities	69.72	3.10
i) Other Interest Payable*****	46.60	84.77
j) Deposits	21.00	21.00
k) Dividend Payable (including tax on dividend)	33.36	0.00
l) Other Liabilities*****	732.60	725.05
Total	13082.69	16180.87

* 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 ₹ 2597.76 lakhs (P.Y. ₹ 3529.35 lakhs) which is subject to confirmation/reconciliation. Also includes ₹ 521.15 lakhs (P.Y. ₹ 411.13) outstanding for more than 3 years for which no claims from the parties are on record and which will be considered for write back after due verification.

**** Includes interest payable of ₹ 2535.77 lakhs (P.Y. ₹ 2409.25 lakhs) to Government for amounts received under various schemes @ 6.5% (P.Y. 7.5%) 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 claims are on record and which will be considered for write back after due verification.

***** Includes excise duty payable of ₹ 27.27 lakhs (P.Y. ₹ 20.81 lakhs) on closing stock of manufactured goods.

***** Includes interest payable of ₹ 46.60 lakhs (P.Y. ₹ 84.77 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 ₹ 60.31 lakhs (P.Y ₹ 16.57 lakhs) for which no claims from the parties are on record and which will be considered for write back after due verification.

Note No. 8 "SHORT TERM PROVISIONS"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
A) Provision for Employee Benefits :	₹	₹
(i) Bonus	22.65	14.18
(ii) Incentives/Ex-gratia*	326.52	360.63
(iii) VIth Pay Revision	450.31	1764.12
(iv) Leave Encashment	138.89	341.19
(v) Gratuity**	521.41	899.82
Total A	1459.78	3379.94
B) Other Provisions :		
(i) Proposed Dividend	0.00	55.00
(ii) Tax on Dividend	0.00	11.35
(iii) VAT Provision	94.79	94.79
(iv) Taxation	525.12	410.65
Total B	619.91	571.79
Total (A+B)	2079.69	3951.73

* 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.

** 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)

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH,
2017

Note No. 9 Fixed Assets

S r N o	Particulars	GROSS BLOCK						DEPRECIATION / AMORTISATION				NET BLOCK	
		Cost as at 1st April, 2016	Adjts during the year	Additions during the year	Sales / Adjustments	Cost as at 31st March, 2017	Accumulated up to 1st April, 2016	Provided during the year	Adjusted to Opening Reserve	Deductions during the year	Accumulated up to 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A	Tangible Assets												
1	Land : Freehold Leasehold	423.91	-	-	-	423.91	-	-	-	-	-	423.91	423.91
		71.94	-	-	-	71.94	0.75	-	-	17.98	-	53.96	54.69
2	Buildings On Leasehold and Freehold Land *	1871.33	-	-	-	1871.33	49.82	-	-	859.87	-	1011.46	1061.29
		1596.81	-	9.18	3.74	1602.25	51.68	-	-	1291.86	3.27	310.39	353.37
4	Plant and Machinery	176.45	-	0.36	1.08	175.73	7.10	-	-	151.40	1.04	24.34	31.10
5	Installation Furniture and Fittings	129.92	-	0.91	2.35	128.48	4.06	-	-	99.08	2.29	29.39	32.61
6	Vehicles	490.44	-	137.94	181.56	446.82	45.65	-	-	168.98	129.43	277.84	237.68
7	Computers	173.14	-	11.34	1.50	182.98	12.27	-	-	168.74	1.50	14.24	15.16
8	Office Equipments	155.19	-	10.20	4.85	160.54	8.37	-	-	135.42	4.59	25.12	23.54
9	Assets Financed out of Capital Grant (Refer Note-h below)	38.62	-	-	-	38.62	2.74	-	-	17.23	-	21.39	24.13
10	Assets held for Disposal	8.11	-	-	-	8.11	-	-	-	8.11	-	-	-
	TOTAL (A)	5135.86	0.00	169.93	195.09	5110.71	182.44	-	142.13	2918.67	2192.04	2257.52	

B	Intangible Assets	4.82	-	4.82	4.15	0.44	-	-	4.59	0.23	0.67
	Computer Softwares	4.82	-	4.82	4.15	0.44	-	-	4.59	0.23	0.67
	TOTAL (B)	4.82	0.00	4.82	4.15	0.44	-	-	4.59	0.23	0.67
	TOTAL (A+B)	5140.68	0.00	5115.53	2882.52	182.87	-	142.13	2923.26	2192.27	2258.19
	Previous Year	5041.30	483.40	5142.07	2683.77	215.41	-	16.80	2882.38	2259.69	2357.55
	Capital work-in-progress	1.51	23.38	24.89	-	-	-	-	-	24.89	1.50
		1.51	23.38	24.89	-	-	-	-	-	24.89	1.50
	GRAND TOTAL	5142.19	0.00	5140.42	2882.52	182.87	-	142.13	2923.26	2217.17	2259.69

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 Res

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 15 yrs, Parent Company has asked the Municipal 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:

S r N o	Particulars	GROSS BLOCK					DEPRECIATION / AMORTISATION				NET BLOCK		
		Cost as at 1st April, 2016	Adjustments during the year	Additions during the year	Adjustments towards grant	Cost as at 31st March, 2017	Accumulated up to 1st April, 2016	Provided during the year	Adjusted to Opening Reserve	Deductions during the year	Accumulated up to 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
	Sugras Factory	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	Yavatmal :-												
	Plant and Machinery	38.62	-	50.58	50.58	38.62	11.75	2.74	-	-	14.49	24.13	26.87
	Butiburi Nagpur:-	-	-	295.25	295.25	-	-	-	-	-	-	-	-
	Leasehold Land	-	-	19.91	19.91	-	-	-	-	-	-	-	-
	Godown Building	-	-	365.74	365.74	-	-	-	-	-	-	-	-
	Electrical Installations	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	38.62	-	365.74	365.74	38.62	11.75	2.74	-	14.49	24.13	24.13	26.87

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note No. 10 "NON CURRENT INVESTMENT"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
I. IN GOVERNMENT SECURITIES :	₹	₹
6 Years National Saving Certificates (in the Custody of A.P.O. Authorities) (With Sales Tax, Shriganganagar District FDR with Commercial Tax Officer Circle Bhopal)	0.30 0.02 0.05	0.3 0.0 0.0
	0.37	0.3
II. IN EQUITY SHARES:		
TRADE INVESTMENT:		
5,000 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	
62,750 Equity Shares of Bombay Organic Manures Co. Ltd., ₹ 10 each	36.28	
	79.44	
Provision : Provision for diminution in value of Long Term Investment	59.44	20.00
The Parent Company has Investment Subsidy Reserve of ₹ 20.00 lakhs (P.Y. ₹ 0.00 lakhs) created in earlier year which is adequate for meeting any further loss on these investments)		20.0
Share of Krushak Bharti Co-Op Ltd. of ₹ 100000 each	1.00	1.0
1,000 Shares of The Co-operative Stores Ltd. New Delhi of ₹ 10 each	0.10	0.1
4% Cumulative Redeemable Preference Shares of M/s Alliance Agro India (Refer Note No. 30 (a))	386.20	386.2
IFFP Morshi (Amravati) Project (Refer Note No. 30 (a))	111.90	108.6
	519.20	515.9
II. OTHER THAN TRADE INVESTMENT : FULLY PAID		
Share of Maharashtra State Co-op Bank Ltd. of ₹ 1000 each	0.01	0.0
Share of Sahakari Audyogik Vasahat Ltd. Pachora, Dist Jalgaon of ₹ 1000 each	0.01	0.0
1 Equity Shares of Co-operative Housing Societies Limited of ₹ 50 each	0.03	0.0
	0.05	0.0
Total	519.62	516.3

Note No. 11 "DEFERRED TAX ASSET/LIABILITY"

(₹ in
lakhs)

Particulars	As At 31.03.2017	As At 31.03.2016
Opening Balance of Deferred Tax Asset	47.07	41.5
Added : Deferred Tax Asset on Fixed Assets - Depreciation	1.14	2.1
Added : Deferred Tax Asset on disallowances as per Income Tax Act	19.37	3.3
Total	67.58	47.0

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

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH,
2017

Note No. 12 "LONG-TERM LOANS AND ADVANCES"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
Unsecured, Considered Good unless otherwise specified :	₹	₹
a) Capital Advance	607.74	-
b) Advances to Agro Advantages* (Considered Doubtful)	230.68 0.00	230.68
c) Advances Recoverable in cash or in kind (Includes considered Doubtful of ₹ 583.51 lakhs (P.Y. ₹ 765.40 lakhs))	4559.42 0.00	6142.60
d) Advances to Employees	0.86	0.92
e) Deposits (Includes considered Doubtful of ₹ 5.75 lakhs (P.Y. ₹ 7.54 lakhs))	158.23 0.00	168.31
f) Advance Tax (net of provisions)	58.92	58.93
	5615.85	6601.44
Less: - Provision for Doubtful Advances	819.94	1003.62
Total	4795.91	5597.82

* 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 19 years has elapsed and hence has been provided in full.

Note No. 13 "OTHER NON CURRENT ASSETS"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
Unsecured :	₹	₹
Claims Receivables (Considered Doubtful)	321.17	323.35
Less: - Provision for Doubtful Advances	321.17	323.35
Total	-	-

Note No. 14 "INVENTORIES"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
	₹	₹
Consumable Stores	184.36	180.10
Packing Material	384.13	261.40
Raw Material	5939.04	6362.25
Semi Finished Goods*	39.81	58.90
Finished Goods - Manufactured	6297.44	6887.26
Finished Goods - Bought-Out	5201.33	5894.79
Other Stocks	126.80	151.69
	18172.91	19796.39
Less: Provision for Obsolete Stock	25.17	15.67
Total	18147.74	19780.72

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

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH,
2017

Note No. 15 "TRADE RECEIVABLE"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
Unsecured :	₹	₹
Debtors Overdue for more than six months :		
Considered Good	4794.95	4071.07
Considered Doubtful	1782.00	1515.13
Other Debts :		
Considered Good	20227.28	26257.65
	26804.23	31843.85
Less : Provision for Doubtful debts	1782.00	1515.13
Total	25022.23	30328.72

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 ₹ 706.98 lakhs (P.Y. ₹ 761.09 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 the concerned authorities.
4. TDS deducted by the debtors aggregating to ₹ 76.75 lakhs (P.Y. ₹ 76.75 lakhs) lying in credit as on 31.3.2017 in the books of the Parent Company, has not been adjusted against trade receivables while making provision for doubtful receivable since party-wise break-up of such TDS deducted is not available with the Parent Company.

Note No. 16 "CASH AND BANK BALANCES"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
a) CASH AND CASH EQUIVALENT :	₹	₹
i) Cash on hand	-	-
ii) Term Deposit with Bank :		
Maturity up to 3 Months	-	10900.00
Total (A)	-	10900.00
b) OTHER BANK BALANCES :		
i) Term Deposit with Bank :		
Maturity Period more than 3 Months and upto 1 year	10193.58	17779.07
Maturity Period over 1 year	18505.57	-
(Includes Rs. 6000.00 lakhs (P.Y. Nil) on lien with bank against overdraft facility)	0.00	
ii) IN CURRENT ACCOUNTS	283.60	1215.08
iii) IN COLLECTION ACCOUNTS :	1507.22	2372.50
(Includes Cheques on Hand ₹ 779.35 lakhs (P.Y. ₹ 1548.29 lakhs)		
Remittances-in-transit	13.49	3.20
(Including old of ₹ 2.94 lakhs (P.Y. ₹ 3.20 lakhs) yet to be received)		
	30503.46	21369.85
Less: Credit Balance in current accounts	299.54	229.99
Total (B)	30203.92	21139.86
c) BALANCE WITH NON-SCHEDULED BANKS :		
i) IN CURRENT ACCOUNTS :		
Sindhudurg Dist. Central Co-op Bank Ltd	0.05	0.04
Maximum Balance of ₹ 0.04 lakhs (P.Y. ₹ 0.04 lakhs)		
ii) IN COLLECTION ACCOUNTS :		
Yavatmal D.C.C. Bank	0.01	0.01
(Maximum debit balance of ₹ 0.01 lakhs (P.Y. ₹ 0.01 lakhs)		
Total (C)	0.06	0.05
Total (A+B+C)	30203.98	32039.91

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note No. 17 "SHORT-TERM LOANS AND ADVANCES"

(₹ in lacs)

Particulars	As At 31.03.2017	As At 31.03.2016
a) Unsecured, Considered Good :	₹	₹
Loans and Advances to Employees and Others	168.97	88.82
b) Prepaid Expenses	21.84	24.48
c) Balances with Government Authorities :		
i) P.L.A. A/c	2.59	0.98
ii) Modvat Credit	14.59	17.15
iii) VAT Receivable	8.02	2.67
iv) Sales Tax (Under Protest)	0.00	1.00
v) Income Tax and TDS	45.75	24.44
	70.95	46.24
B) Doubtful :		
Considered Doubtful	9.37	9.16
Less : Provision for Doubtful Loans and Advances	9.37	8.92
	0.00	0.24
Total	261.76	159.78

Note No. 18 "OTHER CURRENT ASSETS"

Particulars	As At 31.03.2017	As At 31.03.2016
Unsecured, Considered Good :	₹	₹
a) Interest Receivables*	1756.45	1075.43
b) Claims Receivables	444.46	16.30
c) Other Receivable	207.24	169.57
Total	2408.15	1261.30

* Includes ₹ 1597.90 lakhs (P.Y. ₹ 1074.27 lakhs) interest accrued on fixed deposits.

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017
Note No. 19 "REVENUE FROM OPERATIONS"

(₹ in lacs)

Particulars	Year ended 31.03.2017 7	Year ended 31.03.2016 6
Sales	₹	₹
a) Manufacturing Products :		
Animal Feed	-	14.94
Fertilizer	21899.58	23131.40
Pesticides	2882.21	1947.61
Agro Engineering	247.84	193.19
Processed fruits and vegetables	734.75	762.31
	25764.38	26049.45
Less : Excise Duty	187.04	265.62
Total A	25577.34	25783.83
b) Bought-Out Products :		
Animal Feed	448.94	1073.81
Fertilizer	28656.83	50691.55
Agro Engineering	36303.69	35665.66
Pesticides	7731.41	3158.05
Total B	73140.87	90589.07
c) Other Operating Income		
Scrap Sales	168.56	143.75
Total C	168.56	143.75
Total (A+B+C)	98886.77	116516.65

- 1) Sales shown above are net of Trade discount of ₹ 941.70 lakhs (P.Y. ₹ 544.14 lakhs).
2) Sales shown net of VAT.

Note No. 20 "OTHER INCOME"

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
a) Interest Income :	₹	₹
From Customers	14.42	12.97
On Advance to Employees	6.88	1.01
On Investment (Deposit With Bank)	2171.42	1947.67
(Net of Interest Paid ₹ 120.15 lakhs (P.Y. ₹ 229.52 lakhs) on Unutilised amount received from Government under various Scheme)		
On Other Deposits	1.10	4.01
On Sales Tax Refund	342.61	-
Others	0.29	0.03
Total A	2536.72	1965.69
b) Rent Received :		
From Office Premises	25.65	10.16
From Residential Buildings	3.95	3.63
From Godown	11.06	26.79
Others	60.01	39.67
Total B	100.67	80.25
c) Other Income :		
Cash Discount Received on Purchases	158.33	453.67
Dividend Received	0.20	0.15
Other Receipts**	189.35	36.31
Profit on Sale of Fixed Assets (net)	0.00	1.69
Sundry Balances Written Back	28.49	33.18
Provision for doubtful advance no longer required written/back		
Total C	376.37	525.00
Total (A+B+C)	3013.76	2570.94

** Includes inspection charges of ₹ 154.49 lakhs (P.Y. ₹ 6.55 lakhs) prior to delivery which is purely a reimbursement of expenses incurred by the Parent Company. Therefore this has been shown as other income and not as service income since Parent Company 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, 2017

Note No. 21 "COST OF MATERIAL CONSUMED"

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.201 6
Opening Stock	₹ 6362.25	₹ 6676.65
Add : Purchases	17822.10	20650.37
Less : Closing Stock	24184.35 5939.04	27327.02 6362.25
Total	18245.31	20964.77

Note No. 22 "PURCHASE OF STOCK-IN-TRADE"

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.201 6
Fertilizers	₹ 25456.44	₹ 39727.66
Pesticides	1427.50	945.51
Feed	411.09	1024.33
Agro Engineering	34955.28	33899.94
Bio-Fertilizers	335.89	414.20
Gypsum	18.66	13.31
Micro Nutrient	1379.26	2299.84
Bio-Pest	5789.11	2022.81
IWMP Agril Kits	48.97	100.80
Total	69822.20	80448.40

**Note No. 23 "CHANGES IN INVENTORIES OF FINISHED GOODS,
WORK-IN-PROGRESS AND STOCK-IN-TRADE"**

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.201 6
Inventories at the end of the year :	₹	₹
Finished Goods	6297.44	6887.26
Semi Finished Goods	39.81	58.90
Stock-in-trade	5328.12	6046.46
(Include old gunny bags for sale of ₹ 126.80 lakhs (P.Y. ₹ 150.75 lakhs)	11665.37	12992.62
Inventories at the beginning of the year :		
Finished Goods	6887.26	5674.11
Semi Finished Goods	58.90	17.15
Stock-in-trade	6046.46	14037.45
	12992.62	19728.71
Excise duties on increase/(decrease) of finished goods	49.11	9.20
Net (Increase)/Decrease in Inventories	1376.36	6745.29

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st
MARCH, 2017

Note No. 24 "EMPLOYEES BENEFITS EXPENSES"

(₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
	₹	₹
REMUNERATION TO MANAGING DIRECTOR :		
Salary	20.85	16.29
Leave Salary Contribution	0.42	1.06
Pension Contribution	0.76	2.20
	22.03	19.55
REMUNERATION TO EMPLOYEES :		
Salary, Wages and Bonus*	3242.29	3299.08
Contribution to Provident Fund and Other Funds	333.59	451.37
Gratuity	458.19	427.90
Welfare Expense	142.61	204.16
Staff Training Expenses	1.24	1.34
	4177.92	4383.85
Total	4199.95	4403.40

* Include provision for Ex-gratia/ Bonus ₹ 12.29 lakhs (P.Y. ₹ 14.18 lakhs)

Note No. 25 "FINANCE COSTS"

Particulars	Year ended 31.03.20 17	Year ended 31.03.2016
	₹	₹
Interest Expenses on :		
On Overdraft from Bank	1.76	-
On Deposit	16.07	14.99
On Income Tax	66.19	0.00
On Other Loan	18.52	36.84
(Including interest paid to subsidiary company of ₹ 72.76 lakhs (P.Y. ₹ 63.64 lakhs))		
Total	102.54	51.83

THE MAHARASHTRA AGRO INDUSTRIES DEVELOPMENT CORPORATION LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017
Note No. 26 "OTHER EXPENSES" (₹ in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Manufacturing Expenses :	₹	₹
Stores and Spares Consumed*	260.14	263.12
Packing Material Consumed*	789.83	910.78
Power and Fuel Consumption	139.94	133.38
Water Charges	14.55	15.77
Processing Charges and Other Manufacturing Expenses	824.79	933.85
Repairs and Maintenance :		
Plant and Machinery	18.89	12.32
Buildings	94.54	128.96
Other Assets	42.55	24.00
Selling Expenses :		
Rebates / Discount	166.02	44.07
Commission Paid	25.70	22.18
Advertisement and Publicity	199.17	132.26
Carriage Outward and Other Expenses	495.58	417.69
Establishment Expenses :		
Rent	568.77	107.26
Rates and Taxes	354.16	107.70
Lease Charges	0.52	0.52
Printing and Stationery	73.87	90.97
Postage and Telephone	33.42	34.51
Insurance Charges	86.49	91.06
Vehicle Expenses	108.05	94.59
Bank Charges	6.78	1.70
Legal and Professional Charges	47.73	33.92
Agricultural Research and Development Expenses	7.03	4.37
Travelling and Conveyance :		
Managing Director	5.71	3.23
Director	0.13	11.34
Others	55.06	60.67
Remuneration to Auditors :	4.59	
Audit Fees	3.22	4.27
Reimbursement of Expenses	2.36	1.35
Other Office Expenses :	0.00	
Loss on sale of Fixed Assets (net)	9.75	-
Provision for Obsolete Stock	9.51	-
Other Expenses	1062.80	610.60
Bad Debts Written-Off	1.34	16.47
Sundry Balance Written-Off	0.05	0.86
Provision for Bad & Doubtful Debts and Advances (net)	85.88	143.04
Total	5598.92	4456.81

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

(₹ in lacs)

Note No. 27 "PRIOR PERIOD ITEMS"

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Expenses :	₹	₹
Sales	-	4.68
Manufacturing and other expenses	-	13.08
Purchase	71.29	-
Lease Charges	-	0.96
Depreciation	-	0.11
Repairs and Maintenance	-	5.77
Food Park Project - Salary and Allowances	-	28.37
- Water Charges	-	28.35
- Other Office Expenses	-	15.13
- Electricity Charges	-	3.56
Total A	71.29	100.01
Income :		
Sales	81.92	-
Rent - Food Park	-	137.61
- Other	-	3.12
Purchase	160.99	191.49
Welfare Expenses	1.50	-
Others	57.28	7.44
Total B	301.69	339.66
Total (A+B)	(230.40)	(239.65)

NOTE NO: - 28**SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE CONSOLIDATED****FINANCIAL STATEMENTS FOR THE YEAR ENDED 31stMARCH, 2017****I) GENERAL**

- a) The Subsidiary (which along with The Maharashtra AgroIndustriesDevelopment Corporation Ltd, the Parent, constitute the Group) considered in the preparation of these Consolidated Financial Statements is:

Name	Country of Incorporation	Percentage of ownership interest as at 31st March, 2017	Percentage of ownership interest as at 31st March, 2016
Maharashtra Insecticides Limited	India	100	100

Besides the above, the Group also includes the following Companies.

Name	Country of Incorporation	Percentage of ownership interest as at 31st March, 2017	Percentage of ownership interest as at 31st March, 2016	Relationship with Holding Company
Maharashtra Organic Manures Company Pvt. Ltd	India	56	56	Subsidiary
Bombay Organic Manures Co. Ltd.	India	48	48	Associate

These two companies have not been included in the consolidation since their financial statements are not available for the past many years.

- b) The consolidated 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 Group. These Consolidated Financial Statements are based, in so far as they relate to amounts included in respect of the Subsidiary on the audited financial statements prepared for consolidation in accordance with the requirements of Accounting Standard – 21(AS 21) on “Consolidated Financial Statements”
- c) The Group 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:

Particulars	Valuation Basis
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, other than leasehold land, 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. Leasehold land is amortized over the period of lease.

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 Group and the revenue can be reliably measured.

Revenue from sales are recognized when the property in goods and 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 Parent Company recognizes liability towards gratuity in respect of its employees on the basis of actuarial valuation and is met through a funded scheme managed by the Life Insurance Corporation of India (LIC).
The Subsidiary Company 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).
- d) 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 or deducted from the related expenses.

XIV) PROVISION FOR BAD & DOUBTFUL DEBTS:

The Group 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 by the Parent Company 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.

Deferred tax is recognized by the Subsidiary Company subject to the consideration of prudence in respect of deferred tax assets, on timing difference, 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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31stMARCH, 2017**

29) CONTINGENT LIABILITIES NOT PROVIDED FOR:

- a) Capital commitments not provided for ₹435.66lakhs (P.Y. ₹ 290.33 lakhs) by the Group.
- b) Claims against the Group not acknowledged as debts ₹63.91 lakhs (P.Y. ₹62.41 lakhs).
- c) Disputed Sales Tax Demand of ₹ 374.87 lakhs (P.Y. ₹ 198.31 lakhs) disputed by the Parent Company.
- d) Disputed Income Tax demands of ₹ 362.35 lakhs (P.Y. ₹ 300.06 lakhs) disputed by the Parent Company.
- e) The Subsidiary has received demand for ₹ 7.78 lakhs (P.Y. ₹ 7.78 lakhs) for F.Y. 1994-95 from Dy. Commissioner of Sales Tax (Admn), Nagpur for which the Subsidiary had preferred an appeal before the Maharashtra Sales Tax Tribunal, Mumbai by making part payment of ₹ 1.00 lakh in protest.
- f) The Subsidiary has received demand of ₹ 2.31 lakhs, from Dy. Commissioner of Sales Tax Akola for non-submission of VAT Audit Report for the year 2014-15. In prescribe period, for which the company had preferred an appeal before the Joint Director (appeal) Sales Tax Department Amravati by making part payment of ₹ 0.25 lakhs under protest. The decision of which is awaited.
- g) An amount of ₹ 1.54 lakhs (P.Y. ₹ 1.54 lakhs) has been deposited in High Court, Nagpur Bench in respect of suit filed by M/s. Deshmukh Printers, Akola for ₹ 2.54 lakhs for claiming damages against the Subsidiary since they were not awarded contract for printing of leaflets. The case has been transferred to Hon. District Civil Court, Akola for further proceeding.

30) A substantial part of the movable assets at Alap Cattle feed unit, Yavatmal, funded by the Parent Company has been disposed off. The Parent Company 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 ₹ 0.26 lakhs (P.Y. ₹ 0.31 lakhs) is pending.

31)(a) The Government of Maharashtra had appointed the Parent Company as a nodal agency for erection of two multi fruit processing plants at Katol and Morshi. 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 Parent Company 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 Parent Company 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. However, as per the directives given by Government of Maharashtra, the Katol project is to be taken back from the Official Liquidator. The Parent Company has filed an application for the same to Hon'ble High Court, which is pending. Pending clarity on the assets available to the Parent Company on such liquidation, no impairment on this investment has been recognized in the financial statements.

The Parent Company has spent an amount of ₹111.90 lakhs (P.Y. ₹ 108.61 lakhs) (net of adjustments) on Morshi project in earlier years. The same has been shown as investment. During the year, the Morshi plant has been let out for operations to M/s Maha Orange Nagpur on experimental basis for a period of 3 years commencing from February, 2017.

- (b)** Godown constructed at Butibori Food Park was given on rent to a party. In the year 2011-12 the Parent Company 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 proceedings have been launched by the Parent Company against the party claiming an amount of ₹ 102.97 lakhs (P.Y. ₹ 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 Parent Company has not accounted for these receivables as they are contingent in nature depending on the outcome of the arbitrations. Further rent receivable for occupation of premises from date of arbitration up to 31st March 2017, has not been accounted being contingent in nature depending upon the outcome of the arbitrations.
- (c)** 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 ₹ 43.56 lakhs (P.Y. ₹ 42.50 lakhs) has been capitalized but the same assets are not in use. The balance amount of the subsidy of ₹ 30.81 lakhs (P.Y. ₹ 31.87 lakhs) is payable. However, the balance unitized amount is shown as Government grant under Capital Reserve. During the year, the Fodder Block plant and machineries were shifted to Chinchwad feed factory and commercial production was started.
- (d)** The Parent Company 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 Parent Company and the same has been conveyed to MSRTC.
- 32)** The Parent Company holds leasehold land at Goregaon, Mumbai where original lease period has expired and has been extended by Government of Maharashtra. The Government of Maharashtra has proposed an option to purchase the land and the Corporation has opted for the same. The Parent Company has spent ₹ 607.74 lakhs (P.Y. ₹ NIL lakhs) for the land and the same has been shown as Capital Advance since the purchase agreement is pending.
- 33)** Other current liabilities includes subsidy received from the Government of Maharashtra of ₹ 1741.48 lakhs (P.Y. ₹ 3453.10 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.
- 34)** The Subsidiary 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.

35) Disclosures relating to post employment benefits

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

(₹ in lakhs)

I. Defined contribution plans	Year ended 31.03.2017	Year ended 31.03.2016
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	220.15	329.48
- Employers’ contribution to superannuation fund	-	-
- Employers’ contribution to employee’s state insurance	2.74	2.86
- Employers’ contribution to Employee’s Pension Scheme 1995	81.53	91.07
II. Defined benefit plans		
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)	7.50%	8.00%
Rate of increase in compensation levels	8.00%	8.00%
Rate of return on plan assets (for funded scheme)	6.07%	7.53%
The estimates of future increase in compensation levels takes into account the inflation, seniority, promotion and other relevant factors.		
A. Changes in the present value of obligation		
Present value of obligation as at beginning of the year	2877.64	2736.76
Interest cost	190.05	218.94
Current service cost	65.24	120.85
Benefits paid	(1004.02)	(451.94)
Actuarial (gain) / loss on obligations	311.15	253.03
Present value of obligation as at end of the year	2440.07	2877.64

B. Changes in the fair value of plan assets		
Present value of plan assets at beginning of the year	2246.34	1988.56
Expected return on plan assets	105.93	149.69
Actuarial gains and (losses)	30.49	560.04
Contributions	668.54	-
Benefits paid	1004.02	451.94
Fair value of plan assets at end of the year	2047.28	2246.34
C. Amount recognized in the balance sheet		
Present value of obligation as at end of the year	2440.07	2877.64
Fair value of plan assets as at the end of the year	2047.28	2246.34
(liability) / asset recognized in the balance sheet	(392.79)	(631.30)
D. Expenses recognized in the statement of profit and loss		
Current service cost	65.24	120.85
Past Service Cost	-	-
Interest cost	190.05	218.94
Expected return on plan assets	(105.93)	(149.69)
Net actuarial (gain) / loss recognized in the period	280.67	253.03
Total expense recognized in statement of profit and loss for current period	430.03	443.14

The above information relates only to the Parent Company. The corresponding figures of the Subsidiary are not available.

ii) Leave Encashment:

The Group has been accounting for provision on account of leave encashment for existing employees on retirement based on actuarial valuation.

36) The Parent Company 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.

37) A) Names of the related parties and relationship

Key Management Personnel:

i) Shri Arvind Kumar I.A.S. Managing Director of Parent Company 01.04.2016 to 15.08.2016.

ii) Shri Ashok Karanjkar I.A.S. Managing Director of Parent Company 12.08.2016 to 31.03.2017.

iii) Shri S.B. Mundada Chief Executive/Director of Subsidiary Company.

Remuneration to Managing Director of Parent Company

Particulars	Current Year (₹ in lakhs)	Previous Year (₹ in lakhs)
Salaries	20.85	16.29
Leave salary	0.42	1.05
Pension contribution	0.76	2.20

Remuneration to Chief Executive/Director of Subsidiary Company.

Particulars	Current Year (₹ in lakhs)	Previous Year (₹ in lakhs)
Salaries	15.39	11.34
PF/FPF Contribution	1.50	1.07
Perquisites	0.15	0.18

- 38) The debit/credit balances of Sundry Debtors, Sundry Creditors, Loans and Advances are subject to reconciliations / confirmations.
- 39) The Parent Company 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.
- 40) The Group has yet to assess Single Super Phosphate plants at Jalna and at Rasayani and Processed Fruits and Vegetables plant at Motibaug and remaining assets 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.
- 41) **Disclosure for operating leases under Accounting Standard 19- "Leases"**
(To the extent information available with the Corporation)

(₹ in lakhs)

Particulars	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.	453.83	105.82
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	100.35	77.80
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

42) Earnings per Share

The Group 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)	1682.78	1166.70
b) No. of Shares	550000	550000
c) Basic and Diluted EPS	305.96	212.13

43) The Board of Directors of Parent Company at its meeting held on 31st March, 2017 has proposed and recommended dividend of ₹ 5 per share on the ₹ 550 lakhs share capital out of the current year profits. The aggregate amount of proposed dividend is ₹ 27.50 lakhs and the dividend tax payable thereon is ₹ 5.60 lakhs. Hitherto the proposed dividend and the tax thereon was included in the liabilities for the financial year 2015-16 and reduced from surplus. Following the amendment to AS-4Contingencies and events occurring after the balance sheet date effective financial year commencing on or after 1st April, 2016, the proposed dividend and dividend tax thereon is disclosed by the way of a note and is not shown as a liability or reduced from surplus in the financial statements. As a result of this change, the short-term provisions as reflected in the balance sheet are lower by ₹ 33.10 lakhs and correspondingly the surplus is higher by this amount.

44) Details of specified bank notes held and transacted during the period 08-Nov-2016 to 30-Dec-2016.

Particulars	Specified Bank Note (₹ in lakhs)	Other denominations (₹ in lakhs)	Total (₹ in lakhs)
Closing cash in hand as on 08.11.2016	0.02	0.04	0.06
(+) Permitted receipts	109.20	26.10	135.30
(-) Permitted payments	-	2.94	2.94
(-) Amount deposited in Banks	109.20	22.69	131.91
Closing cash in hand as on 30.12.2016	-	0.52	0.52

- 45) Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

	Name of the Entity	Net Assets		Share in Profit or (Loss)	
		As % of Consolidated Net Assets	Amount (₹ in lakhs)	As % of Consolidated Profit or (Loss)	Amount (₹ in lakhs)
Parent	The Maharashtra Agro Industries Development Corporation Limited	94.81	20918.84	99.17	1681.05
Subsidiary	Maharashtra Insecticides Limited	5.19	1145.22	0.83	14.14
	Total	100.00	22064.06	100.00	1695.19

- 46) 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

Bijay Kumar
Director

Dr Ashok Karanjkar
Managing Director

Vasant Sakpal
Dy.General Manager (F&A)

Mumbai

Date :23 May 2018

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 :23 May 2018

Appendix 1
Disclosure of Primary Business Segments 2016-17

(Rs in lakh)

	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
REVENUE														
External Sale	50543.78	73702.20	10620.54	5110.20	36552.86	35865.13	448.94	1091.76	720.65	747.35	0.00	0.01	98886.77	116516.65
Other Income	161.13	448.41	4.01	46.72	178.69	9.53	(0.58)	40.78	0.04	0.31	2670.47	2025.19	3013.76	2570.94
Total Revenue	50704.91	74150.61	10624.55	5156.92	36731.55	35874.66	448.36	1132.54	720.69	747.66	2670.47	2025.20	101900.53	119087.59
RESULT														
Segment Result	2905.77	2682.11	905.80	437.52	1214.20	1320.47	(71.57)	8.22	(472.74)	(534.71)	-	-	4481.46	3913.61
Less : Unallocated corporate exp.														
Operating Profit	2905.77	2682.11	978.56	437.52	1214.20	1320.47	(71.57)	8.22	(472.74)	(534.71)	(2105.83)	(2120.69)	2375.63	1792.92
Prior Period (Income) /Expense	(226.95)	(187.35)	70.45								(73.90)	(65.38)	(230.40)	(252.73)
Miscellaneous Expenditure														
Profit/(Loss) before Tax	3132.72	2869.46	908.11	437.52	1214.20	1320.47	(71.57)	8.22	(472.74)	(534.71)	(2179.73)	(2055.31)	2606.03	2045.65
Income Tax provision											997.00	758.31	997.00	758.31
Balance b. f from last year														
Excess / (Short) provision for											(73.75)	120.64	(73.75)	120.64
Income tax (earlier years)														
NetProfit/(Loss)	3132.72	2869.46	908.11	437.52	1214.20	1320.47	(71.57)	8.22	(472.74)	(534.71)	(3102.98)	(2934.26)	1682.78	1166.70
OTHER INFORMATION														
Segment Assets	29737.28	37579.27	5382.07	2842.52	9246.24	8996.83	189.59	321.43	966.82	955.16	38122.14	41363.12	83644.14	92058.33
Segment Liabilities	27160.14	38073.87	4299.30	2377.16	17834.93	14756.45	103.42	196.10	198.58	133.66	13128.93	17287.92	62725.30	72825.14
Capital Expenditure	0.00	61.30	3.95	0.69	0.00	2.75	-	-	6.29	7.95	183.07	410.71	193.31	483.40
Depreciation	62.20	80.49	10.16	13.17	5.31	6.09	5.61	6.24	20.30	25.07	76.04	80.03	179.62	211.09

33rd

ANNUAL REPORT
2016 - 2017

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
33rd ANNUAL REPORT 2016-2017.

DIRECTORS' REPORT

To,
 The Members,
 Maharashtra Insecticides Ltd.,

Gentlemen,

On behalf of the Board of Directors, I have pleasure in presenting the 33rd Annual Report on the working of your Company for the year 2016-2017 together with audited statement of accounts for the year ended 31st March 2017.

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 Eight year of its commercial operations and has achieved the following results.

Particulars	(Rs.in Lakhs)	
	2016-2017	2015-2016
Turnover (Net)	2213.22	1452.02
Profit(+)/Loss(-) before provision for doubtful debts, advances and deferred tax.	32.44	19.70
Provision for doubtful debts and advances	0.45	0.00
Profit(+) /Loss(-) before tax / deferred tax	31.99	19.70
Provision for Taxation	37.00	13.84
Income Tax Earlier Year	1.33	0.00
Profit(-)/Loss(-) after tax	-6.34	5.86
Add:- Deferred Tax	20.50	5.54
Profit(+)/Loss(-)after tax & deferred tax	14.16	11.40

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 2016-2017.

3. REVIEW OF OPERATIONS:

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

Particulars	2016-2017	2015-2016
WDP (MT)	203.982	163.750
EC / WSC (KL)	457.278	357.907
EC Bulk (KL)	31.54	23.205

4 FUTURE PLANS:-

Your Company is planning to introduce new molecules viz. Glyphosate-41%SL, Glyphosate-71%SG, Imida-70% SG, Imida 70% WG, Propiconazole 25% EC to meet 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 2016-2017 till the date of adoption of accounts for the year 2016-2017

Sr.No.	Name of Director	From	To
1	Shri Arvindkumar, I.A.S M.D.,MAIDC Ltd, Mumbai	01.04.2016	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.Mumbai	01.04.2016	14.02-2017
4	Shri,Prakash S. Shete Dy. Secretary to Govt. of Maharashtra,Deptt. of Agriculture Mumbai	14.02.207	31-07-2017
5	Shri D.A.Gavade Joint. Secretary to Govt. of Maharashtra,Deptt. of Agriculture Mumbai.	01-08-2017	Till date
6	Shri D.M.Zende Chief Quality Control Officer Commissionerate of Agril,M.S.Pune.	01.04.2016	01.06.2016
7	Shri Vikas Patil, Chief Quality Control Officer, Commissionerate of Agril, M.S.,Pune	01-06-2016	21.08.2017
8	Shri,Udayrao Deshmukh Chief Quality Control Officer, Commissionerate of Agril, M.S.,Pune	21.08.2017	Till date
9	Shri R.S. Baviskar, Dy.G.M.(Finance),MAIDC Ltd,Mumbai	01-04-2016	09-06-2016
10	Shri.V.A.Sakpal, Dy.G.M.(Finance),MAIDC Ltd,Mumbai	09-06-2016	Till date
11	Shri A.B.Uplenchwar, Dy.G.M.(Finance),MAIDC Ltd,Mubai	01-04-2016	Till date
12	Shri S.B.Mundada Chief Executive,MIL	01-04-2016	14-06-2017
13	Shri M.S. Soman Chief Executive,MIL	14-06-2017	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 31st, 2017 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. S.G.Gandhi & Co. Chartered Accountants, Akola as Auditors of the Company for the year 2016-2017. Your Directors are thankful to M/s S.G.Gandhi & Co., 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.

**(A.B. Uplenchwar)
Executive Director**

Date : 20.12.2017

ANNEXURE - "A"
MAHARASHTRA INSECTICIDES LTD.,
C-4, MIDC AREA, SHIVANI-AKOLA.

STATEMENT OF PARTICULARS OF EMPLOYEES DRAWING AGGREGATE REMUNERATION OF RS.24,00,000/- OR MORE P.A. OR RS.2,00,000/- OR MORE P.M. (IF EMPLOYED FOR PART OF THE FINANCIAL YEAR) FROM 1-4-2016 TO 31-3-2017 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 31st March 2017.

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.

INDEPENDENT AUDITORS REPORT

To,

The Members of Maharashtra Insecticides Limited,

Report on the Financial Statements

We have audited the attached financial statements of Maharashtra Insecticides Limited (“the Company”), which comprises of the balance sheet as at 31st March, 2017, Statement of Profit and Loss and Cash Flow Statement for the year then ended and summary of significant accounting policies and other explanatory information.

Managements Responsibility for the Financial Statements

The Company’s Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the act read with Rule 7 of the companies (Accounts) Rules 2014.

This responsibility also includes 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 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 misstatements, weather due to fraud or error.

Auditors Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order under section 143(11) of the Act.

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 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.

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

Opinion

In our opinion and to the best of information and according to the explanation given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2017, and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

- i) As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143 (11) of the Act and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the **Annexure A**, a statement on matters specified in paragraph 3 and 4 of the said order.
- ii) As required by section 143(3) of the Act, we report that:
 - 1) We have sought and obtained all the information and explanation, which to the best of knowledge and belief were necessary for the purpose of our audit.
 - 2) In our opinion books of accounts as required by law have been maintained by the Company in respect of all material transaction so far as, it appears from our examination of the said books.
 - 3) The Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account of the Company.
 - 4) In our opinion the aforesaid financial statements are in compliance with the Accounting Standards referred to in Sec. 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- 5) On the basis of written representations received from the C.E.O as on 31st March, 2017 taken on record by the Board of Directors, none of the directors are disqualified from being appointed as Director of the Company as on 31st March, 2017 under Section 164(2) of the Act.
- 6) With respect to the adequacy of internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**.
- 7) 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 pending Litigations & their impact on the financial position in Notes to Accounts.
 - 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.
 - iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Refer Notes to accounts Note No. 25 (15) of Notes to the Financial Statement.

For S.G. Gandhi & Co.
Chartered Accountants
FRN 103034W

Place: Akola
Date : 21.12.2017

CA S.G. Gandhi
Partner
M. No. 30160

ANNEXURE A TO THE AUDITOR'S REPORT (As referred in paragraph 1 of the Auditor's Report)

Information and explanations given to us, we state that:

(i) FIXED ASSETS

- a. The Company has maintained proper records showing full particulars including quantitative details and the situation of its fixed assets.
- b. Physical verification of fixed assets has not been carried out by the management during the year.
- c. The title deeds of immovable properties are held in the name of the company.

(ii) INVENTORY

- a. It has been informed that physical verification of inventory has been conducted at reasonable intervals by the management. Internal auditor report of physical verification of inventory is on record. The procedure of physical verification followed by the management, as informed, are reasonable and adequate in relation to the size of the company and nature of its business. As informed by the management no major discrepancies were noticed on physical verification.

(iii) LOANS TO PARTIES COVERED U/S 189

According to information provided and explanations given to us, the Company has granted loan to parties covered in register maintained under section 189 of the said Act. The Details are covered under Note 10 & 25 (12) to Financial Statements under related party transactions.

- a. The terms & conditions of the loans & advances are not prejudicial to the interest of Company.
- b. The terms & conditions of principal & payment of interest have not been specifically stipulated. However interest receipts & payments are regular. The outstanding as on 31st March 2017 is at Rs. 687.28 lakhs.
- c. There are no overdue amounts for the same.

(iv) LOANS, INVESTMENTS, GUARANTEES AND SECURITIES

According to information provided explanations given to us, the company has not granted any loans and advances or any guarantee/security to the persons as mentioned in section 185 of the Act. Company has not made any investment referred to under section 186 of the Act.

(v) PUBLIC DEPOSIT

The Company has not accepted deposits from Public, as such clause (v) of Companies (Auditor's Report) Order, 2016 regarding compliance of the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under is not applicable to the Company.

(vi) **COST RECORDS**

Maintenance of cost record is not required under section 148 of the Companies Act, 2013.

(vii) **STATUTORY LIABILITIES**

- (a) On the basis of Information and explanation given to us, the company is generally regular in depositing undisputed statutory dues including, Income Tax, Sales Tax, value added tax, Provident Fund, Employee's State Insurance dues, Cess and any other statutory dues with the appropriate authorities.

According to information and explanation given to us, no undisputed amounts in respect of income tax, Sales tax, Value added tax, Cess, or other statutory dues were outstanding as on 31st March, 2017 for a period of more than six months from the date they became payable, except Rs. 12,66,507/- 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. 25 (2), which discloses the status of the same.

(viii) **DUES TO FINANCIAL INSTITUTIONS**

The Company has not defaulted in repayment of dues to any loan from any financial institution or bank as on the balance sheet date.

(ix) **PUBLIC OFFER AND TERM LOANS**

Company has not raised any money by way of public offer or term loan. As such clause (ix) of the order is not applicable to the company.

(x) **FRAUD**

Based on the audit procedures performed and according to information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year under report.

(xi) **MANAGERIAL REMUNERATION**

As per the 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 the companies Act.

(xii) **NIDHI COMPANY**

The Company is not Nidhi company and hence clause (xii) of the order is not applicable.

(xiii) **RELATED PARTY TRANSACTION**

According to information and explanation given to us Company is in compliance with sec 188 of the Companies Act, 2013, where applicable, for all the transaction with the related parties and the details of related party transactions have been disclosed in Notes to Accounts- Note No. 25(12).

(xiv) **PREFERENTIAL ALLOTMENT / PRIVATE PLACEMENT**

During the year Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the order is not applicable to the Company.

(xv) **NON CASH TRANSACTIONS**

During the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) **REGISTRATION WITH RBI**

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For S.G. Gandhi & Co.
Chartered Accountants
FRN 103034W

Place: Akola
Date: 21.12.2017

CA S.G. Gandhi
Partner
M. No. 30160

ANNEXURE B TO THE AUDITOR'S REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Maharashtra Insecticides Limited (“the Company”) as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

The Company did not have a written/documented framework for internal financial controls over financial reporting. However, based on the fact the transactions being limited/less complex and there being very few levels of management, we have relied upon testing of controls through direct inquiry combined with other procedures, such as observation of activities, inspection of less formal documentation etc. to obtain sufficient audit evidence about the internal financial controls over financial reporting and its operating effectiveness as at the year end.

Our opinion is not qualified in respect of the aforesaid matter.

For S.G. Gandhi & Co.
Chartered Accountants
FRN 103034W

Place: Akola
Date : 21.12.2017

CA S.G. Gandhi
Partner
M. No. 30160

COMMENTS OF THE COMPTROLLER AND AUDITOR 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 2017.

The preparation of Financial Statements of **Maharashtra Insecticides Limited Mumbai** for the year ended **31 March 2017** 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 **21 December 2017**.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the Financial Statements of **Maharashtra Insecticides Limited, Akola** for the year ended 31 March 2017 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**

**(P. Madhavi)
PRINCIPAL ACCOUNTANT**

(AUDIT)-III

**Place: Mumbai
GENERAL
Date: 14-2-2018**

MAHARASHTRA INSECTICIDES LIMITED

C-4 MIDC Area Shivani, Akola

Balance Sheet as at 31st March, 2017.

Amount Rs.

Particulars			Note No.	As at 31st March, 2017	As at 31st March, 2016
I.	Equity and Liabilities				
1	Shareholders funds				
(a)	Share capital	1	10000000.00	10000000.00	
(b)	Reserves and surplus	2	104521872.21	103105975.51	
(c)	Money received against share warrants				
2	Share application money pending allotment				
3	Non-current liabilities				
(a)	Long-term borrowings		0.00	0.00	
(b)	Deferred tax liabilities (Net)		0.00	0.00	
(c)	Other Non Current liabilities	3	12186492.12	12839818.12	
(d)	Long-term provisions	4	9041991.00	8522009.00	
4	Current liabilities				
(a)	Short-term borrowings		0.00	0.00	
(b)	Trade payables	5	6183382.47	11646915.26	
(c)	Other current liabilities	6	8207699.04	361194.32	
(d)	Short-term provisions	7	51259369.00	43497962.50	
	Total		201400805.84	189973874.71	
II.	Assets				
1	Non-current assets				
(a)	Fixed assets				
(i)	Tangible assets	8	11890746.16	12522447.65	
(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	9	2000.00	2000.00	
(c)	Deferred tax assets (net)	10	6757542.00	4707312.00	
(d)	Long-term loans and advances	11	70983571.80	63730094.89	
(e)	Other non-current assets		0.00	0.00	
2	Current assets				
(a)	Current investments		0.00	0.00	
(b)	Inventories	12	77854521.76	70971725.65	
(c)	Trade receivables	13	25594632.77	31133472.77	
(d)	Cash and cash equivalents	14	587837.13	1101657.75	
(e)	Short-term loans and advances	15	7729954.22	5805164.00	
(f)	Other current assets		0.00	0.00	
	Total		201400805.84	189973874.71	
	See Accompanying Notes to the Financial Statements	25	-	-	

As per Our Report of even date,

For S.G.Gandhi & Co.

Chartered Accountants
FRN 103034W

CA. S.G.Gandhi
Partner, M No. 30160

Place : Akola
Date : 21.12.2017

Dr. Ashok
Karanjkar

Chairman

A. B .
Uplenchwar
Executive
Director

Place: Mumbai
Date : 20.12.2017

M. S. Soman

Chief Executive

V. A. Sakpal

Director

MAHARASHTRA INSECTICIDES LIMITED

C-4 MIDC Area Shivani, Akola

Profit & Loss Statement for the year ended on 31st March, 2017.

Amount Rs.

Particulars		Note No.	31st March, 2017	31st March, 2016
I.	Revenue from operations	16	221322176.00	145202242.00
II.	Other income	17	7354650.50	10958843.47
III.	Total Revenue (I + II)		228676826.50	156161085.47
IV.	Expenses :			
	Cost of materials consumed	18	77296700.44	62544847.07
	Purchases of Bulk Material	19	82629379.00	49668788.00
	Changes in inventories of F.G., W.I.P. & S.I.T	20	-3590076.46	-12063563.32
	Employee benefits expense	21	28928644.00	27708850.00
	Depreciation and amortization expense	8	1016054.99	1317125.20
	Other expenses	22	32281662.83	23706153.07
	Total expenses		218562364.80	152882200.02
V.	Profit before exceptional and extra-ordinary items and tax (III-IV)		10114461.70	3278885.45
VI.	Exceptional items- Prior period Items	23	6915945.00	1307983.70
VII.	Profit before extraordinary items and tax (V-VI)		3198516.70	1970901.75
VIII.	Extraordinary Items		0.00	0.00
IX.	Profit before tax (VII-VIII)		3198516.70	1970901.75
X.	Tax expense :			
1	Current tax		3700000.00	1384026.00
2	Income Tax Earlier Year		132850.00	0.00
3	Deferred tax		-2050230.00	-553156.00
XI.	Profit (Loss) for the period from continuing operations		1415896.70	1140031.75
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)		1415896.70	1140031.75
XVI.	Earnings per equity share:	24		
1	Basic		14.16	11.40
2	Diluted		14.16	11.40
	See Accompanying Notes to the Financial Statements	26		

As per Our Report of even date,

For S.G.Gandhi & Co.
Chartered Accountants
FRN 103034W

CA. S.G.Gandhi
Partner, M No. 30160

Place : Akola
Date : 21.12.2017

Dr. Ashok
Karanjkar
Chairman

M. S. Soman
Chief Executive

A. B . Uplenchwar
Executive Director

V. A. Sakpal
Director

Place: Mumbai
Date:
20.12.2017

MAHARASHTRA INSECTICIDES LIMITED, AKOLA
C-4 MIDC Area Shivani, Akola
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017.

Sr. No	Particular	31st March, 2017		31st March, 2016	
		Rupees	Rupees	Rupees	Rupees
(A)	CASH FLOW FROM OPERATING ACTIVITIES :				
	Net Profit Before Tax		31,98,517		1970902
	Depreciation & Amortisation	1016055		13,17,125	
	Loss on Sales of Fixed Assets	-		-	
	Finance Cost.	-		-	
	Provisions	82,81,389	92,97,443	42,89,316	56,06,441
	Operating Profit Before Working Capital Changes		1,24,95,960		75,77,343
	Adjustments for Working Capital Changes :				
	Trade Payables and Other Current Liabilities	2382972		39,76,609	
	Inventories	(6882796)		(1,45,11,132)	
	Trade Receivables and Other Current Assets	5538840	10,39,016	89,81,883	(15,52,640)
	CASH FLOW FROM OPERATIONS		1,35,34,976		60,24,702
	Income Tax Paid during the year		(37,00,000)		(13,84,026)
	NET CASH FROM OPERATING ACTIVITIES (A)		98,34,976		46,40,676
(B)	CASH FLOW FROM INVESTING ACTIVITIES				
	Pur. of Fixed Assets and additions in CWIP	(3,95,458)		79,024	
	Proceeds from sale of fixed assets	25,000		-	
	Movement in Loans and Advances	(91,78,267)		49,06,361	
	Investment made	-		-	
	NET CASH USED FOR INVESTING ACTIVITIES (B)		(95,48,725)		49,85,385
(C)	CASH FLOW FROM FINANCING ACTIVITIES :-				
	Share Capital issued	-		-	
	Security Premium on issue of Shares	-		-	
	Long term Borrowings & Other Long term Liab.	(6,53,326)			
	Short Term Borrowings	-		-	
	Interest paid on Loan	-		-	
	NET CASH FROM FINANCING ACTIVITIES (C)		(6,53,326)		-
	CASH GENERATED DURING THE YEAR (A+B+C)		(3,67,075)		(3,44,709)
	Cash & Cash Equivalent at the beginning of the Year		11,01,658		14,46,367
	Cash & Cash Equivalent at the end of the Year		7,34,583		11,01,658

As per Our Report of even date,

For S.G.Gandhi & Co.,
Chartered Accountants,

FRN 103034W
Executive

Dr. Ashok Karanjkar
Chairman

M. S. Soman
Chief

V.A. Sakpal
Director

A.B. Uplenchwar
Executive Director

CA. S.G.Gandhi
Partner M No. 030160
Place : Akola
Date: 21.12.2017

Place : Mumbai
Date: 20.12.2017

MAHARASHTRA INSECTICIDES LIMITED, AKOLA
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount ₹.)

Note No.	PARTICULARS	31.03.2017 Amount ₹.	31.03.2016 Amount ₹.
1	SHARE CAPITAL		
	Authorised Share Capital		
	200000 Equity Shares of ₹.100/- each.	20000000.00	20000000.00
	Issued, subscribed & paid up	10000000.00	10000000.00
	100000 Equity Shares of ₹.100/- each.	10000000.00	10000000.00

	(i)	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 2017		As at 31 March 2016	
			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	
	(ii)	Details of each shareholder, holding more than 5% of shares				
		Name of Shareholder	Equity Shares			
			As at 31 March 2017		As at 31 March 2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	
MAIDC Ltd (Holding Company)		99993	99.99%	99993	99.99%	
2	(a)	RESERVE & SURPLUS.				
		Surplus i.e. balance in Statement of Profit & Loss				
		Opening balance	103105975.51	100541717.90		
		(+) Net Profit/(Net Loss) For the current year	1415896.70	1140031.75		
		(+) 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		
		(-) Depreciaition on Life expired Assets - Schedule II C.Act,13.	0.00	0.00		
		Closing Balance	104521872.21	103105975.51		
		TOTAL RS.		104521872.21	103105975.51	

3	(a)	OTHER NON CURRENT LIABILITIES		
		Others		
		EMD, SD & Dealership Deposit from Dealers	10257134.37	6679023.37
		C&F Outstanding	192038.75	192038.75
		Salary & Security expenses provided	219471.00	-
		Other Unpaid Amounts	251341.00	251341.00
		Deferred Payment Liability for Sales Tax	1266507.00	5717415.00
		Package Scheme of Incentives 1993 -Sales Tax Incentive (Repayable after 10 years from the year of availment in 5 equal inst.)		
		TOTAL RS.	12186492.12	12839818.12
4		LONG TERM PROVISIONS :		
		Provision for Employee terminal benefit		
		Leave Enachment	9041991.00	8522009.00
		TOTAL RS.	9041991.00	8522009.00
5	(a)	TRADE PAYABLE		
		For Supplies, Goods & Services & Advance/Deposits from Suppliers of Goods, Services & Contractors	6183382.47	11646915.26
		TOTAL RS.	6183382.47	11646915.26
Balances of Trade Payables are subject to confirmation.				
6	(a)	OTHER CURRENT LIABILITIES		
		Advances/Deposits from Customers, Suppliers, Contractors		
		Other Payables & Provisions	8207699.04	361194.32
		TOTAL RS.	8207699.04	361194.32
7	(a)	SHORT TERM PROVISIONS		
		Provisions for Employee Benefits		
		Pay Arrears - 6th Pay	39780181.00	33371143.00
		For Ex-gratia & Gratuity for 6th Pay	4456912.00	7616571.00
	(b)	Employees Salary & P.F	1314420.00	0.00
		Others (specify nature).		
		(i) Provision for Income Tax	4862164.00	1162164.00
		(ii) Provision for Contingency(Excise Duty)	845692.00	1348084.50
		TOTAL RS.	51259369.00	43497962.50

MAHARASHTRA INSECTICIDES LTD., AKOLA
Note "8" OF NON CURRENT ASSETS-FIXED ASSETS
FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2017

Sr.	PARTICULARS	OP.GROSS 1.4.2016	ADDITIONS Before 30/09	ADDITIONS After 30/09	DISPOSAL 2016-17	GROSS BLOCK	DEPN. UPTO 1.4.2016	DEPRN. 2016-17	DEPN ON RET.ER*	TOTAL DEPRN.	NET BLOCK 31.03.2016	NET BLOCK 31.03.2017
	A. Tangible Assets											
1	Office Building	2242609.00	0.00	0.00	0.00	2242609.00	1166277.95	68656.50	0.00	1234934.45	1076331.05	1007674.55
2	Factory Building	13412423.24	0.00	0.00	0.00	13412423.24	9570899.60	297513.11	0.00	9868412.71	3841523.64	3544010.53
3	Godwon Building	3747236.45	0.00	0.00	0.00	3747236.45	1847564.42	149020.80	0.00	1996585.22	1899672.03	1750651.23
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	27022151.24	203938.00	0.00	222090.00	27003999.24	25122540.71	226687.32	-210985.50	25138242.53	1899610.53	1865756.71
7	Electrical Installation	5593029.36	0.00	0.00	0.00	5593029.36	5387564.32	10290.49	0.00	5397854.81	205465.04	195174.55
8	Furniture & Fixture	810162.17	0.00	0.00	0.00	810162.17	796864.00	0.00	0.00	796864.00	13298.17	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	494620.71	0.00	0.00	0.00	494620.71	457447.63	4180.75	0.00	461628.38	37173.08	32992.33
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	98376.42	1947.60	0.00	100324.02	21205.58	19257.98
13	Air Conditioning Equipments	286844.00	0.00	0.00	0.00	286844.00	269818.24	3214.29	0.00	273032.53	17025.76	13811.47
14	Pollution Control Equipments	2229637.65	0.00	0.00	0.00	2229637.65	1286171.62	76494.27	0.00	1362665.89	943466.03	866971.76
15	Fire Fighting Equipments	243961.34	0.00	0.00	0.00	243961.34	176009.33	8643.99	0.00	184653.32	67952.01	59308.02
16	Vehicle	2155003.00	0.00	0.00	0.00	2155003.00	1827881.08	74639.50	0.00	1902520.58	327121.92	252482.42
17	Electronic Equipments	1803227.08	0.00	135000.00	0.00	1938227.08	1782738.43	2354.10	0.00	1785092.53	20488.65	153134.55
18	Weigh Bridge & W.Scale	216378.00	0.00	3300.00	0.00	219678.00	202659.39	2336.19	0.00	204995.58	13718.61	14682.42
19	Bio-Pest Laboratory	193917.00	0.00	0.00	0.00	193917.00	125889.87	34395.66	0.00	160285.53	68027.13	33631.47
20	Computers	102833.00	25261.00	27958.00	0.00	156053.00	59453.82	32897.34	0.00	92351.16	43379.18	63701.84
	Sub Total (A)	65445168.14	229199.00	166259.00	222090.00	65618536.14	54772066.93	993271.91	-210985.50	55554353.34	10673101.21	10064182.80
	B. Tangible Assets											
1	Leashold Land	2249745.00	0.00	0.00	0.00	2249745.00	400398.56	22783.08	0.00	423181.64	1849346.44	1826563.36
	Sub Total (B)	2249745.00	0.00	0.00	0.00	2249745.00	400398.56	22783.08	0.00	423181.64	1849346.44	1826563.36
	GRAND TOTAL ₹. (A+B)	67694913.14	229199.00	166258.00	222090.00	67868281.14	55172465.49	1016054.99	-210985.50	55977534.98	12522447.65	11890746.16

Note: Item disposed during the year was at Cost of Rs. 222090/- & Depreciation up to 31.03.2016 for the same was Rs. 210985.50 and thus WDV. Was at Rs. 11104.50/-
Disposed off for Rs. 25000/- values reduced from Gross Block - cost Rs. 222090/- & from Total Depreciation Rs. 210985.50 and thus from total WDV only Rs. 11104.50/-

MAHARASHTRA INSECTICIDES LIMITED, AKOLA
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2017

(Amount ₹.)

Note No.		PARTICULARS	31.03.2017 Amount ₹.	31.03.2016 Amount ₹.
9	(a)	NON CURRENT INVESTMENT Investments in Government or Trust Securities (NSC with Sales Tax Shriganganagar)	2000.00	2000.00
		TOTAL RS.	2000.00	2000.00
10		DEFERRED TAX ASSET/LIABILITY Opening Balance of Defered Tax - Asset / Liability	-4707312.00	-4154156.00
		Profit as per Books before tax	3198516.70	1970902.00
		Add : Depreciation as per Books of Accounts	1016054.99	1294343.00
		Less: Depreciation as per Income Tax Act.	573979.00	590059.00
		Add : time being Disallow- IT Act - Leave Eanchment Provision (net) etc.	519982.00	1085864.00
		Add : Provision for Endosulfan Disposal Expenses	7000000.00	0.00
		Income as per Income Tax (with timing difference)	11160574.69	3761050.00
		Profit as per Books before tax	3198516.70	1970902.00
		Less: Income as per Income Tax Act	11160574.69	3761050.00
		Timing Difference : - Expenditure / Income	-7962057.99	-1790148.00
		Deferred Tax Liability / - Assets @ 25.75% on Timing Diff.	<u>-2050230.00</u>	-553156.00
		Closing Balance of Defered Tax - Asset/ Liability	-6757542.00	-4707312.00

Deferred Tax Asset/Liability is recognized after adjusting Opening Balance of the same.

Items of Differences of Permanent Nature are not considered.

11	(a)	LONG TERM LOANS AND ADVANCES		
	(i)	Capital Advances; Secured, Considered good	0.00	0.00
	(ii)	Unsecured, Considered good	0.00	0.00
	(iii)	Doudtful		
	(b)	Security Deposits; Secured, Considered good	1719210.00	1623566.00
	(c)	Loans and Advances to Related Parties MAIDC LTD.(Holding Co.)	68728029.47	61571333.56
	(d)	Other Loans and Advances Unsecured, Considered		

		(i)	good Electricity Duty Receivable - Claim Receivable <u>Balance with Revenue Authorities-</u> Sales tax (Under Protest) VAT Penaulty (Under Protest)	411332.33 100000.00 25000.00	411332.33 100000.00 0.00
		(ii)	Doubtful Considered Doubtful (Includind Advance to Supplier of Lote) Less : Provision for doubtful loans and advances	936619.34 -936619.34	915811.34 -891948.34
			TOTAL RS.	70983571.80	63730094.89
	(a)	(i)	<u>Raw Materials :</u> Technical Grade Auxillery Work-in-Progress(Semi	22117811.91 8026211.13	15905172.11 9550421.39
		(ii)	finished goods)	3980719.43	5890003.60
		(iii)	Finished Goods	5944860.49	10298354.67
		(iv)	Stores and Spares	2261654.34	2397826.59
	(b)		<u>Manufactured Components :</u> Bulk Processed		
		(i)	Materials Pending Reformulation	21411030.88	11558176.07
		(ii)	Materials	3341998.87	4852374.16
		(iii)	Leakage Materials	177748.27	201418.96
		(iv)	Packing Materials	10592486.44	10317978.10
			TOTAL RS.	77854521.76	70971725.65
13			TRADE RECEIVABLES / SUNDRY DEBTORS For the period of less than 6 months Unsecured, Considered good. MAIDC LTD. Other Sundry Debtors	25594632.77 0.00 25594632.77	31122472.77 11000.00 31133472.77
			For the period of more than 6 months Unsecured, Considered doubtful. Less : Provision for doubtful Total Rs.	14277923.37 - 14277923.37 0.00	14277923.37 - 14277923.37 0.00
			TOTAL RS.	25594632.77	31133472.77
Balances of Trade Receivables are subject to confirmation.					
14	(a)		CASH & CASH EQUIVALENTS Balances with Banks		
		(i)	State Bank of India, Akola 11125283962	466005.45	969000.07
		(ii)	State Bank of India, Lote 11285480251	10179.00	10179.00
		(iii)	Syndicate Bank, Akola 51101010000340	111652.68	122478.68
	(b)		Cash in Hand	0.00	0.00
			TOTAL RS.	587837.13	1101657.75

15	(a)	(i) (ii)	SHORT TERM LOANS & ADVANCES		
			Others (specify nature).		
			Others (specify nature).		
			Unsecured, Considered good		
			Advance Recoverable in Cash or in kind or for value to be considered good	598329.00	975817.00
			Interest Receivable	23942.00	17843.00
			Advances to Staff	328500.00	709504.00
			Advance Income Tax And TDS	4574754.00	2444463.00
			MODVAT Adjustable	1402336.00	1657537.00
			VAT Receivable	802093.22	0.00
			TOTAL RS.	7729954.22	5805164.00

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 12 months from the reporting date is considered as Current Asset and others are considered as Non Current Asset.

16	(a)	(i) (ii) (iii)	SALES		
			Sale of Products		
			Manufacture Products (M.S.)	253338630.00	164305569.00
			Bulk Processed Products (M.S.)	0.00	0.00
			Other Sales	692323.00	455490.00
			Less: (d) Excise Duty	-32708777.00	-19558817.00
			Total Rs.	221322176.00	145202242.00

17	(a) (b) (c) (d) (e) (f) (g) (h)		OTHER INCOME		
			Interest Income (in case of a company other than a finance co.)	7302915.00	6607738.00
			Weight shortage and excess Billing	0.00	110692.00
			Excess Provision written back	0.00	0.00
			Sundry Credit balances written off	0.00	3160992.87
			Rent Received	32250.00	28200.00
			Other receipts	18595.50	192065.75
			Bad debt recovered	0.00	0.00
			Discount Received	890.00	859154.85
			Total Rs.	7354650.50	10958843.47

18	(a)		COST OF MATERIALS CONSUMED		
			Opening Stock	30509386.62	27679389.69
			Add : Purchases :	80451084.00	65374844.00
			Less : Closing Stock	33663770.18	30509386.62

			MATERIAL COST OF RAW MATERIAL CONSUMED	77296700.44	62544847.07
--	--	--	---	--------------------	--------------------

19	(a)		PURCHASES OF STOCK-IN-TRADE		
			Purchase of Bulk Material	82629379.00	49668788.00
			Total Rs.	82629379.00	49668788.00

20	(a)		CHANGE IN INVENTORIES		
			Opening Stock	27746534.34	15682971.02
			Semi Finished Good	5890003.60	1715310.90
			Finished Good	10298354.67	5820488.99
	(b)		Bulk Processed Materiels	11558176.07	8147171.13
			Closing Stock	31336610.80	27746534.34
			Semi Finished Good	3980719.43	5890003.60
			Finished Good	5944860.49	10298354.67
			Bulk Processed Materiels	21411030.88	11558176.07
					Change in Inventories Total Rs.
21	(a)	(i)	EMPLOYEE BENEFIT EXPENSES		
			Salaries & Wages *		
	(b)	(ii)	Chief Executive	1689505.00	1202030.00
			Employees	22979896.00	21928343.00
	(c)		Contribution to Superannuation fund	2396517.00	2349815.00
	(d)		Contribution to Gratuity fund	952435.00	1777795.00
	(e)		Medical and Education reimbursement	15000.00	18200.00
	(f)		Staff Welfare Exp	871266.00	407892.00
	(g)		Staff Training Exp	24025.00	24775.00
		Total Rs.	28928644.00	27708850.00	
* 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.					
22	a)		OTHER EXPENSES DIRECT/PRODUCTION EXPENSES	23570218.91	17921556.43
			Stores and Spares consumed	2540115.25	1465701.15
			Packing Materials consumed	15958826.16	11848968.28
			Power and Fuel	874309.00	926266.00
			Water Charges	489544.00	451481.00
			Carriages Inward	127293.00	323328.00
			Factory and Other Manufacturing Expenses	3890264.00	1460271.50
			Excises duty & CST on Purchases	(5,02,392.50)	1350998.50
	b)		Repairs and Maintenance Plant and Machinery	192260.00	94542.00
			ADMINISTRATIVE EXPENSES	8711443.92	5784596.64
			Office Expenses	652517.00	1094301.00
			Bank Charges	4764.62	4354.29
			Rates & Taxes	125838.00	68670.00
			Carriage Outward	1639136.96	1212479.55
			Insurance	1362337.00	1107033.00
			Legal & Professional Charges	217074.00	107890.00
Advertisement	240110.00	299264.00			
Printing & Stationery	132948.00	88985.00			

			Postage & Telegram	84758.13	85678.80
			Repair & Maintenance		
			Others	1728050.00	331364.00
			Vehicle Expenses	562983.00	475366.00
			Travelling Expenses	459189.00	326850.00
			VAT Expenses	9474.00	0.00
			Other Selling Expenses	291923.00	147353.00
			Auditor Remuneration	110900.00	105000.00
			Donation Expenses	0.00	10000.00
			Security expenses	1036733.00	296008.00
			Rent Paid	2000.00	24000.00
			Interest Paid	6040.00	0.00
			Small Balances Written Off	(2.79)	0.00
			Doubtfull Advances	44671.00	0.00
			Total Rs.	32281662.83	23706153.07
23			Exceptional items		
	a)		Manufacturing & Other Expenses	(84,055.00)	1307983.70
	b)		Provision for Endosulfan Disposal Expenses	7000000.00	0.00
			Total Rs.	6915945.00	1307983.70
24			EARNINGS PER SHARE (EPS)		
			Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	1415896.70	1140031.75
			Average number of equity shares	100000	100000
			Weighted Average number of equity shares	100000	100000
			Basic Earnings per share Rs.	14.16	11.40
			Diluted Earnings per share Rs.	14.16	11.40
			Face Value per equity share Rs.	100	100

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2017

NOTE NO.25: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS:

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of Financial Statement

These financial statements have been prepared on the historical cost convention unless otherwise stated in accordance with generally accepted accounting principles, the Accounting Standards notified under Rule 7 of the Companies (Accounts Rules) 2014 as amended and provisions of the Companies Act, 2013.

b) Property, Plant & Equipment (PPE)

PPE 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.

The Company does not have any intangible assets.

c) Depreciation

Depreciation on fixed assets other than leasehold land which is being amortized over the period of lease has been 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 of Asset is considered as Useful life minus expired life of asset. There is no impairment of assets.

d) Investments

Investments are stated at cost.

e) Inventories.

Inventories are valued 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.

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 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 Govt. administered Provident fund. Company does not have any obligations apart from monthly contributions as per relevant rules. The company has been making monthly contributions as per the rules & the same are charged to Statement of Profit & Loss on accrual basis.

In respect of earned leave, 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 Provision 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 periods. The tax effect is calculated on accumulated timing differences at the end of the year based on enacted or substantively enacted tax rates.

i) Earnings Per Share

Earnings per Share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

J) PROVISIONS, CONTINGENT LIABILITY AND CONTINGENT ASSETS:

Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimates can be made of the amount of the obligations. A disclosure for a contingent liability is made when there is a possible obligation that may, but probably not, require an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements.

No provision is made for liabilities, which are contingent in nature, but if material, these are disclosed by way of notes.

NOTES TO ACCOUNTS:

2. Contingent Liabilities not provided for:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. NIL (Previous year Rs. NIL)
- b) The sales tax assessment of the Company has been completed upto F.Y. 2004-2005. However the Company has received demand for Rs. 7,78,453/- for F.Y. 1994-95 from Dy. Commissioner of Sales Tax (Admn), Nagpur for which the Company has preferred an appeal before the Maharashtra Sales Tax Tribunal, Mumbai by making part payment of Rs. 1,00,000/- in protest, the decision of which is awaited.
- c) An amount of Rs.1,53,635/- has been deposited in High Court, Nagpur Bench in respect of suit filed by M/s. Deshmukh Printers, Akola for Rs.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 6th pay Commission recommendations, since the same are already made applicable to Holding Company and proposal is approved by the State Government. The Provision for pay arrears are made at Rs.64,09,038/-(previous year Rs.43,03,920/-) and total provision under this head is at held Rs. 397.80 lakhs. Similarly total Provision for Gratuity (as increased for increased pay of 6th pay Commission) is held at Rs. 44.57 lakhs.
- e) The Company has received demand of Rs.2,31,365, from Dy. Commissioner of Sales Tax Akola for non submission of VAT Audit Report for the year 2014-15. In prescribe period,for which the company had preferred an appeal before the Joint Director (appeal) Sales Tax Department Amravati by making part payment of Rs.25000/- under protest. The decision of which is awaited.

3. The total issued & paid up capital is of Rs.1,00,00,000/- (Previous year Rs.1,00,00,000/-) out of which capital of Rs.700/-, held by nominees of MAIDC and capital of Rs.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.

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 Rs.1,52,14,542.71 which are considered as doubtful (previous year Rs. 1,51,69,871.71/-). Provision for Doubtful debts and Advances has been made at Rs.1,52,14,542.71 (Previous year Rs.1,51,69,871.71/-). Further provision for all known and determined liabilities is adequate and not in excess of the amount reasonably required.

6. a) Total amount due to Small Scale Industrial Undertakings of which amount outstanding for more than 30 days, exceeding Rs.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 yearend 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, while sales out of Maharashtra are monitored by the 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. 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.

10. a) Total debtors outstanding for more than 3 years period wherein transactions with the party are stopped and legal proceeding is started aggregating to Rs.1,42,77,923/- for which the Company has made 100% provision totaling to Rs.1,42,77,923/- (Previous year Rs.1,42,77,923/-).

b) The total Advances outstanding for more than 3 years aggregating to Rs.9,36,619.34 for which the Company has considered 100% doubtful and accordingly provision at 100% for these advances has been made. (Previous year Rs.8,91,948.34).

11. Deferred Tax Liability for current year has been adjusted against Deferred Tax Asset and net difference of Rs.20,50,230/- has been shown as income in Profit and Loss Account.

Particulars	As at 31-3-2017	As at 31-3-2016
Deferred Tax Asset	47,07,312	41,54,156
Add: Provision for Deferred Tax Asset	20,50,230	5,53,156
Net deferred tax Assets	67,57,542	47,07,312

12. Related Party Disclosures

A. Name of the related parties and relationship

a) Key Management Personnel

Shri S.B. Mundada Chief Executive

b) Associates

Maharashtra Agro Industries Development Corporation Limited - Holding Co.

B. Summary of Transactions with Related Parties

a) Maharashtra Agro Industries Development Corporation Limited (Holding Company)

Sr. No.	Particulars	Current Year Rs.in lakhs	Previous year Rs. In lakhs
1.	Sale of goods	2533.39	1643.06
2.	Sample Testing Charges Recovered	1.44	1.11
3.	Rent Received	0.31	0.31
4.	Interest received from MAIDC Ltd.	72.76	63.34
5.	Advance Received back	4.56	23.04
6.	Advance Given	8.90	16.44
7.	Receivables from MAIDC (Sales Account)	255.88	311.22

b) Remuneration to Chief Executive/Director

Sr. No.	Particulars	Current Year Rs.in lakhs	Previous year Rs. In lakhs
1	Shri S.B. Mundada		
	1 Salary	15.39	11.34
	2 PF/FPF Contribution	1.50	1.07
	3 Perquisites	0.15	0.18

13. Previous year's figures have been regrouped and rearranged wherever necessary so as to make the same comparable with the figures of current year.

14. There are no amounts due to be remitted to "Investors Education & Protection Fund" as at the year end. (Previous Year Nil).

15. Details of Specified Bank Notes (SBN) held and transacted during the period 08.11.2016 to 30.12.2016;

Sl. No.	Particulars	SBNs	Other than SBNs	Total
1.	Closing Cash on hand as on 08.11.2016	2000.00	3454.00	5454.00
2.	Add:			
	i. Permitted Receipts between 09.11.2016 to 30.12.2016	Nil	3,667.00	3,667
	ii. Withdrawals from bank between 09.11.2016 to 30.12.2016	Nil	3,09,000.00	3,09,000
3.	Less:			
	i. Permitted Payments between 09.11.2016 to 30.12.2016	Nil	2,93,559.00	2,93,559
	ii. Amount deposited in bank between 09.11.2016 to 30.12.2016	2,000.00	Nil	2,000
4.	Closing cash on hand as on 30.12.2016	Nil	22,562	22,562

16 Earnings Per Share (EPS) has been computed in accordance with AS-20

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Profit computation for basic earnings per share of Rs. 100/- each		
A) Net Profit/ (Loss) as per Profit & Loss a/c available for equity shareholders (Rs.)	33,07,530	11,40,032
B) Weighted Average number of equity shares for EPS computation (Nos.)	1,00,000	1,00,000
C) Earnings Per Share (Rs.)	33.08	11.40

MAHARASHTRA INSECTICIDES LIMITED, AKOLA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2017.

17 Information pursuant to the provisions of Companies Act, 2013.

(As Certified by Management.)

QUANTITATIVE DETAILS FOR THE YEAR ENDED ON 31ST MARCH, 2017.

	Class of Goods	Discription	Units	2016-17		2015-16	
				QTY	Value	QTY	Value
a)	Particular of capacity						
	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						
	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)	Particulars in respect of Production						
	Formulated Pesticides						
	W.D.P.(Bulk)		MT	203.982		163.180	
	E.C.		KL	457.278		330.577	
	E.C.Bulk		KL	31.154		21.455	
	Granual Pest.		MT	0.000		0.000	
c)	Details of Sales					(Rs. in Lakhs)	
1)	M.S.Sales			2016-17			2015-16
			UNIT	QTY	VALUE	QTY	VALUE
					Rs.		Rs.
i)	Manufactured Products	EC	LTRS	460187	1297.70	324327	515.85
		Total (i)			1297.70		515.85
ii)	Bulk processed Products	WDP	MT	212.183	1096.25	157.340	1052.29
		EC	LTRS	30754	139.44	19705	121.53
		Total (ii)			1235.69		1173.82
	GRAND TOTAL(i+ii)				2533.39		1689.67
2)	Other Sales	Total (iii)			6.92		4.55
	GRAND TOTAL				2540.31		1694.22
d)	Details of Opening Stocks						
1)	Manufactured Products		UNIT	QTY	VALUE	QTY	VALUE
		WDP	MT	0.000	0.00	3.820	12.67
		EC	LTRS	18840	45.48	14380	45.53
		GRANUALS	MT	0.000	0.00	0.000	0.00
		BIO-PEST	MT	0.000	0.00	0.000	0.00
		Total 1			45.48		58.20

2)	Bulk processed Products						
		WDP	MT	11.910	33.64	34.555	81.42
		EC	LTR	2970	10.38	30	0.06
		Total 2			44.02		81.48
3)	Semi Finished Products						
		WDP		0.000	0.00	0.000	0.00
		EC		32330	58.90	8730	17.15
		GRANUALS		0.000	0.00	0.000	0.00
		Total 3			58.90		17.15
	TOTAL	1+2+3			148.40		156.83
e)	Details Of Closing Stocks						
1)	Manufactured Products		UNIT	QTY	VALUE	QTY	VALUE
					Rs.		Rs.
		WDP	MT	0.000	0.00	0	0.00
		EC	LTRS	13040	33.31	18840	45.48
		GRANUALS	MT	0.000	0.00	0.000	0.00
		BIO-PEST	MT	0.000	0.00	0.000	0.00
		Total 1			33.31		45.48
2)	Bulk processed Products	WDP	MT	3.284	17.42	11.910	33.64
		EC	LTRS	2140	8.72	2970	10.38
		Total 2			26.14		44.02
3)	Semi Finished Products	WDP	MT	1.350	16.80	0.000	0.00
		EC	LTRS	10900	23.01	32330	58.90
		GRANUALS	MT	0.000	0.00	0.000	0.00
		Total 3			39.81		58.90
	TOTAL	1+2+3			99.26		148.40
	Closing stocks valued as per book balance after physical verification.						
f)	Raw Materials Consumed.						
				2016-17		2015-2016	
	Items.		Unit	Qty.	Value	Qty.	Value
1)	Technical						
	Cypermethrin		MT	0.800	4.43	3.000	16.61
	Dimethoate		MT	29.900	98.87	31.250	97.71
	Fenvelrate		MT	0.200	1.28	0.200	1.29
	Malathion		MT	2.250	4.84	7.000	15.40

	Quinolphos		MT	75.825	350.72	40.500	202.30
	Monocrotophos		MT	15.073	57.20	12.895	51.00
	Chloropyriphos		MT	15.372	55.93	15.6260	63.96
	TOTAL				573.27		448.27
2)	Auxiliaries & Others		Various		199.70		150.99
	R.M. TOTAL				772.97		599.26
	Consumption includes quantity of Tech.Raw material sold as such Rs.nil/-(Previous year NIL) and other issues.						
3)	Purchase of Bulk processed/Traded materials.			Qty.	Value	Qty.	Value
	Bulk Processed	WDP	MT	255.165	730.09	158.000	403.45
	Bulk Processed	EC	LTRS	38100	96.20	29100	93.23
	Bulk Total				826.29		496.68
	Grand Total 1 +2 + 3				1599.26		1095.94
g)	Value of Imported & Indigenous raw materials and percentage of their consumption to total consumption.						
	i) Imported Percentage				0.00		0.00
					0.00		0.00
	ii) Indigenous Percentage				772.97		599.26
					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

Place : Mumbai
Date : 20.12.2017

M. S. Soman
Chief Executive

A. B. Uplenchwar
Executive Director

V. A. Sakpal
Director

Place : Akola

Date : 21.12.2017

As per Our Report of even date,
For S.G.Gandhi &
Co.,
Chartered Accountants,
FRN 103034W

CA. S.G.Gandhi
Partner
M No. 030160

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 31.3.2017 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	2014-15	2015-16	2016-17
Paid up Capital	550.00	550.00	550.00
Reserves & Surplus	16561.56	17659.12	19336.02
Capital Employed	14451.22	15990.53	19130.26
Sales	142092.76	116512.10	98879.85
Profit Before Tax	5668.58	2011.48	2586.47
Profit After Tax	3260.68	1140.84	1681.05
Dividend	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.

Plants	Capacity (MTs) (Annual Basis)	Investment as on 31.3.2017 (₹ in lakh)		
		Investment as on 31.3.2015	Investment as on 31.3.2016	Investment as on 31.3.2017
Rasayani	60,000	361.20	363.20	353.98
Pachora	70,000	310.61	310.61	310.61
Nanded	70,000	217.84	217.84	211.49
Wardha	65,000	516.90	517.04	509.24
Kolhapur	30,000	186.90	189.98	185.25
Jalna	30,000	320.25	320.38	314.03

The actual production and sales of NPK Fertilizers for the last three years are as under.

Year	Production (MTs)	Sales (MTs)
2014-15	1,89,046	1,97,564
2015-16	1,59,150	1,52,141
2016-17	1,42,380	1,44,991

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)
2014-15	3,05,658	37,507.13
2015-16	3,45,522	47,731.68
2016-17	2,28,089	26,915.00

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, Quinolphos, Cypermethrin, Fenevelrate, Monocrotophos, Chlorpyrifos, Dicofil, Ethion, Phorate 10 G etc.

The total sales of Pesticides during the last three years are given below.

Year	Sales (₹ In lakh)
2014-15	8,522.72
2015-16	5,105.65
2016-17	10,613.62

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
2014-15	57,174.13
2015-16	35,858.85
2016-17	36,552.86

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 31.3.2015	Investment as on 31.3.2016	Investment as on 31.3.2017
Sugras Factory, Chinchwad	30,000	126.56	126.56	120.21

The actual production and sales of "SUGRAS/MAHAAGRO" Feed for the last three years are as under.

Year	Production (MTs)	Sales Value (₹ in lakh)
2014-15	2,856	523.66
2015-16	6,162	1,091.75
2016-17	2542	448.94

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)
2014-2015	1,866	843.87
2015-2016	1,991	762.30
2016-2017	1383	720.65

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)

	2014-15	2015-16	2016-17
OPERATING RESULTS			
Sales	142092.76	116512.10	98879.85
Other Income	3061.75	2525.23	3012.97
Gross Earning	145154.51	119037.33	101892.82
Operating Profit	5999.18	2324.83	2931.23
Depreciation	214.41	197.92	169.46
Interest	116.19	115.43	175.30
Profit Before Tax	5668.58	2011.48	2586.47
Income Tax, WT & PPT	2407.90	870.64	905.42
Profit After Tax	3260.68	1140.84	1681.05
FINANCIAL POSITION			
Paid Up Capital	550.00	550.00	550.00
Reserves & Surplus	16561.56	17659.12	19336.02
Net Worth	17111.56	18209.12	19886.02
Loan Funds	0.00	0.00	1517.71
Capital Employed	14451.22	15990.53	19130.26
FIXED ASSETS			
Gross	4364.50	4465.21	4461.73
Net	2219.20	2134.45	2098.26
Net Current Assets	12231.40	13856.08	17032.00

The Maharashtra Agro Industries Development Corporation Limited.

Regional Offices :

- 1) Behind Agyaram Devi Petrol Pump,
Ganesh Peth,
Nagpur - 440018
Mobile no : 8888842359
- 2) Deolali Naka
New Mumbai-Agro Road,
Nashik - 422001
Mobile no : 8888842316
- 3) 517/E Maharani Tarabai Chowk,
Kawala Naka, Kolhapur - 416001
Mobile no : 8888842342
- 4) Shakti Sahakar
Opp, State Transport Divisional
Workshop, Aurangabad - 431001
Mobile no : 8888842336
- 5) Plot No 657 to 660
Gultekadi, Market Yard, P.B. No1412,
Pune - 411037
Mobile no : 8888842289
- 6) Samrudhi, New Mondha,
Near State Bank of India
Nanded - 431602
Mobile no : 8888842332
- 7) Paras Building, Damale Chowk, Near
Santoshi Mata Mandir,
Akola - 444001
Mobile no : 8888842373
- 8) Plot No P-73, MIDC Area, Mirjole,
Dist: Ratnagiri - 415612
Mobile no : 8888842348
- 9) Naik Nivas, 1st Floor,
Shivaji Chowk,
Osmanabad - 413501
Mobile no : 8888842361
- 10) Chaudhari Complex, Chaudhari
Chowk, Cotton Market, V.M.V. Road,
Amravati - 444601
Mobile no : 8888842375
- 11) Popat Building, IInd Floor,
Purti Bazar, Near Jatpura ,
Chandrapur - 442401
Mobile no : 8888842325
- 12) Zilla Sahakari Building,
Plot No. 48, Shahu Nagar
Hsg Society, Jalgaon - 425 001
Mobile no : 8888842351

13) Regional Office, Thane
Krushiudyog Bhavan,
Dinkarrao Desai Marg,
Aarey Milk Colony,
Goregaon (E),
Mumbai - 400 065
Mobile no : 8888842353

Sub Regional Offices:

"Sadhana Ratna",
Kotecha Colony, Jalna
Road, Beed - 431 122
Mobile no : 8888842339

Fertilizers Units:

Rasayani, Tal. Panvel.,
Dist: Raigad - 410207
Mobile no : 8888842320

Bhadgaon Road, Pachora,
Dist Jalgaon - 242 201
Mobile no : 8888842349

MIDC Industrial Estate,
Plot No B-2/B-3, P.B. 45
Nanded - 431602
Mobile no : 8888842322

MIDC Industrial Estate,
Plot No F1/F-2,
Wardha - 442001
Mobile no : 8888842399

19, MIDC Industrial Estate,
Gokul Shirgaon,
Tal. : Karveer,
Dist: Kolhapur- 416001
Mobile no : 8888842326

C-51 MIDC Industrial
Estate,
Jalna - 431203
Mobile no : 8888842324

Animal Feed Units:

MIDC Industrial Estate,
Plot No D-11/52,
Chinchwad,
Pune - 411019
Mobile no : 8888842308

Food Processing Units:

Noga Factory, Hingana
B-17 to 20 MIDC Area,
Hingna,
Nagpur-440016.
Mobile no : 8888842296

Agro Engg. Works

MIDC Industrial Estate,
Plot No D-11/52
Chinchwad,
Pune - 411019
Mobile no : 8888842328

**Research & Development
Centre.**

Girad Road,
Pachora - 424 201
Dist Jalgaon
Ph no :02596-244731

Kasarde complex

At Post Kasarde,
Taluka Kankavali,
Dist : Sindhudurg
Ph no :02356-2272672

Subsidiary Company:

Maharashtra Insecticides Ltd.
C-4, MIDC Industrial Area,
Shivani, Akola - 444 104
Mobile no : 8888842315

Maharashtra Insecticides Ltd.
Plot No F-4, MIDC Industrial
Area,
At Post- Lote Prshuram
Taluka Khed,
Dist: Ratnagiri -415722
Ph no :272672, 272572

ANNEXURE - I

PART I : Chronology of events connected with finalization of Audited Accounts for the financial Year 2016-17 of The MAIDC Ltd., Mumbai.

S.No.	Task	Date with period
1.	Date of Approaching CAG for appointment of Statutory Auditors	--
2.	Date of Appointment of Statutory Auditors	08/09/2016
3	Date of handing over the Annual Accounts to Statutory Auditors	18/08/2017
4	Date of Compilation of Audited accounts of the Corporation	23/05/2018
5	Date of finalization of Annual Accounts (Adoption by BOD)	23/05/2018
6.	Time taken by the Statutory Auditors for auditing the accounts	279 Days
7.	Date of Raising of Queries from Auditors	10/01/2018
8.	Time taken in resolving audit queries and the date of receipt of the final audit report in the Corporation (CAG's comments)	11/01/2018 TO 31/05/2018 / 139 Days
9.	The date when the Annual Report and Audited Accounts of the Corporation were approved (Date of AGM)	25/09/2018
10.	Date and Time taken in translation of Annual Reports and Audited Accounts of the Corporation	20/07/2018 TO 19/01/2019/183 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	15/05/2019

ANNEXURE - II

Part II : Detailed reasons (in narrative form) for delay for not laying the Annual Report for the year 2016-17 within nine months from close of the financial year before Parliament.

- i) Appointment of Auditors for the financial year 2016-17 Letter No.1482/
Dtd.08.09.2016 received from CAG-III on Date 28.09.2016.
- ii) CAG's comments received on 23.05.2018.
- iii) AGM of Corporation for the Accounting Year 2016-17 was held on 25TH September 2018 and the accounts of the Corporation for the year 2016-17 including consolidated account for the year 2016-17 was approved and adopted on 25TH September 2018.
- iv) Due to change in Companies Act 2013, calculations of % on depreciation of Assets have been effected from F.Y.2016-17.
