

57th ANNUAL REPORT 2018-19



MSSIDC

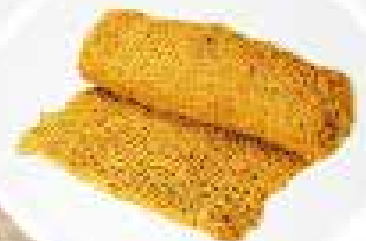
MAHARASHTRA SMALL SCALE INDUSTRIES
DEVELOPMENT CORPORATION LIMITED

Krupanidhi, 9, Walchand Hirachand Marg,

Ballard Estate, Mumbai - 400 001.

Phone : (022) 22611121-22-23

<http://www.mssidc.maharashtra.gov.in>





MSSIDC

**THE FOLLOWING CUSTOMER FRIENDLY SERVICES
ARE BEING PROVIDED TO SMALL SCALE INDUSTRIES**

MAHACOIR

- Maharashtra coir production, exhibition and training centre

WAREHOUSING MATERIAL

- Warehousing Facilities

MARKETING ASSISTANCE

- Participation in tenders on behalf of units in government / semi-government bodies tenders.

HANDICRAFT DEVELOPMENT & EXHIBITIONS

- Conducting Training and arranging Exhibitions for Handicraft items.

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DEVELOPMENT CORPORATION LIMITED**

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Mumbai - 400 001. Phone : (022) 22611121-22-23
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**57th ANNUAL REPORT
FOR THE YEAR 2018-19**

COMPANY INFORMATION

BOARD OF DIRECTORS	SHRI. SANTOSH KUMAR, IAS DR. MARY N. KERKETTA, IAS DR. HARSHADEEP KAMBLE, IAS SHRI. A. J. SUBHEDAR, IAS
MANAGING DIRECTOR	SHRI. SANTOSH KUMAR, IAS
CHIEF FINANCIAL OFFICER	SHRI. SUDHAKAR SIDHEWAD (Additional Charge)
COMPANY SECRETARY	SHRI. KUSH KESHRI
BANKERS	STATE BANK OF INDIA
STATUTORY AUDITORS	SARA & ASSOCIATES CHARTERED ACCOUNTANT, MUMBAI
REGISTERED OFFICE	KRUPANIDHI, 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, MUMBAI - 400 001.

Director's Report

To,
The Members,
Maharashtra Small Scale Industries Development Corporation Limited,
Mumbai.

On behalf of the Board of Directors, We have great pleasure in presenting the 57th Annual report on the working of the MSSIDC Limited, together with the Audited Accounts for the year ended on 31st March, 2019.

1. CONSOLIDATED FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY :

The financial results for the year ended 31st March, 2019, and the corresponding figures for the last year are as under: -

(Amount in Lac.)

Particulars	2018-19	2017-18
Profit / Loss Before Interest, Depreciation & Tax	(1.95)	(143.04)
Less: Finance Cost	11.40	1.58
Less: Depreciation & Amortization Expenses	37.42	36.97
Profit before Tax	(50.77)	(181.59)
Provision for Tax	-	-
Prior Period Income	18.04	21.04
Profit / Loss Before Tax	(32.72)	(160.54)
Deferred Tax(Assets /Liability)	(3.17)	0.68
Tax Adjustment earlier year	(322.10)	89.39
Profit after Tax	(357.99)	(70.48)
Less: Proposed Dividend & Tax thereon	-	-
Balance carried to Balance Sheet	(357.99)	(70.48)

2. RESERVE & SURPLUS:

The total loss of Rs.3,57,99,971.00 for the financial year ended on 31st March, 2019, is to be adjusted from the General Reserve.

3. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR, STATE OF COMPANY'S AFFAIR, ITS OPERATIONS AND FUTURE PROSPECTS:

Your Directors informs you that the company has occurred a loss of Rs. 3.57 Cr in the F.Y. 2018-19 as compared to loss of Rs.0.70 Cr in F.Y. 2017-18.

4. DIVIDEND:

In order to conserve the resources of the Company, the Directors do not recommend any dividend for the Financial Year 2018-19.

5. MEETINGS:

Four meeting of the Board of Directors were held during the financial year.

Sr.	Date	Serial No
1.	20.06.2018	352 nd Board Meeting
2.	28.09.2018	353 rd Board Meeting
3 .	26.12.2018	354 th Board Meeting
4.	28.02.2019	355 th Board Meeting

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

► The details of the Directors in the financial year 2018-19 to till date are as follows:

Sr.	Name of Directors	Designation	Date of Appointment	Date of Cession
1.	Shri Shivaji Daund, IAS	Managing Director	20.01.2014	04.05.2018
2.	Shri A.B. Misal, IAS	Nominee Director	29.10.2016	10.05.2019
3.	Shri Harshadeep Kamble, IAS	Nominee Director	08.06.2017	continuing
4.	Shri Santosh Kumar, IAS	Managing Director	04.05.2018	30.09.2019
5.	Dr. Mary Neelima Kerketta, IAS	Nominee Director	04.05.2018	continuing
6.	Shri Venugopal Reddy Bollavaram, IAS	Managing Director	30.09.2019	17.01.2020
7.	Shri Avinash J Subhedar, IAS	Nominee Director	10.05.2019	Continuing
8.	Dr. Nidhi Pandey, IAS	Nominee Director	26.12.2018	18.02.2019
9.	Smt Jayashree Bhoj, IAS	Managing Director	11.05.2020	21.10.2020
10.	Shri Pravin Darade, IAS	Managing Director	21.10.2020	Continuing

► The details of the Key Managerial Personnel from 2018 -19 to till date are as follows:

Sr.	Name of Key Managerial Personnel	Designation	Date of Appointment	Resignation
1	Shri Sudhakar Siddewad	CFO	14.06.2018	1.06.2020
2	Shri Manesh Waghirkar	CFO	01.09.2017	14.06.2018
3	Smt Sandhya Pawar	CFO	01.06.2020	Continuing
4	Shri Kush Keshri	CS	19.08.2014	Continuing

7. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES :

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company, since it is a State Government undertaking incorporated under Companies Act, and the Directors are appointed by the Government. Hence, the Company has not devised any policy relating to appointment of Directors, payment of Director's remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013

8. DECLARATION OF INDEPENDENT DIRECTORS:

The provision of Section 149 pertaining to the appointment of Independent Directors does not apply to our Company.

9. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the link

<https://mssidc.maharashtra.gov.in/wp-content/uploads/2014/03/CSR-Policy-Revised.pdf>

No CSR activity was undertaken in this financial year. The balance fund is under calculation. The same CSR fund will be utilised shortly or will be transferred to the Prime Minister Relief Fund.

10. INTERNAL CONTROL SYSTEM:

The Company's internal control system comprises of audit and compliance by a team of efficient and effective Internal Auditors. The internal auditors independently evaluate the adequacy of internal control and concurrently audit the transactions. Moreover, we are further taking steps to strength the internal control system.

11. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the year 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. CHANGES IN SHARES CAPITAL:

During the year under review, there has been no change in Authorized Share Capital of the Corporation.

13. STATUTORY AUDITORS:

SARA and Associate, Chartered Accountants, Mumbai were appointed as Statutory Auditors for the Financial Year by C&AG.

14. REPLY TO QUALIFICATIONS AND ADVERSE COMMENTS OF AUDITORS' REPORT:

Attached in Annexure - 1

15. REVIEW BY THE COMPTROLLER AND AUDITOR GENERAL

Comment on the working result of the Corporation by the Comptroller and Auditor General of India form's a part of this Annual Report.

16. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 an extract of annual return in MGT 9 as a part of this Annual Report as ANNEXURE 'II'.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

No loans, investment or guarantee or security has been provided by the Company under the provisions of Section 186 of the Companies Act, 2013.

18. DEPOSIT:

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

19. PARTICULARS OF EMPLOYEE:

There are no employees in receipt of remuneration exceeding the limits specified under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

No agreement was entered with related parties by the Company during the current year. No related party transactions were entered by the Company in ordinary course of business.

21. Subsidiaries, Joint Venture and Associate Companies.

Krupanidhi Limited is a subsidiary company of MSSIDC. MSSIDC holds 62% of its shares. MSSIDC do not have any Joint venture or an Associate company.

22. Fraud Reporting :

During the year under review, neither the management nor the auditors have observed and reported any frauds.

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

The company has a sexual harassment committee for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressed) Act, 2013. The Company did not receive any complain during the year 2018 – 19.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

NIL

25. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND :

Your Company did not have any funds lying unpaid or unclaimed for a period of

seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

26. DIRECTORS'S RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in clause (c) of Sub-section (3) of Section 134 of the Companies Act, 2013 shall state that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures:

The director had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;

- b. the director had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- c. the directors had prepared the annual accounts on a going concern basis; and
- d. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

27. ACKNOWLEDGEMENTS:

The Directors gratefully acknowledge the valuable guidance and support extended by the State Government, Company's Bankers, Suppliers, and Dealers for their assistance, cooperation and encouragement they extend to the Corporation.

The Directors also acknowledge the contribution made by the dealers, suppliers, retailers/ distributors of the corporations towards improving the service as well as for the overall performance of the Corporation.

Your directors also thank all Government Agencies and Employees of the Corporation for their support during the year and look forward to their continued support in the future

For and on behalf of the Board of Directors of

Managing Director

Director

DIN: 02642157

DIN: 07183938

Place: Mumbai

Date : 30/09/2021

**EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON 31/03/2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U74999MH1962SGC012501
ii.	Registration Date	19/10/1962
iii.	Name of the Company	Maharashtra Small Scale Industries Development Corporation Limited
iv.	Category/Sub-Category of the Company	LIMITED BY SHARES / GOVERNMENT COMPANY
v.	Address of the Registered office and contact details	Krupanidhi, 9, W.H Marge, Ballard Estate, Mumbai-400001.
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products /services	NIC Code of the Product/ service	% to total turnover of the company
1	Retail Trading	G	100%

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of share held	Applicable section
1	Krupanidhi Limited	U70101MH1964 SGC013078	Subsidiary	62%	2(87)

III. SHARE HOLDING PATTERN (Equity & Preference 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	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.0001 Five nominees were changed.
b) Central Govt	Nil	10,000	10,000	0.689	Nil	10,000	10,000	0.689	
c) State Govt(s)	Nil	14,40,093	14,40,093	99.310	Nil	14,40,093	14,40,093	99.999	
d) Bodies Corp	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
f) Any Other	Nil	6	6	0.001	Nil	6	6	0.0001	
g) (Nominees of govt. of Maharashtra)									
Sub-total (A) (1) :-	Nil	14,50,099	14,50,099	100	Nil	14,50,099	14,50,099	100	
2) Foreign	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
h) NRIs-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
i) Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
j) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
k) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
l) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
B. Public Shareholding									

1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Sub-total (B)(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
c) Others (Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Sub-total (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	
Grand Total (A+B+C)	Nil	14,50,099	14,50,099	100	Nil	14,50,099	14,50,099	100	NO Change

NO
Change

ii. Shareholding 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.	The Governor Of Maharashtra. Represented by Shri Dr. Namdev Bhosle	14,40,093	99.30	0	14,40,093	99.30	0	0
2.	The State Trading Corporation of India	10,000	0.68	0	10,000	0.68	0	0
3.	Mrs. Shraddha Kochrekar	01	0.0000006	0	01	0.0000006	0	0
4.	Shri Sanjay Ingley	01	0.0000006	0	01	0.0000006	0	0
5.	Shri Rajiv Ambikar	01	0.0000006	0	01	0.0000006	0	0
6.	Shri Abhinandan More	01	0.0000006	0	01	0.0000006	0	0
7.	Shri Anil Kumar Ugley	01	0.0000006	0	01	0.0000006	0	0
8.	Shri Nandu R Mistry	01	0.0000006	0	01	0.0000006	0	0
Total		14,50,099	100	0	14,50,099	100	0	0

*Shareholders from Sr. No. 3 to 8 are the nominees of the Government of Maharashtra and are Government employees working in Industries, Energy & Labour Department of the Government of Maharashtra, Mantralaya, Mumbai-400032

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

There are No changes in the Promoters Shareholding during the financial year 2018-19

IV. INDEBTEDNESS

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

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
- Addition	Nil	Nil	Nil	Nil
- Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SR. No.	Particulars of Remuneration	Name of MD Shri Shivaji Daund, IAS (01.04.2018 to 04.05.2018)	Name of MD Shri Santosh Kumar, IAS (04.05.2018 to 31. 03.2019)	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,66,940/-	23,24,660/-	25,91,600/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil		Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil		Nil
2.	Stock Option	Nil		Nil
3.	Sweat Equity	Nil		Nil
4.	Commission	Nil		Nil
	- as % of profit			
	- others, specify...			

2.	Stock Option		N.A	N.A	N.A	N.A
3.	Sweat Equity		N.A	N.A.	N.A	N.A
4.	Commission - as % of profit - others, specify...		N.A	N.A.	N.A	N.A
			N.A	N.A.	N.A	
5.	Others, please specify		N.A	N.A.	N.A	
6.	Total		2,58,258		6,64,514	9,22,772

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Details for change in the name of the nominees: NILL

For and on behalf of the Board of Directors of

Managing Director
DIN - 02642157

Director
DIN - 07183938

Place : Mumbai.
Date : 30.09.2021



INDEPENDENT AUDITORS' REPORT
**TO THE MEMBERS OF MAHARASHTRA SMALL SCALE INDUSTRIES
DEVELOPMENT CORPORATION LIMITED**

Report on the Consolidated Financial Statements

Adverse Opinion

We have audited the consolidated financial statements of **MAHARASHTRA SMALL SCALE INDUSTRIES DEVELOPMENT CORPORATION LIMITED** ("hereinafter referred to as the Holding Company) which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss, and Consolidated Statement of Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion, and due to the significance of the matters stated in the Basis for Adverse Opinion paragraph, the consolidated financial statements do not give the information required by the Companies Act, 2013 in the manner so required and also do not give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Holding Company as at 31st March, 2019, and its Loss and its cash flows for the year ended on that date.

Basis for Adverse Opinion

1. (i) As certified by the Management, the Holding Company has unsecured trade receivables of Rs. 37,44,10,020/- and debit balance in trade payables of Rs. 5,86,82,552 - which are pending for adjustment for more than three years. The Holding Company has made Provision of only Rs. 2,64,85,000/- against these receivable and debit balances. Hence, there is short provision of Rs. 40,66,07,572/-. (Refer Note No. 16.1 and 18.1 of notes to accounts).
- (ii) Rent receivable includes Rs. 4,65,92,331/- receivable from the lessee which has not paid any rent since last three years. The Holding Company has made Provision of only Rs. 48,24,614 against these receivable. Hence, there is short provision of Rs.4,17,67,717/-. (Refer Note No. 19.1 of notes to accounts)
- (iii) The Holding Company has made accounting error by reporting payment made to employee by showing advance to gratuity fund resulting overstatement of balance with gratuity trust fund by Rs.12,04,10,499/-. The above balance needs to be written off as gratuity expenses of earlier years. The Holding Company has also overstated gratuity liability by Rs. 1,92,68,711/- by crediting amount received from LIC as liability towards gratuity. The above excess balance needs to be written back. The net impact of the above is of Rs. 10,01,41,788/- which needs to be accounted as gratuity expenses of earlier years.
(Refer Note No. 6 and 14.1 and of notes to accounts).

(iv) The Holding Company has shown security deposits of Rs. 25,79,73,286/- as unsecured, considered good out of which Rs. 1,49,42,592/- is subject to balance confirmation and reconciliation if any. There is no corresponding income/expenses transaction also against these deposits. In our view the same is doubtful nature and provision against the same needs to be provided for. (Refer Note No. 12.1 of notes to accounts). (Refer Note No. 13. 1 of notes to accounts)

The cumulative effect of not providing for items (i) to (iv) in point 1 mentioned above would have resulted in the Corporation incurring a loss of Rs. 5992.60 lakhs as against the reported Loss of Rs. 358 lakhs.

2. The Holding Company has not fully complied with certain Accounting Standards issued by ICAI as detailed below:

Holding Company is accounting purchases and sales only after receiving invoices from the suppliers and not when the seller has transferred the goods to the buyer for a consideration and risk and rewards are transferred. This practice of revenue recognition is not in compliance with "Accounting Standards 9 - Revenue Recognition". This gives false and unfair view of the purchases and sales of the Holding Company for the year. Rebate income is being booked at the time of accounting of sales. Since booking of sales is not in compliance with AS 9, rebate income should have been adjusted to comply with AS 5 - Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies. The same has not been done and the Statement of Profit & Loss gives false and unfair view of Loss for the year. The Holding Company has not fully complied with AS 9 and AS 5 and the effect of the same cannot be quantified.

3. No provision for interest payable on the following unsecured loans is made in the books from the year 2007-08

Name of the Account	Amount outstanding (Rs.)
Ind. & Lab. Dept. Mah. Govt. Edu. Unempl . H.P.	13,18,000.00
Ind. & Lab. Dept. Mah. Govt- Seed Capital (3.5%)	64,03,332.00

4. Internal control system of the Holding Company is very weak and not commensurate with the size and volume of business of the Holding Company. The system is also susceptible to fraud, manipulation and misappropriation at various levels.
5. Various accounts under the head Godown and office rent receivable are not reconciled. Thus, we are unable to comment on the accuracy of Godown rent received & receivable and rent paid & payable accounted for in the books of accounts.

Other Matter

1. We did not audit the financial statements of the subsidiary whose financial statements reflect total assets of Rs. 1,07,08,346/- as at 31st March, 2019, total revenue and expense of Rs.22,53,512/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to

the aforesaid subsidiary, is based solely on the reports of the other auditor.

2. We would draw your attention to Notes No. 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 16, 19 and 21 of Notes to Accounts.
3. In the absence of details, we are unable to comment on the amount and interest on delayed payments payable to Micro, Small and Medium Enterprises, if any.
4. The Corporation has properties at Thane which are occupied by tenants but due to legal dispute and in absence of valid rental agreement, rental income cannot be ascertained hence not recognized in books of account.
5. In the absence of details of status of pending Sales Tax, Service Tax, Income Tax, TDS, Professional Tax and WCT (Work Contract Tax) assessments and other legal cases, the contingent liability, if any, in respect thereto cannot be ascertained as cases of various years are under process with the concerned Appellate Authorities and the quantum of the same cannot be ascertained.

Our report is not qualified for these other matters.

Other Information

The Holding Company's Board of Directors is responsible for other information. The other information comprises the Board of Directors Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statement does not cover the other information and we do not cover the information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding 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 Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Holding Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding 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; design, implementation and maintenance of adequate internal financial controls, that are 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.

In preparing the financial statements, management is responsible for assessing the Holding Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern of accounting unless management either intends to liquidate the Holding Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Holding Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Corporation has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and, except for the possible effects of the matter described in the Basis for Adverse Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) Except for the possible effects of the matter described in the Basis for Adverse Opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Holding Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
 - (c) Except for the matter described in the Basis for Adverse Opinion paragraph above, 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.
 - (d) Except for the matter described in the Basis for Adverse Opinion paragraph above, the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2013;
 - (e) The matter described in the Basis for Adverse Opinion paragraph above, in our

- opinion, may have an adverse effect on the functioning of the Corporation.
- (f) As per Notification issued by MCA on 05.06.2015 none of the directors is disqualified as on March 31.2019 from being appointed as a director in terms of Section 164 (2) of the act
 - g) with respect to the adequacy of the internal financial controls over financial reporting of the Corporation and the operating effectiveness of such control refer to our separate report in "**Annexure A**", and
 - (h) The adverse remarks relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Adverse Opinion paragraph above
 - (i) 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 No. 34 to the financial statements
 - (ii) Except for the possible effects of the matter described in the Basis for Adverse Opinion paragraph above, the Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts,
 - (iii) There has not been any occasion in case of the Group during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise,

For S A R A & Associates
Chartered Accountants
(Firm Registration No. 120927W)

(Manoj Agarwal)
Partner
Membership No. 119509
UDIN: 21119509AAAAJO4844

Place : Mumbai,
Date : 30 th September, 2021

Annexure - A to the Auditors 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 Small Scale Industries Development Corporation Limited ("the Corporation") as of 31st March 2019 in conjunction with our audit of the financial statements of the Corporation for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Corporation's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Corporation 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 Corporation'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 Corporation'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 Act 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 ICAI. 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 Corporation's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Corporation '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 Corporation '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 Corporation; (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 expenditure of the Corporation are being made only in accordance with authorisations of management and directors of the Corporation; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Corporation '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.

Disclaimer of Opinion

According to the information and explanation given to us, the Corporation has not established its internal financial controls over financial reporting on criteria based on or considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Corporation had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at 31st March, 2019.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the Corporation and our disclaimer does not affect our opinion on the financial statements of the Corporation.

For S A R A & Associates
Chartered Accountants
(Firm Registration No. 120927W)

(Manoj Agarwal)
Partner
Membership No. 119509
UDIN : 21119509AAAJO4844

Place : Mumbai

Date : 30 th September, 2021

REPLY TO AUDITORS REPORT FY 2018-19 (CONSOLIDATED)

Comment of Auditor	Comment of Management	Internal Audit Comment								
<p>Basis for Adverse Opinion</p> <p>(i) As certified by the Management, the Corporation has unsecured trade receivables of Rs. 37,44,10,020/- and debit balance in trade payables of Rs. 5,86,82,552/- which are pending for adjustment for more than three years. The Corporation has made Provision of only Rs. 2,64,85,000/- against these receivable and debit balances. Hence, there is short provision of Rs. 40,66,07,572/-. (Refer Note No. 16.1 and 18.1 of notes to accounts).</p>	<p>The total trade receivable is Rs.41,16,73,679/- out of that provision is made in books of account is Rs. 2,64,85,000/-. More than 3 years Trade Receivables is Rs.37,44,10,020/- (Annexure - A). The breakup of this outstanding (>3years) activity wise is as under,</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Activity</th> <th style="text-align: center;">Amount</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Marketing</td> <td style="text-align: center;">16,78,85,876</td> </tr> <tr> <td style="text-align: center;">Coal</td> <td style="text-align: center;">2,32,01,607</td> </tr> <tr> <td style="text-align: center;">Raw Material & others</td> <td style="text-align: center;">22,05,86,195</td> </tr> </tbody> </table> <p>In Raw material transaction, the legal case amount involved is Rs.19,20,42,859/,</p> <p>In Marketing transactions, we have undertaken scrutiny of marketing and after scrutiny the effect of accounting was given in FY 2015-16 to 2017-18. The remaining marketing debtors are still outstanding and due to non-availability of old records, further scrutiny has not undertaken.</p> <p>In Trade Payable, amount involved is Rs.5,86,82,552/- (Annexure - B). This is a debit balance in party account and not reconciled.</p>	Activity	Amount	Marketing	16,78,85,876	Coal	2,32,01,607	Raw Material & others	22,05,86,195	<p>As noted in our IA report:</p> <ol style="list-style-type: none"> 1. Trade receivable / payables ledger had several parties having a credit / debit balance on account of payments received / made from / to clients / vendors where a corresponding sales / purchase bill has not been booked as on the date of audit / cancelled subsequently. 2 . An audit trail of purchase invoice cancelled / modified was not available on record. 3. There was no sequential voucher numbering control in the financial system to record all purchases and sales. Several instances where serial number was missing / back dated sales / purchase transaction recorded in the system was noted. 4. Adequate justifications for aged receivables and payables were not made available during the audit. <p>We recommend a reconciliation of trade receivables / trade payables account for all aged items and make adequate provisions for the same.</p>
Activity	Amount									
Marketing	16,78,85,876									
Coal	2,32,01,607									
Raw Material & others	22,05,86,195									

REPLY TO AUDITORS REPORT FY 2018-19 (CONSOLIDATED)

<p>ii) Rent receivable includes Rs. 4,65,92,331/- receivable from the lessee which has not paid any rent since last three years. The Corporation has made Provision of only Rs. 48,24,614 against these receivable. Hence, there is short provision of Rs.4,49,66,537/-. (Refer Note No. 19.1 of notes to accounts</p>	<p>For Marketing Debtors/Sundry Creditors Debit Balances for more than 3 years need to be reconciled within the period 3 months and the directive will be send to concerned Divisions.</p> <p>We have not made any provision in books of accounts since the debtors and creditors amount is in huge and the impact in profit and loss account will be more.</p>	
	<p>The outstanding amount of opening balances is reflected in books of accounts Rs 6,83,85,053/- (Annexure C). the legal cases are involved in many divisions and we are making efforts to recovery. Therefore we have not made any provision in the books of accounts</p>	<p>As noted in our IA report:</p> <ol style="list-style-type: none"> 1. Rental agreements are not available on record / renewed for several parties. 2. Instances where ambiguity in rental amount as per MSSIDC & party resulting in delayed / short payments were noted. <p>We recommend having signed rate contracts with all parties to avoid ambiguity. Legal action must be initiated in case of aged receivables and adequate provisions made in the books on case to case basis.</p>

REPLY TO AUDITORS REPORT FY 2018-19 (CONSOLIDATED)

<p>iii) The Corporation has made accounting error by reporting payment made to employee by showing advance to gratuity fund resulting overstatement of balance with gratuity trust fund by Rs. 12,04,10,499/-. The above balance needs to be written off as gratuity expenses of earlier years. The Corporation has also overstated gratuity liability by Rs.1,92,68,711/- by crediting amount received from LIC as liability towards gratuity. The above excess balance needs to be written back. The net impact of the above is of Rs. 10,01,41,788/- which needs to be accounted as gratuity expenses of earlier years. (Refer Note No. 6 and 14.1 and of notes to accounts).</p>	<p>The reconciliation undertaken from FY 2002-03 to FY 2016-17 for gratuity trust account. We are searching prior records which are old one and not traceable. This is accounting error and we have the rectify the same. Further the Internal Auditor has also undertaken audit of Gratuity Trust account and they submitted their report. Further they have also suggested that the accounting can be done on the basis of actuarial valuation of gratuity and LIC confirmation. The excess amount need to be write off/write back. After write off/write back the loss will increase to the extent i.e. Rs. 10.11 Cr. (Annexure - D).</p>	<p>Accounting error to record gratuity related transactions resulted in overstatement of balance with gratuity trust fund by Rs. 12.04 crs. and overstated gratuity liability by Rs.1.92 crs. Net amount must be accounted as gratuity expenses of earlier years post reconciliation.</p> <p>Year wise breakup was available only for Rs 7.85 Crs. LIC Advice (Current Service Cost) was NOT AVAILABLE from FY 1999 to 2014. Actuarial Valuation not performed 1999 to 2017. Tally record was not available for corresponding entries pertaining to FY 2015-16 till 2017-18.</p> <p>We recommend that Control Ledgers MSSIDC Employee Gratuity Fund Ledger in the books of MSSIDC, MSSIDC Ledger in the books of LGTF and Gratuity Fund balance confirmation statement from LIC must be reconciled and adequate rectifications carried out by writing off gratuity expense of earlier years and write back of overstated gratuity liability.</p>
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REPLY TO AUDITORS REPORT FY 2018-19 (CONSOLIDATED)

<p>iv) The Corporation has shown security deposits of Rs.25,79,73,286/- as unsecured, considered good out of which Rs.1,49,42,592/- is subject to balance confirmation and reconciliation if any. There is no corresponding income/expenses transaction also against these deposits. In our view the same is doubtful nature and provision against the same needs to be provided for. (Refer Note No. 13.1 of notes to accounts).</p> <p>The cumulative effect of not providing for items (i) to (iv) in point 1 mentioned above would have resulted in the Corporation incurring a loss of Rs. 6,024.58 lakhs as against the reported Loss of Rs. 358 lakhs</p>	<p>The Security Deposit shown amount of Rs. 25,79,73,285/- out of that Rs.1,43,09,854/- is not reconciled (Annexure - E). This security deptsit need to reconciled as early as possible and instructions will be issued concern DM's. The considering the fact we have not having any provision in books of account.</p>	<p>As noted in our IA report, on review of deposit ledger we noted 92 parties with deposits made worth Rs. 25.57 Crores. As informed by the Finance Controller, these deposits are extremely old and over the course of time due to change in the accounting system and company personnel all relevant information relating to these deposits have been lost.</p> <p>We recommend reconciliation of security deposits & balance confirmation obtained from all parties. Each deposit must be evaluated and adequate provisions created in the books based on recovery probability.</p>
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAHARASHTRA SMALL SCALE INDUSTRIES DEVELOPMENT CORPORATION LIMITED

Report on the Audit of the Standalone Financial Statements

Adverse Opinion

We have audited the standalone financial statements of MAHARASHTRA SMALL SCALE INDUSTRIES DEVELOPMENT CORPORATION LIMITED ("The Corporation") which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss, and statement of Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, and due to the significance of the matters stated in the Basis for Adverse Opinion paragraph, the standalone financial statements do not give the information required by the Companies Act, 2013 in the manner so required and also do not give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Corporation as at 31st March, 2019, and its Loss and its cash flows for the year ended on that date.

Basis for Adverse Opinion

1. (i) As certified by the Management, the Corporation has unsecured trade receivables of Rs. 37,44,10,020/- and debit balance in trade payables of Rs. 5,86,82,552/- which are pending for adjustment for more than three years. The Corporation has made Provision of only Rs. 2,64,85,000/- against these receivable and debit balances. Hence, there is short provision of Rs. 40,66,07,572/- (Refer Note No. 15.1 and 17.1 of notes to accounts).

(ii) Rent receivable includes Rs.4,65,92,331/- receivable from the lessee which has not paid any rent since last three years. The Corporation has made Provision of only Rs. 48,24,614 against these receivable. Hence, there is short provision of Rs.4,17,67,717/- (Refer Note No. 18.1 of notes to accounts)

(iii) The Corporation has made accounting error by reporting payment made to employee by showing advance to gratuity fund resulting overstatement of balance with gratuity trust fund by Rs. 12,04,10,499/-. The above balance needs to be written off as gratuity expenses of earlier years. The Corporation has also overstated gratuity liability by Rs. 1,92,68,711/- by crediting amount received from LIC as liability towards

gratuity. The above excess balance needs to be written back. The net impact of the above is of Rs. 10,01,41,788/- which needs to be accounted as gratuity expenses of earlier years. (Refer Note No. 5 and 13.1 and of notes to accounts).

(iv) The Corporation has shown security deposits of Rs. 25,79,73,286/- as unsecured, considered good out of which Rs. 1,49,42,592- is subject to balance confirmation and reconciliation if any. There is no corresponding income/expenses transaction also against these deposits. In our view the same is doubtful nature and provision against the same needs to be provided for. (Refer Note No. 12.1 of notes to accounts). (Refer Note No. 12.1 of notes to accounts)

The cumulative effect of not providing for items (i) to (iv) in point 1 mentioned above would have resulted in the Corporation incurring a loss of Rs. 5992.60 lakhs as against the reported Loss of Rs. 358 lakhs.

2. The Corporation has not fully complied with certain Accounting Standards issued by ICAI as detailed below:

Corporation is accounting purchases and sales only after receiving invoices from the suppliers and not when the seller has transferred the goods to the buyer for a consideration and risk and rewards are transferred. This practice of revenue recognition is not in compliance with "Accounting Standards 9 - Revenue Recognition". This gives false and unfair view of the purchases and sales of the Corporation for the year. Rebate income is being booked at the time of accounting of sales. Since booking of sales is not in compliance with AS 9, rebate income should have been adjusted to comply with AS 5 - Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies. The same has not been done and the Statement of Profit & Loss gives false and unfair view of Loss for the year. The Corporation has not fully complied with AS 9 and AS 5 and the effect of the same cannot be quantified.

3. No provision for interest payable on the following unsecured loans is made in the books from the year 2007-08

Name of the Account	Amount outstanding (Rs.)
Ind. & Lab. Dept. Mah. Govt. Edu. Unempl. H.P.	13,18,000.00
Ind. & Lab. Dept. Mah. Govt- Seed Capital (3.5%)	64,03,332.00

4. Internal control system of the Corporation is very weak and not commensurate with the size and volume of business of the Corporation. The system is also susceptible to fraud, manipulation and misappropriation at various levels.

5. Various accounts under the head Godown and office rent receivable are not reconciled. Thus, we are unable to comment on the accuracy of Godown rent received & receivable and rent paid & payable accounted for in the books of accounts.

Other Matter

1. We would draw your attention to Notes No. 4, 5, 6, 7, 8, 11, 12, 13, 15, 17, 18, 20 of Notes to Accounts.
2. In the absence of details, we are unable to comment on the amount and interest on delayed payments payable to Micro, Small and Medium Enterprises, if any.

3. The Corporation has properties at Thane which are occupied by tenants but due to legal dispute and in absence of valid rental agreement, rental income cannot be ascertained hence not recognized in books of account
4. In the absence of details of status of pending Sales Tax, Service Tax, Income Tax, TDS, Professional Tax and WCT (Work Contract Tax) assessments and other legal cases, the contingent liability, if any, in respect thereto cannot be ascertained as cases of various years are under process with the concerned Appellate Authorities and the quantum of the same cannot be ascertained.

Our report is not qualified for these other matters.

Other Information

The Corporation's Board of Directors is responsible for other information. The other information comprises the Board of Directors Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statement does not cover the other information and we do not cover the information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Corporation'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 Corporation in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Corporation 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; design, implementation and maintenance of adequate internal financial controls, that are 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.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic

alternative but to do so.

Those Board of Directors are also responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(1) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Corporation has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other

matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and, except for the possible effects of the matter described in the Basis for Adverse Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) Except for the possible effects of the matter described in the Basis for Adverse Opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Corporation so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us,
 - (c) Except for the matter described in the Basis for Adverse Opinion paragraph above, The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) Except for the matter described in the Basis for Adverse Opinion paragraph above, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2013;
 - (e) The matter described in the Basis for Adverse Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Corporation.

- (f) As per Notification issued by MCA on 05.06.2015 none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- (g) with respect to the adequacy of the internal financial controls over financial reporting of the Corporation and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**", and
- (h) The adverse remarks relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Adverse Opinion paragraph above.
- (i) 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 Corporation has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 33 to the financial statements;
 - (ii) Except for the possible effects of the matter described in the Basis for Adverse Opinion paragraph above, the Corporation has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - (iii) There has not been any occasion in case of the Corporation during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For S A R A & Associates
Chartered Accountants
(Firm Registration No. 120927W)

(Manoj Agarwal)
Partner
Membership No. 119509
UDIN : 21119509 AAAAJP9679

Place : Mumbai,
Date : 30 th September, 2021

Annexure A- to the Independent Auditors' Report

The Annexure referred to in our report of even date. We report that:

- i) In respect of its Fixed Assets:
 - a) The Corporation has not maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets;
 - b) The Corporation does not have a regular programme of physical verification of its fixed assets having regard to the size of the Corporation and the nature of its assets.
 - c) According to the information, explanations and representation given to us, the Corporation has not disposed off any substantial part of its Fixed Assets during the year.
- ii) In respect of its inventories:
 - a) The inventory of the Corporation has not been physically verified by the management during the year.
 - b) Systematic procedures reasonable and adequate in relation to the size of the Corporation and nature of its business need to be implemented for physical verification of inventory by the management
 - c) Since physical verification of inventory was not done during the year, dealing with material discrepancy on physical verification cannot be commented on.
- iii) As explained to us, the Corporation has neither granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 nor has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the act").
- iv) In our opinion and according to the information and explanation given to us, the Corporation has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. The Corporation has not issued any guarantee nor provided any security.
- v) The Corporation has not accepted deposits from the public. Hence provisions of section 58 A and 58 AA of the Companies Act, 2013 and Rules framed there under are not applicable.
- vi) The Central Government has prescribed maintenance of cost record for the Corporation under sub section (1) of section 148 of the Companies Act, 2013 and such accounts have been made and maintained by the corporation.
- vii) (a) According to the records of the Corporation and according to the information and explanation given to us, the Corporation is regular in depositing with appropriate authorities, undisputed Statutory dues, including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other Statutory dues applicable to it except Service Tax (amount unascertainable) and TDS (amount unascertainable). According to the records of the Corporation and according to the information and explanation

given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty and Cess which in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no material statutory dues which have not been deposited with the appropriate authorities on account of any dispute except the following:

Name of Statute	Nature of Dues	Period to "which the amount relates"	Amount (Rs.)	Forum where dispute is pending
Income Tax	Income tax demand	F.Y.2010-11	8,25,24,620	CIT, Appeals
		F.Y. 2011-12	46,62,390	CIT, Appeals
		F.Y. 2014-15	1,20,23,830	CIT, Appeals
		F.Y. 2015-16	66,68,291	CIT, Appeals
		F.Y. 1992-93	1,07,06,420	High Court
MVAT/ CST	Tax, interest & penalty	2010-11	1,47,98,506	Appeal
		2011-12	1,25,53,196	Appeal
		2012-13	18,21,32,821	Appeal
		2013-14	6,45,67,568	Appeal
		2014-15	2,95,85,142	Appeal
Sales Tax	Tax, interest & penalty	1989-90	6,02,454	Appeal
		1995-96	15,40,556	Appeal
		1999-00	1,19,10,369	Appeal
		2001-02	1,18,00,845	Appeal

- viii) According to the information, explanations & representation given to us, the Corporation has not defaulted in repayment of its dues to banks or financial institutions. The Corporation does not have any borrowings by way of debentures.
- ix) The Corporation did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x) According to the information and explanation given to us, no material fraud by the Corporation or on the Corporation by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us and based on our examination of the records of the Corporation, the Corporation has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V of the Act.

- xii) In our opinion and according to the information and explanations given to us, the Corporation is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanation given to us and based on our examinations of the records of the Corporation, transaction has been entered into by the Corporation with related parties are in compliance with the sections 177 to 188 of the Act where applicable. The above details are accurately disclosed in the financial statement as required by the applicable Accounting Standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Corporation, the Corporation has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanation given to us and based on our examination of the records of the Corporation, the Corporation has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
- xvi) According to the information and explanation given to us and based on our examination of the records of the corporation, The corporation is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For S A R A & Associates,
Chartered Accountants,
(Firm Registration No. 120927W),

(Manoj Agarwal),
Partner,
Membership No. 119509,
UDIN:21119509AAAAJP9679

Place : Mumbai

Date : 30th September, 2021

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 Small Scale Industries Development Corporation Limited ("the Corporation") as of 31st March 2019 in conjunction with our audit of the financial statements of the Corporation for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Corporation's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Corporation 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 Corporation'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 Corporation'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 Act 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 ICAI. 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 Corporation's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Corporation '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 Corporation is 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 Corporation; (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 expenditure of the Corporation are being made only in accordance with authorisations of management and directors of the Corporation; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Corporation '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 reporting to future periods are subject to the risk that the internal financial control over financial reporting may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Disclaimer of Opinion

According to the information and explanation given to us, the Corporation has not established its internal financial controls over financial reporting on criteria based on or considering the essential components of internal controls stated in the Guidance Note on Audit of internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Corporation had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at 31st March, 2019.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the Corporation and our disclaimer does not affect our opinion on the financial statements of the Corporation.

For S A R A & Associates
Chartered Accountants
(Firm Registration No. 120927W)

(Manoj Agarwal)
Partner
Membership No. 119509
UDIN- 21119509AAAAJP9679

Place : Mumbai

Date : 30th September, 2021

REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

	Comment of Auditor	Comment of Management	Internal Audit Comment								
1	<p>(i) As certified by the Management, the Corporation has unsecured trade receivables of Rs. 37,44,10,020/- and debit balance in trade payables of Rs. 5,86,82,552/- which are pending for adjustment for more than three years. The Corporation has made Provision of only Rs.2,64,85,000/- against these receivable and debit balances. Hence, there is short provision of Rs. 40,66,07,572/- (Refer Note No. 15.1 and 17.1 of notes to accounts).</p>	<p>The total trade receivable is Rs.41,16,73,679/- out of that provision is made in books of account is Rs. 2,64,85,000/-. More than 3 years Trade Receivables is Rs.37,44,10,020/- (Annexure - A). The breakup of this outstanding (>3years) activity wise is as under,</p> <table border="1" data-bbox="571 801 821 1478"> <thead> <tr> <th>Activity</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Marketing</td> <td>16,78,85,876</td> </tr> <tr> <td>Coal</td> <td>2,32,01,607</td> </tr> <tr> <td>Raw Material & others</td> <td>22,05,86,195</td> </tr> </tbody> </table> <p>In Raw material transaction, the legal case amount involved is Rs.19,20,42,859/-.</p> <p>In Marketing transactions, we have undertaken scrutiny of marketing and after scrutiny the effect of accounting was given in FY 2015-16 to 2017-18. The remaining marketing debtors are still outstanding and due to non-availability of old records, further scrutiny has not undertaken.</p> <p>In Trade Payable, amount involved is Rs.5,86,82,552/- (Annexure - B). This is a debit balance in party account and not reconciled.</p> <p>For Marketing Debtors /Sundry Creditors Debit Balances for more than 3 years need to be reconciled within the period 3 months and the directive will be send to concerned Divisions.</p>	Activity	Amount	Marketing	16,78,85,876	Coal	2,32,01,607	Raw Material & others	22,05,86,195	<p>As noted in our IA report:</p> <ol style="list-style-type: none"> Trade receivable / payables ledger had several parties having a credit / debit balance on account of payments received / made from / to clients / vendors where a corresponding sales / purchase bill has not been booked as on the date of audit / cancelled subsequently. An audit trail of purchase invoice cancelled / modified was not available on record. There was no sequential voucher numbering control in the financial system to record all purchases and sales. Several instances where serial number was missing / back dated sales / purchase transaction recorded in the system was noted. Adequate justifications for aged receivables and payables were not made available during the audit. <p>We recommend a reconciliation of trade receivables / trade payables account for all aged items and make adequate provisions for the same.</p>
Activity	Amount										
Marketing	16,78,85,876										
Coal	2,32,01,607										
Raw Material & others	22,05,86,195										

REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

		<p>We have not made any provision in books of accounts since the debtors and creditors amount is in huge and the impact in profit and loss account will be more.</p> <p>The outstanding amount of opening balances is reflected in books of accounts Rs. 6,83,85,053/- (Annexure C). the legal cases are involved in many divisions and we are making efforts to recovery. Therefore we have not made any provision in the books of accounts</p>	
<p>Rent receivable includes Rs. 4,65,92,331/- receivable from the lessee which has not paid any rent since last three years. The Corporation has made Provision of only Rs. 48,24,614 against these receivable. Hence, there is short provision of Rs.4,49,66,537/- (Refer Note No 18.1 of notes to accounts</p>			<p>As noted in our IA report:</p> <ol style="list-style-type: none"> 1. Rental agreements are not available on record / renewed for several parties. 2. Instances where ambiguity in rental amount as per MSSIDC & party resulting in delayed / short payments were noted. <p>We recommend having signed rate contracts with all parties to avoid ambiguity. Legal action must be initiated in case of aged receivables and adequate provisions made in the books on case to case basis.</p>

REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

<p>ii) The Corporation has made accounting error by reporting payment made to employee by showing advance to gratuity fund resulting overstatement of balance with gratuity trust fund by Rs. 12,04,10,499/-. The above balance needs to be written off as gratuity expenses of earlier years. The Corporation has also overstated gratuity liability by Rs. 1,92,68,711/- by crediting amount received from LIC as liability towards gratuity. The above excess balance needs to be written back. The net impact of the above is of Rs. 10,01,41,788/- which needs to be accounted as gratuity expenses of earlier years. (Refer Note No. 5 and 13.1 and of notes to accounts).</p>	<p>The reconciliation undertaken from FY 2002-03 to FY 2016-17 for gratuity trust account. We are searching prior records which are old one and not traceable. This is accounting error and we have the rectify the same. Further the Internal Auditor has also undertaken audit of Gratuity Trust account and they submitted their report. Further they have also suggested that accounting can be done on the basis of actuarial valuation of gratuity and LIC confirmation. The excess amount need to be write off/write back. After write off/write back the loss will increase to the extent i.e. Rs. 10.11 Cr. (Annexure - D)</p>	<p>Accounting error to record gratuity related transactions resulted in overstatement of balance with gratuity trust fund by Rs. 12.04 crs. and overstated gratuity liability by Rs.1.92 crs. Net amount must be accounted as gratuity expenses of earlier years post reconciliation.</p> <p>Year wise breakup was available only for Rs 7.85 Crs. LIC Advice (Current Service Cost) was NOT AVAILABLE from FY 1999 to 2014. Actuarial Valuation not performed 1999 to 2017. Tally record, was not available for corresponding entries pertaining to FY 2015-16 till 2017-18.</p> <p>We recommend that Control Ledgers MSSIDC Employee Gratuity Fund Ledger in the books of MSSIDC, MSSIDC Ledger in the books of LGTF and Gratuity Fund balance confirmation statement from LIC must be reconciled and adequate rectifications carried out by writing off gratuity expense of earlier years and write back of overstated gratuity liability.</p>
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REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

	<p>The corporation has shown security deposits of Rs. 25,79,73,286/- as unsecured, considered good out of which Rs. 1,49,42,592/- is subject to balance confirmation and reconciliation if any. There is no corresponding income/expenses transaction also against these deposits. In our view the same is doubtful nature and provision against the same needs to be provided for. (Refer Note No. 12.1 of notes to accounts).</p> <p>The cumulative effect of not providing for items (i) to (iv) in point 1 mentioned above would have resulted in the Corporation incurring a loss of Rs. 6,024.58 lakhs as against the reported Loss of Rs. 358 lakhs</p>	<p>The Security Deposit shown amount of Rs. 25,79,73,285/- out of that Rs.1,43,09,854/- is not recenerted (Annexxture - E). This Security Deposit need to reconciled as early as possible and instructions will be issued concern DM's. The considering the fact we have not having any provision in books of account.</p>	<p>As noted in our IIA report, on review of deposit ledger we noted 92 parties with deposits made worth Rs. 25.57 crores. As informed by the Finance Controller, these deposits are extremely old and over the course of time due to change in the accounting system and company personnel all relevant information relating to these deposits have been lost.</p> <p>We recommend reconciliation of security deposits & balance confirmation obtained from all parties. Each deposit must be evaluated and adequate provisions created in the books based on recovery probability.</p>
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REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

2.	<p>The Corporation has not fully complied with certain Accounting Standards issued by ICAI as detailed below:</p> <p>(i) Corporation is accounting purchases and sales only after receiving invoices from the suppliers and not when the seller has transferred the goods to the buyer for a consideration and risk and rewards are transferred. This practice of revenue recognition is not in compliance with “Accounting Standards 9 — Revenue Recognition”. This gives false and unfair view of the purchases and sales of the Corporation for the year. Rebate income is being booked at the time of accounting of sales. Since booking of sales is not in compliance with AS 9, rebate income should have been adjusted to comply with AS 5 - Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies. The same has not been done and the Statement of Profit & Loss gives false and unfair view of Loss for the year. The Corporation has not fully complied with AS 9 and AS 5 and the effect of the same cannot be quantified.</p>	<p>Our marketing turnover with Govt. Dept. Sale invoices are raised to Govt. Dep. In the month of Jan, Feb, March every year however, their delivery effected in subsequent year (delivery challan date is in subsequent year). Further, Govt Dept. follow the cash basis system of accounting whereas Corporation follows Mercantile system of accounting. Considering above mentioned two different accounting systems, this issue is arise. Due to this practical difficulty with respect to accounting standards, we are not able to follow.</p>
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REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

3	<p>No provision for interest payable on the following unsecured loans is made in the books from the year 2007-08</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 65%;">Name of the Account</th> <th style="width: 35%;">Amount outstanding (Rs.)</th> </tr> </thead> <tbody> <tr> <td>Ind. & Lab. Dept. Mah. Govt. Edu. Unempl.</td> <td></td> </tr> <tr> <td>H.P.</td> <td style="text-align: right;">13,18,000.00</td> </tr> <tr> <td>Ind. & Lab. Dept. Mah. Govt- Seed Capital (3.5%)</td> <td style="text-align: right;">64,03,332.00</td> </tr> </tbody> </table>	Name of the Account	Amount outstanding (Rs.)	Ind. & Lab. Dept. Mah. Govt. Edu. Unempl.		H.P.	13,18,000.00	Ind. & Lab. Dept. Mah. Govt- Seed Capital (3.5%)	64,03,332.00	<p>The Govt. of Maharashtra has given assistance to beneficiaries through MSSIDC. Accordingly MSSIDC disbursed loan to beneficiaries in the Year 1980-82. The principle amount lying in books of account, since transaction are very old one and Govt. has also not demanded the same for repayment.</p> <p>Further, Corporation has provided interest up to 2007-08. This interest amount is also not payable to Govt. therefore, provision is not made.</p>
Name of the Account	Amount outstanding (Rs.)									
Ind. & Lab. Dept. Mah. Govt. Edu. Unempl.										
H.P.	13,18,000.00									
Ind. & Lab. Dept. Mah. Govt- Seed Capital (3.5%)	64,03,332.00									
4	<p>Internal control system of the Corporation is very weak and not commensurate with the size and volume of business of the Corporation. The system is also susceptible to fraud, manipulation, and misappropriation at various levels.</p>	<p>We will streamline the internal control. We have prepared accounts and internal audit manuals which were already forwarded to respective places for the same for taking proper step/action for internal control.</p>								
5	<p>Various accounts under the head Godown and office rent receivable are not reconciled. Thus, we are unable to comment on the accuracy of Godown rent received & receivable and rent paid & payable accounted for in the books of accounts</p>	<p>Based on records, we have booked all godown rent. Further, we are following for recovery for the same:</p>								
1	<p>We would draw your attention to Notes No. 4, 5, 6, 7, 8, 11, 12, 13, 15, 17, 18, 20 of Notes to Accounts.</p>	<p>Based on available records, we have disclosed notes.</p>								

REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

2	In the absence of details, we are unable to comment on the amount and interest on delayed payments payable to Micro, Small and Medium Enterprises, if any.	The cases of interest on delayed payments payable to SSI unit is not found.
3	The Corporation has properties at Thane which are occupied by tenants but due to legal dispute and in absence of valid rental agreement, rental income cannot be ascertained hence not recognized in books of account.	In D-10 Thane godown, we have executed 2 agreements i.e. M/s. Steel Fabs in F.Y. 2017-18 and M/s. Maa Rani Natural Stores in F.Y. 2018- 19. Accordingly we have booked income of M/s. Steel Fabs from 01.07.2015 and M/s. Maa Rani Natural Stores billing done in F.Y. 2018-19.
4	In the absence of details of status of pending Sales Tax, Service Tax, Income Tax, TDS, Professional Tax and WCT (Work Contract Tax) assessments and other legal cases, the contingent liability, if any, in respect thereto cannot be ascertained as cases of various years are under process with the concerned Appellate Authorities and the quantum of the same cannot be ascertained.	The cases of MVAT, Income Tax is in appeal with concerned authority and we are following matter with respective authority for the same. (Annexure- F)

REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

	Report on Other Legal and Regulatory Requirements	
1	<p>(i) As required by the Companies (Auditor’s Report) Order, 2015 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in the “Annexure A” statement on the matters specified in paragraphs 3 and 4 of the Order.</p> <p>1. As required by Section 143 (3) of the Act, we report that:</p> <p>(a) We have sought and, except for the possible effects of the matter described in the Basis for Adverse Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.</p> <p>(b) Except for the possible effects of the matter described in the Basis for Adverse Opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Corporation so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us</p> <p>(c) Except for the matter described in the Basis for Adverse Opinion paragraph above, The Balance Sheet, the Statement of Profit and Loss and the Cash</p>	<p>As per Sec. 143, it is the declaration of the auditor.</p> <p>Noted and necessary action will be taken on the adverse opinion.</p> <p>NIL</p>
		<p>Noted and necessary action will be taken on the adverse, opinion.</p>

REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

	Flow Statement dealt with by this Report are in agreement with the books of account	
	(d) Except for the matter described in the Basis for Adverse Opinion paragraph above, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under section :133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2013	Noted and necessary action will be taken on the adverse opinion.
	(e) The matter described in the Basis for Adverse Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Corporation.	Noted
	(f) As per Notification issued by MCA on 05.06.2015 none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act.	Yes
	(g) with respect to the adequacy of the internal financial controls over financial reporting of the Corporation and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and	Noted
	(h) The adverse remarks relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Adverse Opinion paragraph above.	Noted and necessary action will be taken on the adverse opinion.

REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

	<p>(i) 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:</p> <p>(i) The Corporation has disclosed the impact of pending litigation on its financial position in its financial statements - Refer Note No. 33 to the financial statements;</p> <p>(ii) Except for the possible effects of the matter described in the Basis for Adverse Opinion paragraph above, the Corporation has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;</p> <p>(iii) There has not been any occasion in case of the Corporation during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay 'in transferring such sums does not arise.</p>	<p>YES</p> <p>Noted and disclosed</p> <p>Noted</p>
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REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

Annexure A- to the Independent Auditors' Report	
<p>The Annexure referred to in our report of even date. We report that:</p> <p>In respect of its Fixed Assets:</p> <p>a) The Corporation has not maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets;</p> <p>b) The Corporation does not have a regular program of physical verification of its fixed assets having regard to the size of the Company and the nature of its assets.</p> <p>c) According to the information, explanations and representation given to us, the Corporation has not disposed off any substantial part of its Fixed Assets during the year.</p>	<p>In FY 2014-15, all Fixed Assets verification work has done by independent CA firm and the addition to fixed asset was included in FY 2016-17. Hence, we are maintaining fixed assets. Register. Further, our divisional manager is always verifying fixed assets as on March 2019.</p>
<p>ii) In respect of its inventories:</p> <p>a) The inventory of the Corporation has not been physically verified by the management during the year.</p> <p>b) Systematic procedures reasonable and adequate in relation to the size of the Corporation and nature of its business need to be implemented for physical verification of inventory by the management.</p> <p>c) Since physical verification of inventory was not done during the year, dealing with material discrepancy on physical verification cannot be commented on.</p>	<p>The inventory of Paithan, Delhi, WTC, Ahmednagar and Kudal has verified by respective persons as on March 2019.</p>
<p>iii) As explained to us, the Corporation has neither granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 nor has not taken any loans, secured or unsecured from companies, from or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the act").</p>	<p>No transaction was executed therefore information is NIL.</p>

REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

iv)	In our opinion and according to the information and explanation given to us, the Corporation has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. The Corporation has not issued any guarantee nor provided any security.	Noted.
v)	The Corporation has not accepted deposits from the public. Hence provisions of section 58 A and 58 AA of the Companies Act, 2013 and Rules framed there under are not applicable.	This information is NIL.
vi)	The Central Government has prescribed maintenance of cost record for the company under sub section (1) of section 148 of the Companies Act, 2013 and such accounts have been made and maintained by the company.	Noted.
vii)	a) According to the records of the Corporation and according to the information and explanation given to us, the Corporation is regular in depositing with appropriate authorities, undisputed Statutory dues, including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other Statutory dues applicable to it except Service Tax (amount unascertainable) and TDS (amount unascertainable).	Noted.

REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

According to the records of the Corporation and according to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty and Cess which in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable : .

- b) According to the information and explanation given to us, there are no material statutory dues which have not been deposited with the appropriate authorities on account of any dispute except the following:

Name of Statute	Nature of Dues	Period to which the amount relates	Amount (Rs.)	Forum where dispute is pending
Income Tax	Income tax demand	F.Y.2010- 11	8,25,24,620	CIT, Appeals
		F.Y.2011- 12	46,62,390	
		F.Y. 2014 - 15	1 ,20,23,830	
		F.Y. 2015 - 16	66,68,291	

The cases of Sale Tax, Income Tax, MVAT is in appeal with concerned authority and we are following matter with respective authority for their saying.

REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

MVAT/ CST	Tax, interest & penalty	2005-06 2007-08 2009-10 2010-11 2012-13 2013-14 2014-15	1,24,69,644 6,34,25,816 61,60,387, 2,91,54,547 18,21,32,821 6,48,10,033 2,95,85,142	Appeal Appeal Rectification at A. O. Rectification at A. O. Dy. Comm of Sales Tax Dy. Comm of Sales Tax Dy. Comm of Sales Tax	
Sales Tax	Tax, interest & penalty	1989-90 1995-96 1999-00 2001-02	6,02,454 15,40,556 1,19,10,369 1,18,00,845	Appeal Appeal Appeal Appeal	
viii) The Corporation did not raise any money by way of initial public offer or. further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.					Not applicable
ix) According to the information and explanation given to us, no material fraud by the Corporation or on the Corporation by its officers or employees has been noticed or reported during the course of our audit.					Noted

REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

x)	According to the information and explanations given to us and based on our examination of the records of the Corporation, the Corporation has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of section 197 read with Schedule V of the Act.	Noted.
xi)	In our opinion and according to the information and explanations given to us, the Corporation is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.	Not applicable.
xii)	According to the information and explanation given to us and based on our examinations of the records of the Corporation, transaction has been entered into by the Corporation with related parties are in compliance with the sections 177 to 188 of the Act where applicable. The above details are accurately disclosed in the financial statement as required by the applicable Accounting Standards.	Noted and disclosed.
xiii)	According to the information and explanations given to us and based on our examination of the records of the Corporation, the Corporation has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.	Noted.
xiv)	According to the information and explanation given to us and based on our examination of the records of the Corporation, the Corporation has not entered non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.	Noted.

REPLY TO AUDITORS REPORT FY 2018-19 (STANDALONE)

xv)	According to the information and explanation given to us and based on our examination of the records of the Corporation, The Corporation is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.	Not applicable.
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फॅक्स नं. } 2209 2326
Fax No. } 2201 4438

दूरभाषा संख्या } 2205 4022
Telephone No. } 2205 7360
 } 2201 4437

e-mail : agcommaumaharashtra@cag.gov.in



प्रधान महालेखाकार (लेखापरीक्षा)-III महाराष्ट्र यांचे कार्यालय
प्रतिष्ठा भवन, तल मंजिल,
१०१, महर्षि कर्वे मार्ग, मुंबई - ४०० ०२०.

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL
(AUDIT) - III, MAHARASHTRA
PRATISHTHA BHAVAN, GROUND FLOOR,
101, MAHARSHI KARVE MARG, MUMBAI - 400 020.

दिनांक/Date : 30/08/2021

संख्या/No.

गोपनीय

प्रमले/लेप-II /तकनीकी विभाग/ MSSIDC 2018-19/consol/ I. No. 22/69

सेवा में,
प्रबंध निदेशक,
महाराष्ट्र स्मॉल स्केल इंडस्ट्रीज डेव्हलपमेंट कार्पोरेशन लिमिटेड,
मुंबई

विषय : ३१ मार्च, २०१९ को समाप्त हुए वर्ष के महाराष्ट्र स्मॉल स्केल इंडस्ट्रीज डेव्हलपमेंट
कार्पोरेशन लिमिटेड के समायोजित लेखों पर कम्पनी अधिनियम, २०१३ की धारा
१४३(६)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियां ।

महोदय,

३१ मार्च २०१९ को समाप्त हुए वर्ष के महाराष्ट्र स्मॉल स्केल इंडस्ट्रीज डेव्हलपमेंट कार्पोरेशन
लिमिटेड, मुंबई के समायोजित लेखों पर कंपनी अधिनियम, २०१३ की धारा १४३ (६)(b) के अंतर्गत
भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणी संलग्न है।

वार्षिक आमसभा (A.G.M.) होने के पश्चात, वार्षिक रिपोर्ट की तीन मुद्रित प्रतियाँ कृपया इस
कार्यालय को भेज दें, साथ ही उपरोक्त लेखों के वार्षिक प्रतिवेदन को विधानसभा में प्रस्तुत करने की
तिथी को भी इस कार्यालय को सूचित करें ।

भवदीय,

(एल हांगशिंग)

प्रधान महालेखाकार - (लेखापरीक्षा)-II

संलग्नक : यथोपरि

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MAHARASHTRA SMALL SCALE INDUSTRIES DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of consolidated financial statements of **Maharashtra Small Scale Industries Development Corporation Limited** for the year ended 31 March 2019 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 the 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 **26 February 2021**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of **Maharashtra Small Scale Industries Development Corporation Limited** for the year ended 31 March 2019 under section 143(6)(a) read with the section 129(4) of the Act. We conducted the supplementary audit of the financial statements of Maharashtra Small Scale Industries Development Corporation Limited and of the financial statements of **Krupanidhi Limited** (a subsidiary of the Company) 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.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

A. COMMENTS ON DISCLOSURE

Related Party Disclosures (Note 35)

Names of the Related Parties (Note 35 a)

(ii) Key Managerial Personnel

As per the Accounting Standard 18 the statutes governing an enterprise often require disclosure in financial statements of transactions with certain categories of related parties. In particular, attention is focused on transactions with the directors or similar key management personnel of an enterprise, especially their remuneration and borrowings, because of the fiduciary nature of their relationship with the enterprise.

Further, the name of the related party and nature of the related party relationship where control exists should be disclosed irrespective of whether or not there have been transactions between the related parties.

The list of names of Key Managerial Personnel does not contain the name of Shri Santosh Kumar, Managing Director of the company who had held the post from 04.05.2018 to 30.09.2019.

Hence, the disclosure under AS -18 is deficient to that extent.

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

**Sd/-
(L. HANGSING)
PRINCIPAL ACCOUNTANT GENERAL
(AUDIT)-II**

**Place : Nagpur
Date : 25.08.2021**

फॅक्स नं. } 2209 2326
Fax No. } 2201 4438

दूरभाषा संख्या } 2205 4022
Telephone No. } 2205 7360
2201 4437

e-mail : agcommaharashtra@cag.gov.in



महालेखाकार (लेखापरीक्षा)-III महाराष्ट्र यांचे कार्यालय
प्रतिष्ठा भवन, तल मंजिल,
१०१, महर्षि कर्वे मार्ग, मुंबई - ४०० ०२०.

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL
(AUDIT) - III, MAHARASHTRA
PRATISHTHA BHAVAN, GROUND FLOOR,
101, MAHARSHI KARVE MARG, MUMBAI - 400 020.

दिनांक/Date : 30/08/2021

संख्या/No.

गोपनीय
प्रमले/लेप-III /मुंबई शाखा/तकनीकी विभाग/ MSSIDC 2018-19/standalone/I. No. 22/73

सेवा में,
प्रबंध निदेशक,
महाराष्ट्र स्मॉल स्केल इंडस्ट्रीज डेव्हलपमेंट कार्पोरेशन लिमिटेड,
मुंबई

विषय : ३१ मार्च, २०१९ को समाप्त हुए वर्ष के महाराष्ट्र स्मॉल स्केल इंडस्ट्रीज डेव्हलपमेंट
कार्पोरेशन लिमिटेड के लेखों पर कम्पनी अधिनियम, २०१३ की धारा १४३(६)(b)
के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियां ।

महोदय,

३१ मार्च २०१९ को समाप्त हुए वर्ष के महाराष्ट्र स्मॉल स्केल इंडस्ट्रीज डेव्हलपमेंट कार्पोरेशन
लिमिटेड, मुंबई के स्टैंडअलोन लेखों पर कम्पनी अधिनियम, २०१३ की धारा १४३ (६)(b) के अंतर्गत
भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणी संलग्न है।

वार्षिक आमसभा (A.G.M.) होने के पश्चात, वार्षिक रिपोर्ट की तीन मुद्रित प्रतियाँ कृपया इस
कार्यालय को भेज दें, साथ ही उपरोक्त लेखों के वार्षिक प्रतिवेदन को विधानसभा में प्रस्तुत करने की
तिथी को भी इस कार्यालय को सूचित करें ।

भवदीय,

(एल हांगशिंग)

प्रधान महालेखाकार - (लेखापरीक्षा)-II

संलग्नक : यथोपरि

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THE MAHARASHTRA SMALL SCALE INDUSTRIES DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2019.

The preparation of financial statements of **Maharashtra Small Scale Industries Development Corporation Limited, Mumbai** for the year ended 31 March 2019 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 the 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 **26 February 2021**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Maharashtra Small Scale Industries Development Corporation Limited** for the year ended 31 March 2019 under section 143(6)(a) of the Act. 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.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report.

A. Comment on Profitability

Statement of Profit and Loss

Expenses

Other Expenses (Note 27) - 4.06 crore

1. This does not include 2.53 crore being the written down value of buildings constructed by the company on leasehold land in respect of which lease deeds have expired and possession handed over (2018-19 and 2019-20) to the lessor.

As such, the same should have been written off as a loss during the year which was not done. This resulted in overstatement of fixed assets and understatement of Expenses and Loss by 2.53 crore.

B. OTHER COMMENTS

3. Para 7B of Annexure to Auditor's Report relating to payment of Statutory dues does not include an amount of 1.07 crore against income tax demand notice for assessment year 1992-93 sub-judice under Hon'ble High Court.

Hence, the disclosure under annexure is deficient to this extent.

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

**Sd/-
(L. HANGSING)
PRINCIPAL ACCOUNTANT GENERAL
(AUDIT)-II**

Place : Nagpur

Date : 25.08.2021

2018-2019



MSISIDC

CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY

: ADDRESS :
KRUPANIDHI, 9,
WALCHAND HIRACHAND MARG,
BALLARD ESTATE, MUMBAI-400 001.

Maharashtra Small Scale Industries Development Corporation Limited

Consolidated Balance Sheet as at 31 March 2019

(Amount in Rs.)

	Note	31 March 2019	31 March 2018
Equity and liabilities			
Shareholders' funds			
Share capital	3	14,50,09,900	14,50,09,900
Reserves and surplus	4	38,65,35,556	42,42,28,569
Minority interest		38,000	38,000
Non-current liabilities			
Long-term borrowings	5	1,23,56,310	1,23,51,332
Long term provisions	6	9,72,25,879	11,39,66,715
Current liabilities			
Trade payables	7		
-Due to M.S.E.		-	-
-Due to others		40,06,63,360	39,31,61,099
Other current liabilities	8	65,00,25,373	61,68,58,792
Short-term provisions	9	7,08,02,175	10,80,07,789
Total		1,76,26,56,553	1,81,36,22,195
Assets			
Non-current assets			
Fixed assets			
- Tangible assets	10.1	12,17,17,679	12,42,82,057
- Intangible Assets	10.2	32,57,353	36,15,728
Non-current investments	11	40,250	40,250
Deferred tax assets (net)	12	1,30,38,112	1,33,54,693
Long term loans and advances	13	30,95,69,847	29,97,67,192
Other non-current assets	14	16,47,44,390	17,25,92,888
Current assets			
Inventories	15	82,40,253	91,90,820
Trade receivables	16	39,02,96,335	40,56,90,460
Cash and bank balances	17	56,02,47,186	60,11,52,745
Short-term loans and advances	18	6,64,34,596	7,66,20,430
Other current assets	19	12,50,70,553	10,73,14,934
Total		1,76,26,56,553	1,81,36,22,195

Significant accounting policies 1

The notes are an integral part of this financial statements

As per our attached report of even date

For S A R A & Associates

Chartered Accountants

Firm Reg. No. : 120927W

For and on behalf of the Board

Chief Financial Officer

Managing Director

DIN:02642157

Manoj Agarwal

Partner

Membership No. 119509

Place : Mumbai

Date : 30/09/2021

Company Secretary

Director

DIN:07183938

Place : Mumbai

Date : 30/09/2021

Maharashtra Small Scale Industries Development Corporation Limited

Consolidated Statement of Profit and Loss for the year ended 31 March 2019

(Amount in Rs.)

	Note	31 March 2019	31 March 2018
Revenue			
Revenue from operations	20	20,17,39,964	13,54,34,636
Other income	21	9,20,18,881	10,08,01,662
Total revenue		29,37,58,845	23,62,36,298
Expenses			
Cost of materials consumed	22	12,25,881	10,90,146
Purchases of traded goods	23	18,46,47,813	12,41,05,363
Changes in inventories of finished goods, work-in-progress and stock-in-Trade	24	10,99,192	(10,36,589)
Employee benefit expenses	25	6,57,44,777	7,28,73,654
Finance costs	26	11,40,025	1,58,645
Depreciation and amortization expense	27	37,43,030	36,97,728
Other expenses	28	4,12,35,604	5,35,06,277
Total Expenses		29,88,36,324	25,43,95,224
Profit / (loss) before exceptional and extraordinary items and tax		(50,77,479)	(1,81,58,926)
Exceptional Items			
Prior period items (net)	29	18,04,956	(21,04,282)
Other exceptional item			-
Profit before tax		(32,72,523)	(1,60,54,645)
Tax expense			
Current tax		-	
Tax adjustments for earlier years		3,22,10,867	(89,39,250)
Deferred tax	11	(3,16,580.85)	67,663
Profit for the period		(3,57,99,971)	(70,47,732)

Earning per equity share (nominal value Rs.10 (previous year Rs.10) 30

Basic	(24.69)	(4.86)
Diluted	(24.69)	(4.86)

The notes are an integral part of this financial statements

As per our attached report of even date

For S A R A & Associates

Chartered Accountants
Firm Reg. No. : 120927W

Manoj Agarwal
Partner
Membership No. 119509

Place : Mumbai
Date : 30/09/2021

For and on behalf of the Board

Chief Financial Officer Managing Director
DIN:02642157

Company Secretary Director
DIN:07183938

Place : Mumbai
Date : 30/09/2021

Maharashtra Small Scale Industries Development Corporation Limited
Consolidated Cash Flow Statement for the year ended 31 March 2019

(Amount in Rs.)

	31 March 2019	31 March 2018
Cash flow from operating activities		
Profit/Loss before exceptional and extraordinary items and tax	(50,77,479)	(1,81,58,926)
Adjustments:		
Depreciation and amortisation	37,43,030	36,97,728
Impairment loss on fixed assets	-	-
Interest and dividend income	(3,92,58,522)	(5,12,26,759)
Provision for doubtful receivables	-	-
Provision for arrears of rent	-	-
Grant in aid taken to statement of profit and loss	(42,338)	(42,338)
Transfer to marketing risk reserve	8,548	639
Transfer to contingency charges reserve	-	(58,663)
Utilization from marketing risk reserve		
Operating Profit/Loss before working capital changes	(4,06,26,761)	(6,57,88,319)
Changes in working capital:		
(Increase) / decrease in trade receivables	1,53,94,125	50,16,930
(Increase) / decrease in inventories	9,50,567	(10,43,946)
(Increase) / decrease in other current assets	(1,77,55,619)	(61,08,142)
(Increase) / decrease in short-term loans and advances	1,01,85,834	(1,20,77,397)
(Increase) / decrease in long-term loans and advances	(98,02,656)	(23,09,24,485)
(Increase) / decrease in other non-current assets	78,48,498	(43,78,290)
Increase / (decrease) in trade payables	75,02,262	(28,30,449)
Increase / (decrease) in long term provisions	(1,67,40,836)	(1,83,74,911)
Increase / (decrease) in short term provisions	(3,72,05,614)	(24,27,464)
Increase / (decrease) in other current liabilities	3,31,66,581	13,82,86,846
Increase/(decrease) in other liabilities	-	-
Increase/(decrease) in long term borrowings	4,978	-
Cash generated from operations	(4,70,78,641)	(20,06,49,627)
Taxes paid (net of refunds)	(3,22,10,867)	89,39,250
Net cash generated from operations before exceptional and extraordinary items	(7,92,89,508)	(19,17,10,377)
Exceptional items	18,04,956	21,04,282
Net cash generated from operating activities	(7,74,84,552)	(18,96,06,095)
Cash flow from investing activities		
Purchase of tangible, capital work in progress	(26,78,527)	(9,76,603)
Sale of investments	-	-
Interest and dividend income	3,92,58,522	5,12,26,759
Net cash flow from investing activities	3,65,79,995	5,02,50,156

Cash flow from financing activities	-	-
Net increase / (decrease) in cash and cash equivalent	(4,09,04,557)	(13,93,55,939)
Cash and cash equivalents at the beginning of the year	60,11,52,745	74,05,08,684
Cash and cash equivalents at the end of the year (refer note 19)	56,02,48,187	60,11,52,745
Summary of significant accounting policies		
The notes are an integral part of this financial statements		

As per our attached report of even date

For S A R A & Associates
Chartered Accountants
Firm Reg. No. : 120927W

For and on behalf of the Board

Chief Financial Officer

Managing Director
DIN:02642157

Manoj Agarwal
Partner
Membership No. 119509

Company Secretary

Director
DIN:07183938

Place : Mumbai
Date : 30/09/2021

Place : Mumbai
Date : 30/09/2021

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 3: Share capital

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Authorised :		
20,00,000 (previous year 20,00,000) equity shares of Rs.100/- each	20,00,00,000	20,00,00,000
	20,00,00,000	20,00,00,000
Issued :		
14,50,099 (previous year 14,50,099) equity shares of Rs.100/- each	14,50,09,900	14,50,09,900
Subscribed & fully paid-up :		
14,50,099 (previous year 14,50,099) equity shares of Rs.100/- each	14,50,09,900	14,50,09,900
Total	14,50,09,900	14,50,09,900

Reconciliation of the number of equity shares :

Particulars	31 March 2019		31 March 2018	
	Number	(Amount in Rs.)	Number	(Amount in Rs.)
Shares outstanding at the beginning of the year	14,50,099	14,50,09,900	14,50,099	14,50,09,900
Shares issued / bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,50,099	14,50,09,900	14,50,099	14,50,09,900

Rights, preferences and restrictions attached to shares

The corporation has one class of equity shares having a par value of Rs.100/- each. Each shareholder is eligible for one vote per one share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the corporation after distribution of all preferential amounts, in proportion to their shareholding.

List of shareholders holding more than 5% of total number of shares issued by the Corporation:

Sr. No.	Name of Share holder	31 March 2019		31 March 2018	
		No. of shares held	% of shares held	No. of shares	% of shares
1	Dr. N. K. Bhosle, Dy. Secretary, Industries and Representative of the Governor of Maharashtra.	14,40,093	99.31	14,40,093	99.31
	Total	14,40,093	99.31	14,40,093	99.31

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 4: Reserves and surplus

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Capital reserve		
At the commencement of the year	44,785	44,785
Add : Transferred from surplus	-	-
At the end of the year	44,785	44,785
Export incentive reserve		
At the commencement of the year	3,75,000	3,75,000
Add : Transferred from statement of profit and loss	-	-
Written back in current year	-	-
At the end of the year	3,75,000	3,75,000
Grant in aid		
At the commencement of the year	8,11,453	8,53,791
Less: Transferred from statement of profit and loss (refer note 4.1)	(42,338)	(42,338)
At the end of the year	7,69,115	8,11,453
Grant received for paithani		
At the commencement of the year	65,19,550	65,19,550
Less: Utilised in construction of fixed assets	-	-
At the end of the year (refer note 4.2)	65,19,550	65,19,550
Marketing risk & development reserve		
At the commencement of the year	40,47,505	40,46,866
Add: Transferred from statement of profit and loss (refer note 4.3)	8,548	639
Less: Utilization for payment	-	-
At the end of the year	40,56,053	40,47,505
Revaluation reserve		
At the commencement of the year	4,98,48,074	5,17,07,326
Less: Transferred from statement of profit and loss (refer note 4.4)	(18,59,252)	(18,59,252)
At the end of the year	4,79,88,823	4,98,48,074
Contingency reserves		
At the commencement of the year	2,51,277	3,09,940
Add: Transferred from statement of profit and Loss	-	(58,663)
At the end of the year	2,51,277	2,51,277
Surplus in statement of profit and loss		
At the commencement of the year	36,23,30,925	36,93,78,657
Add: Transferred from statement of profit and loss	(3,57,99,971)	(70,47,732)
At the end of the year	32,65,30,954	36,23,30,925
Total	38,65,35,556	42,42,28,569

Maharashtra Small Scale Industries Development Corporation Limited

Notes to consolidated financial statements for the year ended 31 March 2019

- 4.1 Corporation has purchased leasehold rights of premises “World Trade Centre” for 60 years for Rs. 25,40,250/-. The same is being written off over a period of 60 years (Rs. 42,338/- every year). Against this, Grant has been received for Rs. 25,40,250/-. The same is shown under “Reserves and Surplus – Grant in Aid” & Rs. 42,338/- is being transferred to the statement of Profit & Loss every year.
- 4.2 Corporation had received grant of Rs. 1,26,94,000/- in the earlier years for construction of Paithani Development Centre. The Corporation had purchased looms amounting to Rs. 49,95,000/- by utilising this grant and deducted the said amount of Rs. 49,95,000/- from the grant received. The Corporation had received Grant of Rs. 5,00,000 in FY 2008-09 & also received subsidy of Rs. 21,00,000/- in FY 2010-11 for purchase of 100 looms. Since this subsidy pertains to utilisation of Rs. 49,95,000/- (deducted from Govt. grants in the year 2009-10) towards purchase of looms, the said subsidy of Rs. 21,00,000/- was added to Govt. Grants. During FY 2013-14 corporation has utilised Rs. 37,79,450/- on account of construction of compound wall in paithani Development Centre. The balance of Rs. 65,19,950/- is shown under the head Gov. Grants.
- 4.3 The Corporation is crediting 0.1% of rebate earned on marketing business to Marketing Risk Reserve as per the Board resolution passed earlier.
- 4.4 The Corporation has amortised Rs.18,59,252/- from Revaluation Reserve and corresponding amount has been credited to leasehold land to reduce the value thereon.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 5: Long-term borrowings

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Unsecured :		
Industries & Labour Dept., Maharashtra Govt. Edu. Unemployment Hire Purchase Scheme (Refer Note 5.1)	13,18,000	13,18,000
Industries & Labour Dept., Maharashtra Govt. Seed Capital (Refer Note 5.1)	64,03,332	64,03,332
Deposit received from unit holders (5.2)	46,34,978	46,30,000
Total	1,23,56,310	1,23,51,332

5.1 "The above loans are outstanding since long back. Management is of the opinion that the scheme amounts reflected in books of accounts are very old and neither reconciled nor payable. Government Department. has also not claimed these amounts from Corporation. Hence, Corporation has not provided interest expenses since 2007-08. The interest expenses provided but not paid till 2007-08 of Rs.1,18,23,707/- is shown in the current liabilities. interest expenses from 2007-08 to 2018-19 of Rs. 36,38,370/- is shown as contingent liability."

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 6: Long term provisions

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Provision for employees' benefits		
- Gratuity (refer note 6.1 and note 31(A))	8,03,36,075	9,15,62,303
- Leave encashment (refer note 31(B))	1,63,98,982	1,47,02,488
Provision for Income Tax	4,90,822	77,01,924
Total	9,72,25,879	11,39,66,715

6.1 The above account is not reconciled. The above account includes payment received from LIC for payment of gratuity. The payment made against this amount is debited to advance to gratuity trust.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 7: Trade payables

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Due to micro, small and medium enterprises (Also, refer note (7.1))		-
Due to others (refer note 7.2)	40,06,63,360	39,31,61,099
Total	40,06,63,360	39,31,61,099

7.1 Information related to Micro and Small Enterprises, as defined in the Micro, Small and Medium enterprises Development Act, 2006 (MSME Development Act), are given below. The information given below have been determined to the extent such enterprises have been identified on the basis of information available with the Corporation:

(Amount in Rs.)

	31 March 2019	31 March 2018
(i) Principal Amount Outstanding		-
(ii) Interest on Principal amount due		-
(iii) Interest and Principal amount paid beyond appointment day		-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the amount of interest specified under MSME Development Act		-
(v) The amount of interest accrued and remaining unpaid at the end of the year		-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprises, for the purpose of disallowance as a deductible expenditure under Section 23 of MSME Development Act		-

7.2 The trade payables are subject to scrutiny, reconciliation and consequential adjustments.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 8: Other current liabilities

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Interest accrued and due on borrowings (refer note 5.1 and note 8.1)	1,18,23,707	1,18,23,707
Advance from customers (refer note 8.2)	17,49,14,070	19,31,38,325
Raw material dues and refund payable (refer note 8.3)	1,47,08,431	1,47,08,431
Book overdraft (refer note 8.4)	41,33,456	35,89,156
Retention money	5,33,674	18,34,069
Security and other deposits (refer note 8.5)	11,27,03,174	10,63,84,391
Contributions received (refer note 8.6)	54,52,989	58,53,790
Employee benefits (refer note 8.7)	54,21,315	40,19,410
Statutory dues (refer note 8.8)	70,47,984	96,37,792
Other miscellaneous liabilities (refer note 8.9)	31,32,86,573	26,58,69,719
Total	65,00,25,373	61,68,58,791

- 8.1 Interest accrued and due on borrowings represent unsecured loans taken long back and not repaid till date. The Corporation has provided interest till FY2007-08. (refer note 5.1)
- 8.2 Advance from customers, raw material and refund payable, security and other deposits are subject to scrutiny, reconciliation and consequential adjustment.
- 8.3 Raw material dues and refund payable neither reconciled nor any balance confirmation available. Hence the same is subject to reconciliation and consequential adjustment.
- 8.4 The Corporation is maintaining accounts with State Bank of India at Yavatmal and Buldhana. As on 31st March, 2019 some cheques issued to suppliers but these cheques physically not delivered to suppliers. Due to this practice bank balance of SBI gone negative in the books. However, all the cheques reconciled in the subsequent period and no instances of cheque bounce in noticed by the Corporation.
- 8.5 Security and other deposit payable neither reconciled nor any balance confirmation available. Hence the same is subject to reconciliation and consequential adjustment.
- 8.6 Contribution received from Government Department neither reconciled nor any balance confirmation available. Hence the same is subject to reconciliation and consequential adjustment.
- 8.7 Employee benefits neither reconciled nor any balance confirmation available. Hence the same is subject to reconciliation and consequential adjustment.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

- 8.8 Statutory dues are not reconciled and shown net of payable and receivable. The same is subject to Assessment & Appeals on various statutory matters. There are various statutory matters outstanding on which demands are outstanding.
- 8.9 The amount includes Rs. 15,50,00,000 payable to Mohit Minerals Pvt. Ltd. The Corporation has appointed Mohit Minerals Pvt. Ltd. as handling agent for distribution of coal. He has submitted Bank Guarantee of Rs.15,00,00,000 and deposited Rs. 50,00,000 as Security Deposit. due to some dispute, the corporation has encashed this bank guarantee. the dispute went for Arbitration and the arbitration award passed by authority went against the corporation. The corporation has filed appeal against the award in Bombay High Court. The Corporation has deposited Rs.22,00,00,000 with High Court on 11.01.2018. Balance amount is subject to reconciliation and consequential adjustment.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 9: Short-term provisions

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Provision for employees' benefits		
- Leave encashment (refer note 31(B))	72,32,039	63,13,590
- Salary payable	11,133	13,146
Other provisions		
- Provision for arrears of rent (refer note 9.1)	37,37,728	4,38,86,245
Less: Inter Company transactions	-	-
- Provision for expenses (refer note 9.2 and 9.3)	5,98,21,275	5,77,94,807
Total	7,08,02,175	10,80,07,789

9.1 "Krupanidhi Limited is subsidiary of MSSIDC Limited. HO building premises is taken on lease from BPT .

Case history

Mumbai port Trust has filed suit against the Krupandhi Limited in the year 1985, on the allegation that this company had committed breach of terms and conditions of the indenture of lease by assigning a major portion of the demised premises to Maharashtra Small Scale Industries Development Corporation Ltd., without the consent of Mumbai port Trust. The suit was decided by his Honour Learned Judge Shri M B Mali on 31st August, 2001 and the same was decreed in favour of Mumbai port Trust and the Company were ordered to handover vacant possession of the suit premises within a period of three months from the date decree and it was directed that mesne profit should be ascertained. The Company being aggrieved by the said Judgement and decree dated 31.08.2001 preferred an appeal no. 704 of 2001 in small causes Court, Mumbai through Advocate Shri. Amin Nathani.

Meantime Krupanidhi Ltd. has received a statement of Accounts from Mumbai Port Trust through their Advocate, in the Court during the hearing on 13.03.2008, showing the arrears of Rent etc., amounting to Rs. 2,95,20,970 payable to Mumbai Port Trust for the period from 01.01.1971 to 31.03.08. The Krupanidhi Ltd have forwarded the said statement to all our unit holders/ members requesting them to make the payment of arrears as per their share. The corporation has share of expenses of Rs. 1,83,03,001/, hence the same has been provided earlier.

BPT has raised demand of arrears to Krupanidhi Limited of Rs. 2,95,20,970/- in 2007-08. This subject matter is in Court and Krupanidhi Limited. is perusing matter to respective authority. Krupanidhi Limited has issued arrears of demand to respective shareholders and we are the major shareholder in Krupanidhi Limited. and at present 62 percent shareholding with MSSIDC.

As per the accounting standard (AS) 21 we have to consolidate the balance sheet of MSSIDC Limited and Krupanidhi Limited. as per the Company Act 2013. The Krupanidhi Limited raised the demand of arrears to MSSIDC, therefore we have to make provision in books of accounts FY-2014-15. The 62 percent share of 2,95,20,970/- is work out Rs. 1,83,03,001.00/- The Corporation has booked provision in books of accounts in FY-2014-15."

- 9.2 Provision for expenses includes Rs.2,63,25,359/- towards additional lease premium payable to CIDCO for non-fulfillment of condition of minimum construction at Kalamboli Godown, Thane. The provision was provided in books of accounts in F.Y.2012-13.
- 9.3 Provision for expenses includes Rs.2,72,64,845/- towards arrear of rent payable to Mumbai Port Trust. The provision was provided in books of account in F.Y. 2009-10. This provision is kept in the books of account since Mumbai Port Trust has raised fresh demand vide their letter dated 02.08.2017 for Rs.45,88,82,204/-

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 10: - Fixed assets

Note 10.1: - Tangible assets

(Amount in Rs.)

	ORIGINAL COST			DEPRECIATION			NET BOOK VALUE		
	Balance as at 01 April 2018	Additions	Disposals	Balance as at 31 March 2019	Balance as at 01 April 2018	Depreciation	Impairment loss	Balance as at 31 March 2019	Balance as at 31 March 2018
Freehold land	76,426	-	-	76,426	-	-	-	76,426	76,426
Leasehold land	21,56,44,075	-	-	21,56,44,075	15,43,84,233	18,59,252	-	5,94,00,590	6,12,59,842
Building on leasehold land	5,71,82,891	-	-	5,71,82,891	1,37,38,475	15,70,821	-	4,18,73,594	4,34,44,416
Residential flats	41,03,472	-	-	41,03,472	19,83,031	69,020	-	20,52,051	21,20,441
Office premises	1,14,19,807	-	-	1,14,19,807	43,26,887	2,84,928	-	68,07,992	70,92,920
Paithani dev centre	1,82,226	-	-	1,82,226	96,404	25,641	-	60,182	85,822
Plant and machinery	80,77,931	-	-	80,77,931	43,59,874	2,86,268	-	34,31,788	37,18,057
Office Equipments	1,04,86,345	-	-	1,04,86,345	97,24,753	1,65,184	-	5,96,408	7,61,592
Furniture and fixtures	1,26,24,225	20,69,685	-	1,46,93,910	1,07,26,486	1,50,351	-	38,17,073	18,97,739
Electrical fitting	25,16,342	3,87,987	-	29,04,329	10,43,147	3,51,352	-	15,09,830	14,73,195
Vehicles	53,22,038	-	-	53,22,038	40,19,423	3,74,660	-	9,27,955	13,02,615
Computers	2,22,32,828	2,04,017	-	2,24,36,845	2,11,83,837	88,589	-	11,64,419	10,48,991
Tangible assets	34,98,68,606	26,61,689	-	35,25,30,295	22,55,86,549	52,26,067	-	12,17,17,679	12,42,82,057
Assets less than Rs. 5,000	8,33,800	19,478	-	8,53,278	8,33,800	19,478	-	-	-
Total Tangible assets	35,07,02,406	26,81,167	-	35,33,83,573	22,64,20,349	52,45,545	-	12,17,17,679	12,42,82,057
Previous year									

Note 10.2: Intangible Assets

(Amount in Rs.)

	ORIGINAL COST			DEPRECIATION			NET BOOK VALUE		
	Balance as at 01 April 2018	Additions	Disposals	Balance as at 31 March 2019	Balance as at 01 April 2018	Depreciation	Impairment loss	Balance as at 31 March 2019	Balance as at 31 March 2018
Leasehold rights	63,70,805	-	-	63,70,805	27,55,077	3,58,375	-	32,57,353	36,15,728
Intangible assets	63,70,805	-	-	63,70,805	27,55,077	3,58,375	-	32,57,353	36,15,728
Previous year						56,03,920			

Notes :

- (i) Amortisation has been provided in proportion to Lease Period from the year in which possession of lands is taken, although the agreements to lease stipulate that they will come into force after the execution of lease agreements.
- (ii) The Corporation has charged depreciation on the Lease Hold Rights of the premises in World Trade Centre and amortised it over its useful life of 60 years.
- (iii) Total Depreciation (including amortisation of lease hold right) for the year of Rs.63,34,819/- includes Amortisation of revaluation reserve of Rs.18,00,640 and amount charged to Debit pertaining to previous year of Rs.3,24,171/(as per CAG observation)-.
- (iv) Spare parts of Rs.65,1,50 wrongly taken in Fixed assets in F.Y. 2015-16, no depreciation was charged in F.Y. 2015-16. During Current Year 2016-17 rectification made and spare parts transfered to Direct Expenses.

Maharashtra Small Scale Industries Development Corporation Limited
Notes to Consolidated financial statements for the year ended 31 March 2019

Note 11: Non-current investments
(Valued at cost unless stated otherwise)

(Amount in Rs.)		
Particulars	31 March 2019	31 March 2018
Quoted investments		
Investment in equity instruments		
1,60,000 (previous year:1,60,000) equity shares of Mah. Ind & Tech Consultancy Org. Ltd., of Rs.10/- each, fully paid up	40,000	40,000
Unquoted investments		
Investment in equity instruments		
1 (previous year: 1) equity share of Mah. State Handloom Co-op Fed. Ltd., of Rs.250/- each, fully paid up	250	250
620 (previous year: 620) equity shares of Krupanidhi Limited of Rs.100/- each, fully paid up	62,000	62,000
Less: Krupanidhi inter-company shareholding	(62,000)	(62,000)
6.75% UTI bonds face value of Rs.100/-	-	-
Total	40,250	40,250

Note: 10.1 Original Shares 400 purchased @100 per share (Rs. 40,000), thereafter bonus share 600 allotted to the Corporation.Total no. of share 1000 is subdivide @ 10 each per share and fresh 9000 share @ 10 per share allotted to the corporation.Around 2001-02 fresh bonus share 150,000 allotted to the corporation. Thus total no. of Share is 160,000.

Note: 10.2 During the Year 2013-2014 Mitcon listed its share on recognised stock exchange in India, therefore investment in the shares of Mitcon is quoted shares after their listing.

Note:10.3 Market Value per share is Rs. 50.00 as on 31.3.2019, thus value of investment is Rs.80,00,000.(160,000 share @50.00 each)

Maharashtra Small Scale Industries Development Corporation Limited
Notes to Consolidated financial statements for the year ended 31 March 2019

Note 12: Deferred tax assets (net)

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Deferred tax liability		
Opening balance	18,70,732	15,49,994
Timing difference on tangible assets depreciation and impairment		-
Effects of lease accounting		-
Disallowance U/s 43B	946830.075	3,20,738
PL Encashment		-
Total	28,17,562	18,70,732
Deferred tax assets		
Opening balance	1,52,25,425	1,48,37,024
Disallowance U/s 40(a)	1,28,680	
Disallowance U/s 43 B	-	
Timing difference on tangible assets depreciation and impairment	5,01,569	3,88,401
Total	1,58,55,674	1,52,25,425
Net deferred tax assets/(liability)	1,30,38,112	1,33,54,693
Profit & Loss Impact	(3,16,581)	67,663

12.1 During the year, Deferred Tax Assets are not recognized in the absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 13: Long term loans and advances

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
(Unsecured, Considered Good, unless otherwise stated)		
Capital Advances (Unsecured considered good)		-
Security deposits (refer note 13.1)		
- Unsecure, considered good	25,80,70,956	25,87,03,694
- Unsecure, considered doubtful	52,96,427	52,96,427
- Less: Provision for doubtful deposits	(52,96,427)	(52,96,427)
	25,80,70,956	25,87,03,694
- Advance tax and TDS	5,14,98,891	4,10,63,498
Total	30,95,69,847	29,97,67,192

13.1 Deposit paid is subject to scrutiny, reconciliation and consequential adjustment. The above deposits are outstanding since long and no balance confirmation and any income is received.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 14: Other non-current assets

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Others		
Advance to gratuity trust (refer note 14.1)	16,44,16,370	17,22,85,768
Bank Deposit (Due to Mature after 12 Monh from reporting date)	3,28,019	3,07,121
Total	16,47,44,389	17,25,92,889

14.1 The above accounts are not reconciled. As per the balance confirmation available with LIC, the balance with LIC is only of Rs. 4,40,05,871/-. The corporation has not reconciled this account since long and actual payment made for gratuity is also debited to this account. due to error in accounting, there is excess balance shown in this account by Rs. 12,04,10,499/-.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 15: Inventories

(Amount in Rs.)

(valued at cost or lower of net realizable value)

Particulars	31 March 2019	31 March 2018
Raw materials	3,89,583	2,40,957
Work-in-progress	6,95,965	6,73,099
Finished goods	14,31,715	12,31,907
Traded goods	57,22,991	70,44,857
Total	82,40,253	91,90,820

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 16: Trade receivables

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Receivables outstanding for a period exceeding six months from the date they are due for payment		
- Secured, considered good		-
- Unsecured, considered good (refer note 16.1)	39,49,84,375	384682335
- Less: Provision for bad and doubtful receivables	(2,13,77,344)	(14,76,676)
	37,36,07,031	38,32,05,659.62
Other receivables		
- Secured, considered good	1,66,89,304	2,24,84,800
- Unsecured, considered good (refer note 16.2)	-	-
Total	39,02,96,335	40,56,90,460

16.1 The Trade Receivables are subject to scrutiny, reconciliation, consequential adjustments. The amount Includes Rs. 36,69,56,348/- (Previous year Rs. 34,31,14,380/-) less earlier provision Rs.2,64,85,000 under sundry debtors, which is outstanding for over three years as per ageing using TALLY accounting software. The Management is of opinion that some of the debtors pertaining to marketing activity which are backed by creditors, and some of the debtors legal cases are filed which result will be favorable . hence no provision is made against these debtors.

Trade Receivables include Rs. 8,73,05,634 due from M/S. Metal Tube Rolling Mills (MTRM). The matter was under arbitration. Advocate of the Corporation has finally completed argument before the Arbitrator in April 2011. The arbitrator has passed the award on 14.06.2011 in favour of the Corporation directing the MTRM to deposit Rs. 16,99,56,060 plus interest. The corporation filed execution application dated 27.07.2016 for claim of Rs.50,64,73,685 at Bombay High Court. The matter is pending before High Court. Arbitration award passed in favour of MSSIDC by Bombay highcourt in arbitration petition. Case disposed off on 27/08/2018.

"Trade Receivables includes Rs. 5,62,79,307 receivable from Mehta Group of industries. The Corporation has filed civil suit as well as u/s 138 (cheque bouncing) on Mehta Group of Companies (1. Prithavi Epat, 2. Holum Iron Steel, 3. Parshwa Engg., 4. Munish Forge Ltd.). The civil suit filed against Munish Forge is decided in favor of corporation and darkhast was filed on 24.07.2017 for execution of decree.

Holum Iron & Steel:- Hon'ble High court granted Ad. Interim relief dated 13-12-2017 in terms of Prayer clause (ii) by way of Ad intrim releif further proceeding before Hon'ble Dist Judge Nagpur.In Special (Commercial) Civil suit no. 9/2016 be stayed during the

pendency of writ petition until further orders, and this notice for respondent is returnable. Since notice could not be served upon respondent due to non availability of addresses. Paper publication order has been passed by the court. Matter is pending for further step. Parshwa Engg:- Case is pending with Hon'ble District Judge for framing issues. Prithvi Ispat, Nagpur:- The corpoartion had filed special civil suit in cilvil judge Senior Division Nagpur, the said suit is dismissed by the court for default(as advocate was absent and nobody was present on behalf of corporation.The Corporation filed civil suit for restoration of dismissed suit. The summons issued to defendent are returned back, the court has directed to issue fresh summon on new address,summons can't be issued as absence of address. Matter is pending before Joint civil Judge, senior division Nagpur for further steps.

"

Sundry Debtor includes receivable from M/s. Khutale Steel Rolling Mills Pvt. Ltd. ("Khutale"), Satara for Rs. 42,52,635. Khutale unauthorisedly removed raw material supplied under Warehousing Credit Scheme and has an outstanding of Rs. 42,52,635 as on date. The judgment delivered in favour of the Corporation in civil suit filed by the Corporation in Satara Court against Khutale for recovery and the original decree execution papers were submitted to Hon'ble High Court, Mumbai. The matter is pending before High Court. Notice of Motion No. 843 of 2013 is filled in Highcourt Judicature at Bombay. The Notice of Motion which is Filled for restoration with support of affidavit, Honourable high court has kept this matter for rejection further steps to be taken by complenant.The Management is of the view that since award is in favour of the corporation, no provision is required for the same. the notice was issued.

16.2 This Amount is subject to scrutiny, reconciliation and consequential adjustment.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 17: Cash and bank balances

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents		
Cash on hand	49,967	1,46,153
Cheques, drafts on hand	-	-
Balances with banks		
- in current accounts	5,49,97,219	5,56,06,591
- in deposit account (with maturity upto 3 months)	-	-
Other bank balances		
- Unpaid Dividend		-
- Deposits with maturity more than 3 months but less than 12 months	50,55,28,019	54,57,07,121
- Balances with bank held as margin money	-	-
- Bank deposits with maturity of more than 12 months	-	-
	56,05,75,205	60,14,59,866
- Less : Amounts disclosed as Other non-current assets (Refer note ...)	3,28,019.00	3,07,121
Total	56,02,47,186	60,11,52,745

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 18: Short-term loans and advances

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Unsecured considered good, unless otherwise states:		
Loans and advances to employees		
- Housing and other loans	58,623	60,738
- Salary advances	23,04,927	29,22,036
Advance to suppliers (refer note 18.1)	5,86,82,552	5,75,34,474
Advance recoverable in cash or in kind or for value to be received		
- Unsecured, considered good	1,44,871	41,310
- Unsecured, considered doubtful	1,30,21,406	1,30,21,406
- Less: Provision for doubtful loans and advances	(1,30,21,406)	(1,30,21,406)
	1,44,871	41,310
Other Advances and Balances		
- Exhibition and Training	52,43,623	1,60,61,872
- Balance with Government Authorities	-	-
Total	6,64,34,596	7,66,20,430

18.1 Advance to suppliers are subject to scrutiny, reconciliation and consequential adjustments.

Advance to Suppliers includes Advance of Rs. 29.42 lakhs which was paid on 24.11.2003 to M/s. Inter National Steel Industries (ISI), Mumbai, towards raw material transaction. Since the amount was outstanding and FIR was lodged with Economic Offence Wing (EOW) on 22.12.2004, the matter is under investigation. Further, the Corporation has also filed 2 criminal complaints against ISI and the same are pending before Metropolitan Magistrate Court (Esplanade), Mumbai. The Corporation have submitted fresh addresses of accused to the Hon'ble Court. Hon'ble Court issued non-bailable warrant on fresh addresses.

18.2 Balance amount is subject to reconciliation and consequentiles adjustment

18.3 Balance amount is subject to reconciliation and consequentiles adjustment

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 19: Other current assets

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Unsecured considered good, unless otherwise states		
Interest Accrued on fixed deposits	2,29,77,286	2,63,85,859
Claim recoverable (refer note 19.2)	10,82,542	10,82,542
Rent receivable (refer note 19.1)	10,56,87,256	8,39,26,921
- Less: Provision for doubtful rent receivable	(48,24,614)	(48,24,614)
	10,08,62,642	7,91,02,307
Dividend receivable	62,009	6,75,471
Prepaid expenses	86,075	68,755
Preoperative Expenses	-	-
Loan to employee	-	-
Total	12,50,70,553	10,73,14,934

19.1 The Corporation is to receive Rs.35,44,918/- towards rent receivable from Hindustan Zinc Ltd. The case went to Arbitration and Arbitration Award was passed in the favour of the Corporation asking Hindustan Zinc Ltd. to pay Rs.27,40,046/- to the Corporation. Hindustan Zinc Ltd. has moved Udaipur District Court against the Arbitration Award. Hindustan Zinc has shown willingness to settle the matter and the final settlement claim os recieved by corporation on 24.02.2019

The Corporation had given their godowns on rental basis to Thakkar Warehousing Agency (TWA). The party has sublet the said godowns to 5 parties. There was a dispute between the Corporation and TWA and the matter was handed over to the arbitration. The arbitrator has given their award in favour of the Corporation for Rs.2.59 Crores on 08.10.2010 on which TWA has filed petition in the court of Law challenging the arbitration award, which has been admitted by the court. The Corporation has filed an appeal before divisional bench to challenge the order of the single bench of admission of the petition of TWA. The appeal of the Corporation is admitted and pending for final hearing.

The Corporation has allotted 2863 sq.ft space at Krupanidhi Building First floor, Mumbai to MIDC for running IPFC (Investor Promotion & Facilitation Cell) wef 27.08.2013 @ 130 per sq.ft. The rental income booked in FY 2016-17 Rs. 39.79 lacs, however same has been recovered in FY 2016-17 and 2017-18.

Rent receivable includes Rs.6,83,85,053/- outstanding from last years and not recovered during the year and in addition to that Rs.3,77,15,716/- rent income out of total booked during the F.Y. 2018-19 not received during the year.

19.2 Claim amount recoverable is not reconciled and there is no recovery of this amount since long.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 20: Revenue from operations

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Sale of products		
- Finished goods	11,60,145	48,32,414
- Traded goods	20,05,79,819	13,06,02,221
	20,17,39,964	13,54,34,636
Total	20,17,39,964	13,54,34,636
Breakup of revenue from sale of products		
	31 March 2019	31 March 2018
Manufactured goods		
- Cotton paithani sarees	59,60,258	48,32,414
- Coir Product	29,47,546	-
Traded goods	-	
- Marketing sales	17,12,33,570	10,81,27,495
- Handicraft sales	2,15,98,590	2,24,74,727
Total	20,17,39,964	13,54,34,636

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 21: Other income

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Interest income	3,90,98,522	5,10,66,759
Dividend income from		
- long term investments	1,60,000	1,60,000
Rental income	5,04,31,715	4,55,89,274
Liabilities written back to the extent no longer required	4,48,464	1,13,410
Other non-operating income	14,13,181	31,86,056
Contribution from shareholders	18,64,175	18,42,225
less: Inter company transaction	(13,97,177)	(11,56,062)
Other receipts	-	-
less: Inter company transaction	-	-
Total	9,20,18,881	10,08,01,662

Note 21.1: Rental Income of godown no.D-10 including 7 Parties at Thane out of two parties rent booked in current financial year as per agreement.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 22: Cost of materials consumed

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Raw material consumed		
- Opening inventory	2,40,957	233600
- Add : Purchases	13,74,507	1097502.95
- Less : Inventory at the end of the year	3,89,583	240957.15
Cost of raw materials consumed during the year	12,25,881	10,90,146

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 23: Purchases of traded goods

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Marketing and handicraft purchases (net)	18,46,47,813	12,41,05,363
	18,46,47,813	12,41,05,363

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 24: Changes in inventories of finished goods, work-in-progress and stock-in-Trade

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
(Increase)/Decrease in stocks		
Stock at the end of the year:		
- Finished goods	14,31,715	12,31,907
- Work-in progress	6,95,965	6,73,099
- Stock in trade	57,22,991	70,44,857
Total A	78,50,670	89,49,863
Less: Stock at the beginning of the year:		
- Finished goods	12,31,907	9,93,642
- Work-in progress	6,73,099	5,02,011
- Stock in trade	70,44,857	64,17,621
Total B	89,49,863	79,13,274
Increase/Decrease in stocks (A-B)	10,99,192	(10,36,589)

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 25: Employee benefit expenses

(Amount inRs.)

Particulars	31 March 2019	31 March 2018
Salaries, wages and bonus	6,14,68,496	6,66,45,669
Contribution to provident and other funds	45,49,519	51,36,931
Gratuity	20,000	-
Staff welfare expenses	1,35,414	14,86,625
less: Inter company transaction	(4,28,651)	(3,95,571)
Total	6,57,44,777	7,28,73,654

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 26: Finance costs

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Bank charges	95,601	1,24,916
Interest paid others	10,44,424	33,729
less: Inter company transaction	-	-
Total	11,40,025	1,58,645

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 27: Depreciation and amortization expense

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Depreciation of tangible assets (Also, refer note 10)	52,45,545	52,00,508
Amortisation of Intangible Assets	3,58,375	3,58,375
	56,03,920	55,58,882
less: Debit pertaining to previous year (short Amort. Of Last year)	-	-
less: Transfer to Revaluation reserve	18,59,252	18,59,252
	37,44,668	36,99,631
Less: Inter company transaction	(1,638)	(1,903)
Total	37,43,030	36,97,728

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 28: Other expenses

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Power and fuel	14,87,842	15,80,184
Freight, clearing and forwarding	1,65,073	80,488
Rent (Also, refer note 33)	70,20,747	1,11,72,046
Repairs and maintenance		
- Building,	31,35,092	40,18,033
- Plant and equipment	7,52,653	6,38,486
- Other	5,20,934	9,89,364
Insurance	4,51,955	3,72,320
Rates and taxes	21,23,052	44,79,314
Travelling and conveyance	15,96,990	24,52,336
Directors' fees	1,48,545	17,000
Payments to auditors (Also, refer note 28.1)	5,00,000	5,11,800
Legal and professional charges	74,59,422	57,83,189
Advertisement expenses	10,25,428	2,76,686
Printing and stationery	5,19,195	5,07,414
Communication expenses	4,86,054	8,90,765
Office maintenance	3,99,131	13,45,062
Vehicle running and maintenance charges	24,19,703	23,67,624
Corporate social responsibility	-	-
Mkt Risk & Devepoment Res.	8,548	639
Bad debts written off	1,270	15,969
Security expenses	46,94,084	53,02,526
Miscellaneous expenses	72,86,776	1,14,63,620
less: Inter company transaction	(9,66,888)	(7,58,589)
Total	4,12,35,604	5,35,06,277
28.1 Payment to auditors	31 March 2019	31 March 2018
As auditor		
- Statutory audit	3,50,000	3,50,000
- Tax audit	1,50,000	1,50,000
Reimbursement of expenses	-	-
Total	5,00,000	5,00,000

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Note 29: Prior period items (net)

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Income		
Sales	5,65,926.93	21,766
Interest	-	-
Rent Income	-	23,32,050
Registration income	-	-
Services Charges/Rebate	63,473.00	-
Electricity Charges (Reimbursed)	27,96,764.00	1,21,620
Refund National Information centre	-	-
Reversal of Excess provision	8,52,500.00	1,46,503
Deposit Forfieted	-	-
Miscellaneous Income	1,08,785.00	3,088
Total A	43,87,449	26,25,027
Expenditure		
Purchases	-	-
Service charges	68,291.00	-
Office and administrative expenses	1,90,001.00	-
Marketing expenses	-	3,529
Miscellaneous expenses	-	2,64,178
Professional Fee	8,15,000.00	-
Travelling Exp	-	25,212
Rent and interest expenses	4,07,630.00	-
Office expenses	1,87,090.00	47,430
Rates & Taxes	26,633.00	1,80,396
Spare Parts	-	-
Expenses on Parwasi Divas	-	-
Depreciation / Amortisation	-	-
Water Charges	-	-
Staff Walfare	-	-
Wages	-	-
Annual Maintenance Charges	-	-
Total B	25,82,493	5,20,745
Total (A+B)	18,04,956	(21,04,282)

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

30 Earning per share (EPS)

Earnings Per Share is calculated in accordance with Accounting Standard 20 - 'Earning Per Share' - (AS-20), notified by the Company's (Accounting Standards) Rules, 2006 (as amended)

Particulars	31 March 2019	31 March 2018
Net profit after taxes as per statement of profit and loss attributed to equity shareholders	(3,57,99,971)	(70,47,732)
Weighted average number of equity shares used as denominator for calculating EPS	14,50,299	14,50,099
Basic and diluted	(24.68)	(4.86)
Face value per share in rupees	100	100

31 Segment reporting

Primary segment reporting (by business segment)

The Corporation has identified its reportable segment for Segment Reporting, in accordance with Accounting Standard 17, as Marketing, Emporium & CWH Activity which are primary segment. In addition, the following policies have been followed for Segment Reporting.

(i) Segment Revenue includes sales and other income directly identifiable with /allocable to the segment with bifurcation of inter segment revenue.

(ii) Expenses that are directly identifiable with /allocable segments are considered for determining the segment results. Expenses which relate to the corporation as a whole and not allocable to segments are included under "Unallocable Expenditure".

(iii) Income which relates to the Corporation as whole and not allocable to segments is included in "Unallocable Segment"

(iv) Segment assets & liabilities include those directly identifiable with the respective segments, Unallocable Corporate assets and liabilities represents the assets and liabilities that relate to the corporation as a whole and not allocable to any segment.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

Particulars	Marketing Activity	Emporium	CWH	Production activity
	31 March 2019	31 March 2019	31 March 2019	31 March 2019
Revenue				
Total revenues	19,84,15,238	-	5,04,31,715	11,60,145
Internal revenue (sales through stock transfer)	-	21,64,581	-	-
	-	-		
Direct attributable income to segment	84,77,245	-	-	-
Other unallocable income	-	-		-
Total revenues	20,68,92,482	21,64,581	5,04,31,715	11,60,145
Attributable expenses to segment	19,09,61,408	-	-	35,38,157
Unallocated expenses	-	-	-	-
Operating profit	1,59,31,074	21,64,581	5,04,31,715	(23,78,012)
Interest expenses	-	-	-	-
Interest income	-	-	-	-
Other income	-	-	-	-
Profit before tax and extraordinary items	1,59,31,074	21,64,581	5,04,31,715	(23,78,012)
Income taxes/deferred taxes	-	-	-	-
Prior Period Adjustment (Net)	-	-	-	-
Net Profit	1,59,31,074	21,64,581	5,04,31,715	(23,78,012)
	-	-		-
Other information	-	-		-
Segment assets	1,30,17,51,842	85,09,547	10,56,87,256	16,50,203
Unallocated corporate assets	-	-	-	-
Total assets	1,30,17,51,842	85,09,547	10,56,87,256	16,50,203
Segment liabilities	69,62,47,824	1,35,09,718	-	6,69,315
Unallocated corporate liabilities	-	-	-	-
Total liabilities	69,62,47,824	1,35,09,718	-	6,69,315

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

(Amount in Rs.)

32 Disclosure as required by Accounting Standard (AS)-15 (Revised) on “Employee Benefits”:

A. In respect of Gratuity, a Defined Benefit Scheme (based on actuarial valuation):

The Corporation pays gratuity to the employees whoever has completed five years of service with the Corporation at the time of resignation/superannuation. The gratuity is paid @15 days salary Gratuity Act 1972.

The Corporation has invested in LIC under employees group gratuity cum life assurance scheme. The liability in respect of gratuity is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees’ services.

The Corporation has obtained gratuity valuation certificate from the actuary, as per actuary valuation certificate the liability on account of gratuity as on 31.03.2017 is of Rs. 7,11,67,901. Since the corporation has already provided excess liability in the books of account and on conservative view excess liability is not reversed.

B. In respect of Leave Encashment, a Defined Benefit Scheme (based on actuarial valuation):

	31 March 2019	31 March 2018
Benefit type	Privilege leave	Privilege leave
Method of valuation	Projected unit credit method	Projected unit credit method
Valuation results		
Discontinuance liability	2,40,61,997	2,55,70,171
Projected benefit obligation	2,27,56,083	2,34,07,251
		-
Other Results		
Average future service	5 years	5 years
Current & non-current liability		
Funding status	Unfunded	Unfunded
Fund balance	NA	NA
Current liability	54,61,437	60,96,300
Non-current liability	1,72,97,646	1,73,10,951
Valuation Assumption		
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult Table	Indian Assured Lives Mortality (2006-08) Ult Table
Discount Rate	6.77%	7.72%

Salary escalation rate	5.00%	5.00%
Attrition rate	2.00%	2.00%
Retirement Age	58 years	58 years
Maximum accumulation	240 days	240 days

C. In respect of Gratuity, a Defined Benefit Scheme (based on actuarial valuation):

	31 March 2019	31 March 2018
Benefit type	Gratuity	Gratuity
Method of valuation	Projected unit credit method	Projected unit credit method
Valuation results		
Discontinuance liability	7,52,18,718	8,88,76,638
Projected benefit obligation	7,11,67,901	8,13,99,949
Other Results		
Average future service	5 years	5 years
Current & non-current liability		
Funding status	Funded	Funded
Fund balance	5,16,92,606	6,51,21,451
Current liability	31,10,888	39,62,614
Non-current liability	1,63,64,407	1,23,15,884
Valuation Assumption		
Discount Rate	6.77%	7.72
Salary escalation rate	5%	5%
Attrition rate	2%	2%
Retirement Age	60 & 58 Years	60 & 58 Years

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

33 Disclosures in respect of cancellable operating lease

The Corporation has entered into cancellable leasing arrangement for the premises on mutually agreeable terms. The lease

34 Contingent liabilities and commitments

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
(a) Claims against the Corporation not acknowledged as debt:		
(i) Snehideep Structural Private Limited Appeal No.555 (2006) and Appeal No.260 (2013)	-	6,54,68,255
(ii) Mumbai Port Trust (refer note 34.1)	45,88,82,204	45,88,82,204
(iii) WIST – Wadala Godown, Mumbai	1,08,32,189	1,08,32,189
(iv) Savatram Polymers, Akola	24,65,320	24,65,320
(v) M/s Ajay Entp, Yavatmal	6,24,736	6,04,736
(vi) Shri Industries Aurangabad	8,06,971	-
(vii) Assistant Commissioner SPF	6,18,234	-
(viii) Dist Cooperative Industrial Development Society, Nanded	4,39,502	4,39,502
(ix) Grips India, Parbhani	3,82,767	3,82,767
(x) Maruti Wires, Parbhani	4,68,725	4,68,725
(b) Provision for Interest expenses not made of following:		
(i) Industries & Labour Dept., Maharashtra Govt. Edu. Unemployment Hire Purchase Scheme	7,90,800	7,11,720
(ii) Industries & Labour Dept., Maharashtra Govt. Seed Capital	22,41,166	20,17,044
(iii) Mohit Minerals Pvt. Ltd.	6,50,00,000	6,50,00,000
(c) Tax Liability not acknowledged as debt and Pending in Appeal with higher authority (exclusive of the effect if similar matters in respect of Assessment remaining to be completed) in respect of :		
(i) Sales Tax	2,27,13,224	2,27,13,224
(ii) Income Tax	6,17,63,413	6,17,63,413
(iii) Value added tax	29,63,09,876	39,53,81,594
(d) Penalty u/s 271B of the Income Tax Act for non-Filing of Tax Audit Report u/s. 44 AB of the Income Tax Act for last 3 years (FY 2013-14 to FY 2015-16).	900000	750000

34.1 Mumbai Port Trust vide letter dated 02.08.2017 raised demand towards pending regulation / rectification of breaches and liquidation of Port Trust Arrears of Rs.45,88,822,04/- in respect of TW-2 Shed at Cotton Green. The matter is to be placed in board meeting.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

(Amount in Rs.)

35 Related party disclosure

a) Names of related parties

As per Accounting Standard 18 – Related Party Transactions, specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended), the Corporation's related parties and transactions with them are enumerated below:

(a) Enterprises where control exists:

(i) Subsidiaries:

Krupanidhi Limited

(ii) Key Managerial Personnel:

Shri Shivaji Daund-Managing Director

Shri Santosh Kumar - Managing Director

Smt. Leena Bansod- Joind Managing Director

Shri V.D.Kapate-General Manager

Shri S.G.Siddhewad-Chief Financial Officer

Shri Kush Keshri-Company Secretary

b) The transactions with related parties for the year are as follows:

Transaction during the year	31 March 2019	31 March 2018
Maintenance charges contribution to Subsidiary		
Krupanidhi Limited (Maintenance Charges)	12,78,169	11,38,732
Krupanidhi Limited (Payment made for maintenance charges)	12,78,169	11,38,732
Remuneration to KMP		
Shri Shivaji Daund	2,66,940	26,08,407
Shri Shivaji Daund-Reimbursement of other expenses		1,06,822
Shri Santosh Kumar	23,24,660	
Shri Santosh Kumar -Reimbursement of other expenses	1,25,309	
Smt. Leena Bansod- Joind Managing Director	16,81,065	
Shri Kush Keshri	6,64,514	5,93,200
Shri M.V.Waghirkar	2,58,258	8,70,085
Shri V.D.Kapate	11,29,461	11,00,186

Maharashtra Small Scale Industries Development Corporation Limited

Notes to Consolidated financial statements for the year ended 31 March 2019

c) Balance outstanding with related parties:

Party name	Receivable/payable	31 March 2019	31 March 2018
Krupanidhi Limited	Maintenance charges contribution payable	12,78,169	1,78,62,570

36 The Company has regrouped / reclassified the previous year figures to conform to the current year's presentation.

37 Details of Specified Bank Notes (SBN)

Particulars	SBNs	Other Denomination Notes	Total
Cash Deposited During 08.11.2016 to 31.12.2016	4,52,500	2,36,430	6,88,930

For S A R A & Associates
Chartered Accountants
Firm Reg. No. : 120927W

Manoj Agarwal
Partner
Membership No. 119509

Place : Mumbai
Date : 30.09.2021

For and on behalf of the Board

Chief Financial Officer

Company Secretary

Place : Mumbai
Date : 30.09.2021

Managing Director
DIN:02642157

Director
DIN:07183938

2018-2019



MSSiDC

STANDALONE FINANCIAL STATEMENTS OF THE COMPANY

: ADDRESS :
KRUPANIDHI, 9,
WALCHAND HIRACHAND MARG,
BALLARD ESTATE, MUMBAI-400 001.

Maharashtra Small Scale Industries Development Corporation Limited

Balance Sheet as at 31 March 2019

(Amount in Rs.)

Particulars	Note	31 March 2019	31 March 2018
Equity and liabilities			
Shareholders' funds			
	2	14,50,09,900	14,50,09,900
Reserves and surplus	3	38,65,35,556	42,42,28,569
Non-current liabilities			
Long-term borrowings	4	77,21,332	77,21,332
Deferred tax liabilities (net)	5		
Other Long term liabilities	6		
Long term provisions	5	9,72,22,202	11,39,63,189
Current liabilities			
Short-term borrowings		-	-
Trade payables	6		
-Due to Micro, Small Enterprise		-	-
-Due to others		39,85,46,410	39,27,85,948
Other current liabilities	7	65,00,25,375	61,65,96,083
Short-term provisions	8	6,69,49,436	8,23,24,347
Total		1,75,20,10,210	1,78,26,29,367
Assets			
Non-current assets			
Fixed assets			
- Tangible Assets	9.1	11,70,62,202	11,96,23,938
- Intangible Assets	9.2	32,57,353	36,15,728
Non-current investments	10	1,02,250	1,02,250
Deferred tax assets (net)	11	1,30,38,112	1,33,54,693
Long term loans and advances	12	30,94,72,177	29,96,69,522
Other non-current assets	13	16,44,16,370	17,22,85,768
Current assets			
Inventories	14	82,40,253	91,90,820
Trade receivables	15	38,51,88,679	38,06,82,135
Cash and bank balances	16	55,98,13,739	60,02,37,906
Short-term loans and advances	17	6,64,34,596	7,66,20,430
Other current assets	18	12,49,84,478	10,72,46,179
Total		1,75,20,10,210	1,78,26,29,367

Significant accounting policies 1

The notes are an integral part of this financial statements

As per our attached report of even date

For S A R A & Associates

Chartered Accountants

Firm Reg. No. : 120927W

Manoj Agarwal

Partner

Membership No. 119509

Place : Mumbai

Date : 30.09.2021

For and on behalf of the Board

Chief Financial Officer

Company Secretary

Place : Mumbai

Date : 30.09.2021

Managing Director

DIN:02642157

Director

DIN:07183938

Maharashtra Small Scale Industries Development Corporation Limited

Statement of Profit and Loss for the year ended 31 March 2019

(Amount in Rs.)

Particulars	Note	31 March 2019	31 March 2018
Revenue			
Revenue from operations	19	20,17,39,964	13,54,34,636
Other income	20	9,11,62,546	10,00,93,108
Total revenue		29,29,02,510	23,55,27,743
Expenses			
Cost of materials consumed	21	12,25,881	10,90,146
Purchases of traded goods	22	18,46,47,813	12,41,05,363
Changes in inventories of finished goods, work-in-progress and stock-in-Trade	23	10,99,192	(10,36,589)
Employee benefit expenses	24	6,54,82,056	7,26,31,208
Finance costs	25	11,40,025	1,58,645
Depreciation and amortization expense	26	37,42,026	36,96,562
Other expenses	27	4,06,42,995	5,30,41,335
Total Expenses		29,79,79,989	25,36,86,670
Profit / (loss) before exceptional and extraordinary items and tax		(50,77,479)	(1,81,58,926)
Exceptional Items			
Prior period items (net)	28	18,04,956	21,04,282
Profit/Loss before tax		(32,72,523)	(1,60,54,645)
Tax expense			
Current tax		-	-
Tax adjustments for earlier years		3,22,10,867	(89,39,250)
Deferred tax	11	(3,16,581)	67,663
Profit/Loss for the period		(3,57,99,971)	(70,47,732)
Earning per equity share (nominal value Rs.10 (previous year Rs.10)	29		
Basic		(24.69)	(4.86)
Diluted		(24.69)	(4.86)

The notes are an integral part of this financial statements

As per our attached report of even date

For S A R A & Associates

Chartered Accountants

Firm Reg. No. : 120927W

Manoj Agarwal

Partner

Membership No. 119509

Place : Mumbai

Date : 30.09.2021

For and on behalf of the Board

Chief Financial Officer

Managing Director

DIN:02642157

Company Secretary

Director

DIN:07183938

Place : Mumbai

Date : 30.09.2021

Maharashtra Small Scale Industries Development Corporation Limited

Cash Flow Statement for the year ended 31 March 2019

(Amount in Rs.)

	31 March 2019	31 March 2018
Cash flow from operating activities		
Profit/Loss before exceptional and extraordinary items and tax	(50,77,479)	(1,81,58,926)
Adjustments:		
Depreciation and amortisation	37,42,026.26	36,96,561.66
Interest and dividend income	(3,92,35,302)	(5,12,04,368)
Grant in aid taken to statement of profit and loss	(42,338)	(42,338)
Transfer to marketing risk reserve	8,548	639
Transfer to contingency charges reserve	-	(58,663)
Utilization from marketing risk reserve		
Operating profit/Loss before working capital changes	(4,06,04,545)	(6,57,67,095)
Changes in working capital:		
(Increase) / decrease in trade receivables	(45,06,544)	31,46,497
(Increase) / decrease in inventories	9,50,567	(10,43,946)
(Increase) / decrease in other current assets	(1,77,38,299)	(61,05,631)
(Increase) / decrease in short-term loans and advances	1,01,85,834	(1,20,77,897)
(Increase) / decrease in long-term loans and advances	(98,02,656)	(23,09,26,618)
(Increase) / decrease in other non-current assets	78,69,398	(43,58,139)
Increase / (decrease) in trade payables	57,60,462	(31,02,194)
Increase / (decrease) in long term provisions	(1,67,40,987)	(1,83,71,794)
Increase / (decrease) in short term provisions	(1,53,74,911)	3,38,703
Increase / (decrease) in other current liabilities	3,34,29,292	13,82,86,847
Increase / (decrease) in other long term liabilities	-	-
Increase/(decrease) in other liabilities	-	-
Increase/(decrease) in long term borrowings	-	-
Increase/(decrease) in retirement benefit provisions	-	-
Cash generated from operations	(4,65,72,389)	(19,99,81,267)
Taxes paid (net of refunds)	(3,22,10,867.00)	89,39,250.00
Net cash generated from operations before exceptional and extraordinary items	(7,87,83,256)	(19,10,42,017)
Prior period items (net)	18,04,956	21,04,282
Net cash generated from operating activities	(7,69,78,300)	(18,89,37,735)
Cash flow from investing activities		
Purchase of tangible, capital work in progress	(26,81,167)	(9,78,506)
Sale of investments	-	-
Interest and dividend income	3,92,35,302	5,12,04,368
Net cash flow from investing activities	3,65,54,135	5,02,25,862

Cash flow from financing activities		-
Net increase / (decrease) in cash and cash equivalent	(4,04,24,165)	(13,87,11,873)
Cash and cash equivalents at the beginning of the year	60,02,37,905	73,89,49,778
Cash and cash equivalents at the end of the year (refer note 16)	55,98,13,740	60,02,37,905
Summary of significant accounting policies	1	
The notes are an integral part of this financial statements		

As per our attached report of even date

For S A R A & Associates
Chartered Accountants
Firm Reg. No. : 120927W

For and on behalf of the Board

Chief Financial Officer

Managing Director
DIN:02642157

Manoj Agarwal
Partner
Membership No. 119509

Company Secretary

Director
DIN:07183938

Place : Mumbai
Date : 30.09.2021

Place : Mumbai
Date : 30.09.2021

Maharashtra Small Scale Industries Development Corporation Limited

Notes forming part of the financial statements

1 Significant Accounting Policies

a. Accounting Convention

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on an accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). All the assets and liabilities are classified as current or non-current as per the criteria set out in Schedule III to the Companies Act, 2013.

b. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.

Examples of such estimates include computation of percentage of completion which requires the group to estimate the efforts expended to date as a proportion of the total efforts to be expended, provisions for doubtful debts, future obligations under employee retirement benefits plans, income taxes, and the useful lives of fixed assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates.

c. Fixed Assets, including intangible assets and capital work-in-progress

- (a) Tangible Assets are stated at cost less accumulated depreciation and impairment loss/Re-stated Value, if any. Cost comprises of purchase price and any directly attributable cost of bringing the assets to its working condition and any obligatory decommissioning costs for its intended use.
- (b) Intangible Assets are stated at cost less accumulated amortization and impairment loss, if any. Cost includes any directly attributable expenditure on making the asset ready for its intended use.
- (c) Certain directly attributable pre-operative expenses during construction period are included under Capital Work-in-Progress. These expenses are allocated to the cost of Fixed Assets when the same are ready for intended use.
- (d) In case of lease-hold lands, original cost revalued by the valuer is considered in the accounts.

Maharashtra Small Scale Industries Development Corporation Limited

Notes forming part of the financial statements

d. Depreciation

- (a) Depreciation on Tangible Fixed Assets are provided using Straight Line Method based on estimated useful life or on the basis of depreciation rates prescribed under schedule II of the Companies Act, 2013. Intangible assets are amortized over their estimated useful lives on straight line basis. Individual low cost assets (acquired for Rs. 5,000/- or less) are depreciated 100%.
- (b) Amortisation of assets acquired under finance lease is spread over the lease term.
- (c) Lease-hold Lands, where revalued, are amortized in the balance period of lease.

e. Impairment

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired.

f. Leases

- (a) Lease payments under an operating lease are recognized as expense in the profit and loss account as per terms of lease agreement.
- (b) Finance leases prior to 1st April, 2001: Lease rental recognized as expense in the profit and loss account as per terms of lease agreement.
- (c) Finance leases on or after 1st April, 2001: The lower of the fair value of the assets and the present value of the minimum lease rental is recorded as fixed assets with corresponding amount shown as unsecured Loan. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to profit and loss account as interest cost.
- (d) Fixed Assets acquired and given on Lease are shown as part of Fixed Assets.

g. Government Grants

Government grants related to Leasehold land are treated as deferred income which are recognized in the profit and loss statement on a systematic and rational basis over the useful life of the asset, i.e., such grants are allocated to income over the periods and in the proportions in which depreciation on those assets is charged. Govt. grants in related to

Maharashtra Small Scale Industries Development Corporation Limited

Notes forming part of the financial statements

other fixed assets are presented in the balance sheet by showing the grant as a deduction from the gross value of the asset concerned in arriving at their book value. Further, Government grants which are receivable as compensation for expenses or losses incurred in a previous accounting period or for the purpose of giving immediate financial support to the enterprise with no further related costs, are recognized and disclosed in the statement of profit and loss."

h. Investments

- (a) Long term investments are carried at cost after deducting provision, if any, for diminution in value considered to be other than temporary in nature.
- (b) Current investments are stated at lower of cost and fair value.

i. Inventories

Raw material and stock in transit are valued at lower of cost or replacement value, stock in process is valued at lower of cost or Net Realisable Value, finished goods are valued at lower of cost or Net Realisable Value and trading goods are valued at lower of cost or market value.

j. Revenue Recognition

All incomes and expenses have been accounted on accrual basis in accordance with generally accepted accounting principles in India & relevant provision of the Companies Act 2013 except following:

- (a) In marketing, Government department purchases and corresponding rebate on purchases are accounted as purchases on receipt of invoice from sundry creditors and corresponding sales are accounted in books by raising bills.
- (b) Grants in Aid under various schemes, dividends on investments and interest on income tax refunds are accounted for on receipt basis.
- (c) Purchases are stated net of discounts, returns, VAT, Excise and rate differences.
- (d) Sales are stated at net of discounts, returns, VAT, Excise, rebates and rate differences.

k. Employee benefits

a. Provident fund

Corporation's contribution to Recognized provident fund, pension fund paid/payable during the year is debited to Profit & Loss account.

b. Gratuity

Corporation has covered gratuity liability with LIC, under employees group gratuity cum life assurance scheme. A liability towards the same is recognized

Maharashtra Small Scale Industries Development Corporation Limited

Notes forming part of the financial statements

and accounted on the basis of actuarial valuation.

c. Leave encashment

Leave encashment liability occurs due to retirement, superannuation, resignation or death. Leave encashment is recognized and accounted on the basis of actuarial valuation.

l. Transactions pertaining to previous years

Prior period expenses paid during the year and income received during the year which were not accounted for on accrual basis is shown as transactions pertaining to previous years.

m. Income taxes

Current tax

Current income-tax expense is recognised in accordance with the provisions of Indian Income Tax Act, 1961. Minimum alternate tax (MAT) paid in accordance to the tax laws gives rise to future economic benefits in the form of adjustment of future income tax liability. The same is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT credit is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it, will flow to the Company and the asset can be measured reliably.

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the Balance sheet date. The effect of a change in tax rates on deferred tax assets and liabilities is recognised in the period that includes the enactment date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in the future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty, supported by convincing evidence of recognition of such assets. Deferred tax assets are reassessed

Maharashtra Small Scale Industries Development Corporation Limited

Notes forming part of the financial statements

for the appropriateness of their respective carrying values at each Balance sheet date.

n. Provisions and contingencies

The Corporation creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources. Provisions are recognised when there is present legal or constructive obligation as a result of a past event and it is more likely than not that an outflow of resources will be required to settle the obligation. Provisions are measured at the management's best estimate of the outflow required to settle the obligations at the Balance Sheet date. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources, and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

o. Preliminary expenses

Preliminary expenses are charged off to the Statement of profit and loss in the year in which they incurred.

p. Share issue expenses

Expenses incurred in connection with fresh issue of share capital are charged off to the Statement of profit and loss in the year in which they are incurred.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 2:

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Authorised :		
20,00,000 (previous year 20,00,000) equity shares of Rs.100/- each	20,00,00,000	20,00,00,000
	20,00,00,000	20,00,00,000
Issued :		
14,50,099 (previous year 14,50,099) equity shares of Rs.100/- each	14,50,09,900	14,50,09,900
Subscribed & fully paid-up :		
14,50,099 (previous year 14,50,099) equity shares of Rs.100/- each	14,50,09,900	14,50,09,900
Total	14,50,09,900	14,50,09,900

Reconciliation of the number of equity shares :

Particulars	31 March 2019		31 March 2018	
	Number	(Amount in Rs.)	Number	(Amount in Rs.)
Shares outstanding at the beginning of the year	14,50,099	14,50,09,900	14,50,099	14,50,09,900
Shares issued / bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,50,099	14,50,09,900	14,50,099	14,50,09,900

Rights, preferences and restrictions attached to shares

The Corporation has one class of equity shares having a par value of Rs.100/- each. Each shareholder is eligible for one vote per one share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Corporation after distribution of all preferential amounts, in proportion to their shareholding.

List of shareholders holding more than 5% of total number of shares issued by the Corporation:

Sr. No.	Name of Share holder	31 March 2019		31 March 2018	
		No. of shares	% of shares	No. of shares	% of shares
		held	held	held	held
1	Dr. N. K. Bhosle, Dy. Secretary, Industries and Representative of the Governor of Maharashtra.	14,40,093	99.31	14,40,093	99.31
Total		14,40,093	99.31	14,40,093	99.31

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 3: Reserves and surplus

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Capital reserve		
At the commencement of the year	44,785	44,785
Add : Transferred from surplus	-	-
At the end of the year	44,785	44,785
Export incentive reserve		
At the commencement of the year	3,75,000	3,75,000
Add : Transferred from statement of profit and loss	-	-
Written back in current year	-	-
At the end of the year	3,75,000	3,75,000
Grant in aid		
At the commencement of the year	8,11,453	8,53,791
Less: Transferred from statement of profit and loss (refer note 3.1)	(42,338)	(42,338)
At the end of the year	7,69,115	8,11,453
Grant received for paithani		
At the commencement of the year	65,19,550	65,19,550
Less: Utilised in construction of fixed assets	-	-
At the end of the year (refer note 3.2)	65,19,550	65,19,550
Marketing risk & development reserve		
At the commencement of the year	40,47,505	40,46,866
Add: Transferred from statement of profit and loss (refer note 3.3)	8,548	639
Less: Utilization for payment	-	-
At the end of the year	40,56,053	40,47,505
Revaluation reserve		
At the commencement of the year	4,98,48,074	5,17,07,326
Less: Transferred from statement of profit and loss (refer note 3.4)	(18,59,252)	(18,59,252)
At the end of the year	4,79,88,823	4,98,48,074

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Contingency reserves		
At the commencement of the year	2,51,277	3,09,940
Add: Transferred from statement of profit and Loss	-	(58,663)
At the end of the year	2,51,277	2,51,277
Surplus in statement of profit and loss		
At the commencement of the year	36,23,30,925	36,93,78,657
Add: Transferred from statement of profit and loss	(3,57,99,971)	(70,47,732)
Transfer from reserves		
Less : Appropriations :		
Proposed dividend		
Tax on proposed dividend		
Interim dividend		
Transfer to general reserves		
At the end of the year	32,65,30,954	36,23,30,925
Total	38,65,35,556	42,42,28,569

- 3.1 Corporation has purchased leasehold rights of premises "World Trade Centre" for 60 years for Rs. 25,40,250/-. The same is being written off over a period of 60 years (Rs. 42,338/- every year). Against this, Grant has been received for Rs. 25,40,250/-. The same is shown under "Reserves and Surplus – Grant in Aid" & Rs. 42,338/- is being transferred to the statement of Profit & Loss every year.
- 3.2 Corporation had received grant of Rs. 1,26,94,000/- in the earlier years for construction of Paithani Development Centre. The Corporation had purchased looms amounting to Rs. 49,95,000/- by utilising this grant and deducted the said amount of Rs. 49,95,000/- from the grant received. The Corporation had received Grant of Rs. 5,00,000 in F.Y 2008-09 & also received subsidy of Rs. 21,00,000/- in FY 2010-11 for purchase of 100 looms. Since this subsidy pertains to utilisation of Rs. 49,95,000/- (deducted from Govt. grants in the year 2009-10) towards purchase of looms, the said subsidy of Rs. 21,00,000/- was added to Govt. Grants. During FY 2013-14 corporation has utilised Rs. 37,79,450/- on account of construction of compound wall in paithani Development Centre. The balance of Rs. 65,19,950/- is shown under the head Gov. Grants.
- 3.3 The Corporation is crediting 0.1% of rebate earned on marketing business to Marketing Risk Reserve as per the Board resolution passed earlier
- 3.4 The Corporation has amortised Rs.18,59,252/- from Revaluation Reserve and corresponding amount has been credited to leasehold land to reduce the value thereon.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 4: Long-term borrowings

Particulars	31 March 2019	31 March 2018
Unsecured :		
Industries & Labour Dept., Maharashtra Govt. Edu. Unemployment Hire Purchase Scheme (Refer Note 4.1)	13,18,000	13,18,000
Industries & Labour Dept., Maharashtra Govt. Seed Capital (Refer Note 4.1)	64,03,332	64,03,332
Deposit received from unit holders (4.2)		
Total	77,21,332	77,21,332

4.1 "The above loans are outstanding since long back. Management is of the opinion that the scheme amounts reflected in books of accounts are very old and neither reconciled nor payable. Government Department. has also not claimed these amounts from Corporation. Hence, Corporation has not provided interest expenses since 2007-08. The interest expenses provided but not paid till 2007-08 of Rs.1,18,23,707/- is shown in the current liabilities. interest expenses from 2007-08 to 2018-19 of Rs. 36,38,370/- is shown as contingent liability."

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 5: Long term provisions

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Provision for employees' benefits		
- Gratuity (refer note 5.1 and note 31(A))	8,03,36,075	9,15,62,303
- Leave encashment (refer note 31(B))	1,63,98,982	1,47,02,488
Provision for Income Tax	4,87,145	76,98,398
Other provisions		
- Provision for litigations		
- Provision for income tax (net of advances)		
Total	9,72,22,202	11,39,63,189

5.1 The above account is not reconciled. The above account includes payment received from LIC for payment of gratuity. The payment made against this amount is debited to advance to gratuity trust.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 6: Trade payables

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Due to Micro and Small Enterprises (Also, refer note (6.1))	-	-
Due to others (refer note 6.2)	39,85,46,410	39,27,85,948
Total	39,85,46,410	39,27,85,948

6.1 Information related to Micro and Small Enterprises, as defined in the Micro, Small and Medium enterprises Development Act, 2006 (MSME Development Act), are given below. The information given below have been determined to the extent such enterprises have been identified on the basis of information available with the Corporation:

(Amount in Rs.)

	31 March 2019	31 March 2018
(i) Principal Amount Outstanding	-	-
(ii) Interest on Principal amount due	-	-
(iii) Interest and Principal amount paid beyond appointment day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the amount of interest specified under MSME Development Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to small enterprises, for the purpose of disallowance as a deductible expenditure under Section 23 of MSME Development Act	-	-

6.2 The trade payables are subject to scrutiny, reconciliation and consequential adjustments.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 7: Other current liabilities

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Interest accrued and due on borrowings (refer note 4.1 and note 7.1)	1,18,23,707	1,18,23,707
Advance from customers (refer note 7.2)	17,49,14,070	19,31,38,325
Raw material dues and refund payable (refer note 7.3)	1,47,08,431	1,47,08,431
Book overdraft (refer note 7.4)	41,33,456	35,89,156
Retention money	5,33,674	15,71,358
Security and other deposits (refer note 7.5)	11,27,03,174	10,63,84,391
Contributions received (refer note 7.6)	54,52,989	58,53,790
Employee benefits (refer note 7.7)	54,21,315	40,19,410
Statutory dues (refer note 7.8)	70,47,984	96,37,792
Other miscellaneous liabilities (refer note 7.9)	31,32,86,573	26,58,69,719
Total	65,00,25,375	61,65,96,081

7.1 Interest accrued and due on borrowings represent unsecured loans taken long back and not repaid/utilised till date. The Corporation has provided interest till FY2007-08. (refer note 4.1)

7.2 Advance from customers, raw material and refund payable, security and other deposits are subject to scrutiny, reconciliation and consequential adjustment.

7.3 Raw material dues and refund payable neither reconciled nor any balance confirmation available. Hence, the same is subject to reconciliation and consequential adjustment.

7.4 The Corporation is maintaining accounts with State Bank of India at Yavatmal and Buldhana. As on 31st March, 2019 some cheques issued to suppliers but these cheques physically not delivered to suppliers. Due to this practice bank balance of SBI gone negative in the books. However, all the cheques reconciled in the subsequent period and no instances of cheque bounce in noticed by the Corporation.

7.5 MSSIDC allotted plot at Wada however the agreement is not executed with one party and the premises is not utilised by said party due to removal HT line of MSEB. Security and other deposit payable neither reconciled nor any balance confirmation available. Hence the same is subject to reconciliation and consequential adjustment.

7.6 Contribution received from Government Department neither reconciled nor any balance confirmation available. Hence the same is subject to reconciliation and consequential adjustment.

7.7 Employee benefits neither reconciled nor any balance confirmation available. Hence the same is subject to reconciliation and consequential adjustment.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

- 7.8 Statutory dues are not reconciled and shown net of payable and receivable. The same is subject to Assessment & Appeals on various statutory matters. There are various statutory matters outstanding on which demands are outstanding.
- 7.9 The amount includes Rs. 15,50,00,000 payable to Mohit Minerals Pvt. Ltd. The Corporation has appointed Mohit Minerals Pvt. Ltd. as handling agent for distribution of coal. He has submitted Bank Guarantee of Rs.15,00,00,000 and deposited Rs. 50,00,000 as Security Deposit. due to some dispute, the corporation has encashed this bank guarantee. the dispute went for Arbitration and the arbitration award passed by authority went against the corporation. The corporation has filed appeal against the award in Bombay High Court. The Corporation has deposited Rs.22,00,00,000 with High Court on 11.01.2018. Balance amount is subject to reconciliation and consequential adjustment.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 8: Short-term provisions

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Provision for employees' benefits		
- Provision of gratuity(refer note 33(A))		
- Leave encashment (refer note 31(B))	72,32,039.00	63,13,590.00
Other provisions		
- Provision for arrears of rent (refer note 8.1)	-	1,83,03,001
- Provision for expenses (refer note 8.2 and 8.3)	5,97,17,397	5,77,07,755
Total	6,69,49,436	8,23,24,347

8.1 "Krupanidhi Limited is subsidiary of MSSIDC Limited. HO building premises is taken on lease from BPT.

Case history

Mumbai port Trust has filed suit against the Krupanidhi Limited in the year 1985, on the allegation that this company had committed breach of terms and conditions of the indenture of lease by assigning a major portion of the demised premises to Maharashtra Small Scale Industries Development Corporation Ltd., without the consent of Mumbai port Trust. The suit was decided by his Honour Learned Judge Shri M B Mali on 31st August, 2001 and the same was decreed in favour of Mumbai port Trust and the Company were ordered to handover vacant possession of the suit premises within a period of three months from the date decree and it was directed that mesne profit should be ascertained. The Company being aggrieved by the said Judgement and decree dated 31.08.2001 preferred an appeal no. 704 of 2001 in small causes Court, Mumbai through Advocate Shri. Amin Nathani.

Mean time Krupanidhi Ltd. has received a statement of Accounts from Mumbai Port Trust through their Advocate, in the Court during the hearing on 13.03.2008, showing the arrears of Rent etc., amounting to Rs. 2,95,20,970 payable to Mumbai Port Trust for the period from 01.01.1971 to 31.03.08. The Krupanidhi Ltd have forwarded the said statement to all our unit holders/ members requesting them to make the payment of arrears as per their share. The corporation has share of expenses of Rs. 1,83,03,001/-, hence the same has been provided earlier.

BPT has raised demand of arrears to Krupanidhi Limited of Rs. 2,95,20,970/- in 2007-08. This subject matter is in Court and Krupanidhi Limited. is perusing matter to respective authority. Krupanidhi Limited has issued arrears of demand to respective shareholders and we are the major shareholder in Krupanidhi Limited. and at present 62 percent shareholding with MSSIDC.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

As per the accounting standard (AS) 21 we have to consolidate the balance sheet of MSSIDC. Limited and Krupanidhi Limited. as per the Company Act 2013. The Krupanidhi Limited raised the demand of arrears to MSSIDC, therefore we have to make provision in books of accounts FY-2014-15. The 62 percent share of 2,95,20,970/- is work out Rs. 1,83,03,001.00/- The Corporation has booked provision in books of accounts in FY-2014-15 and Corporation finally made payment on 05.02.2019 "

8.2 Provision for expenses includes Rs.2,63,25,359/- towards additional lease premium payable to CIDCO for non-fulfillment of condition of minimum construction at Kalamboli Godown, Thane. The provision was provided in books of accounts in F.Y.2012-13.

8.3 Provision for expenses includes Rs.2,72,64,845/- towards arrear of rent payable to Mumbai Port Trust. The provision was provided in books of account in F.Y. 2009-10. This provision is kept in the books of account since Mumbai Port Trust has raised fresh demand vide their letter dated 02.08.2017 for Rs.45,88,82,204/-

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

(Amount in Rs.)

Note 9: - Fixed assets
Note 9.1:- Tangible Assets

	ORIGINAL COST			DEPRECIATION			NET BOOK VALUE		
	Balance as at 01 April 2018	Additions	Disposals	Balance as at 31 March 2019	Balance as at 01 April 2018	Depreciation	Impairment loss	Balance as at March 2019	Balance as at 31 March 2018
Freehold land	76,426	-	-	76,426	-	-	-	76,426	76,426
Leasehold land	21,10,05,076	-	-	21,10,05,076	15,43,84,233	18,59,252	-	5,47,61,591	5,66,20,843
Building on leasehold land	5,71,82,892	-	-	5,71,82,892	1,37,38,475	15,70,821	-	4,18,73,595	4,34,44,417
Residential flats	41,03,472	-	-	41,03,472	19,83,031	69,020	-	20,51,421	21,20,441
Office premises	1,14,19,807	-	-	1,14,19,807	43,26,887	2,84,928	-	68,07,992	70,92,920
Paithani dev centre	1,82,226	-	-	1,82,226	96,404	25,641	-	60,182	85,822
Plant and machinery	78,58,417	-	-	78,58,417	41,59,356	2,83,626	-	34,15,435	36,99,060
Office Equipments	1,04,85,744	-	-	1,04,85,744	97,24,169	1,65,184	-	5,96,390	7,61,575
Furniture and fixtures	1,26,13,413	20,69,685	-	1,46,83,098	1,07,15,781	1,50,351	-	38,16,966	18,97,632
Electrical fitting	25,16,342	3,87,987	-	29,04,329	10,43,147	3,51,352	-	15,09,830	14,73,195
Vehicles	53,22,038	-	-	53,22,038	40,19,423	3,74,660	-	9,27,955	13,02,615
Computers	2,22,32,828	2,04,017	-	2,24,36,845	2,11,83,837	88,589	-	11,64,419	10,48,991
Tangible assets	34,49,98,681	26,61,689	-	34,76,60,370	22,53,74,742	52,23,425	-	11,70,62,202	11,96,23,938
Assets less than Rs. 5,000	8,33,800	19,478	-	8,53,278	8,33,800	19,478	-	-	-
Total Tangible Assets	34,58,32,481	26,81,167	-	34,85,13,648	22,53,74,742	52,42,903	-	11,70,62,202	11,96,23,938
Previous year	34,48,54,057	9,78,506	-	34,58,32,563	22,53,74,742	51,97,439	-	11,96,23,938	12,38,42,870

Note 9.2:- Intangible Assets

	ORIGINAL COST			DEPRECIATION			NET BOOK VALUE		
	Balance as at 01 April 2018	Additions	Disposals	Balance as at 31 March 2019	Balance as at 01 April 2018	Depreciation	Impairment loss	Balance as at March 2019	Balance as at 31 March 2018
Leasehold rights	63,70,805	-	-	63,70,805	27,55,077	3,58,375	-	32,57,353	36,15,728
Total Intangible Assets	63,70,805	-	-	63,70,805	27,55,077	3,58,375	-	32,57,353	36,15,728
Previous year	63,70,805	-	-	63,70,805	23,96,702	3,58,375	-	36,15,728	39,74,103

5601278.00

120319555.58

73280.58

Notes :

- (i) Amortisation has been provided in proportion to Lease Period from the year in which possession of lands is taken, although the agreements to lease stipulate that they will come into force after the
- (ii) The Corporation has Amortised Lease Hold Rights of the premises in World Trade Centre over its useful life of 60 years.
- (iii) Total Depreciation (including amortisation of lease hold right) for the year of Rs.56,01,278/- includes Amortisation of revaluation reserve of Rs.18,59,252/-

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 10: Non-current investments

(Amount in Rs.)

(Valued at cost unless stated otherwise)

Particulars	31 March 2019	31 March 2018
Quoted investments		
Investment in equity instruments		
1,60,000 (previous year:1,60,000) equity shares of Mah. Ind & Tech Consultancy Org. Ltd., of Rs.10/- each, fully paid up (refer note 10.1 & 10.2)	40,000	40,000
Unquoted investments		
Investment in equity instruments		
1 (previous year: 1) equity share of Mah. State Handloom Co-op Fed. Ltd., of Rs.250/- each, fully paid up	250	250
620 (previous year: 620) equity shares of Krupanidhi Limited of Rs.100/- each, fully paid up	62,000	62,000
Total	1,02,250	1,02,250

10.1 Original Shares 400 purchased @100 per share (Rs. 40,000), thereafter bonus share 600 allotted to the Corporation.Total no. of share 1000 is subdivide @ 10 each per share and fresh 9000 share @ 10 per share allotted to the corporation.Around 2001-02 fresh bonus share 150,000 allotted to the corporation,Thus total no. of Share is 160,000.

10.2 During the Year 2013-2014 Mitcon listed its share on recognised stock exchange in India, therefore investment in the shares of Mitcon is quoted shares after their listing.

10.3 Market Value per share is Rs. 50.00 as on 31.3.2019, thus value of investment is Rs.80,00,000.(160,000 share @50.00 each)

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 11: Deferred tax assets (net)

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Deferred tax liability		
Opening balance	18,70,732	15,49,994
Timing difference on tangible assets depreciation and impairment		
Effects of lease accounting		
Disallowance U/s 43B	9,46,830	3,20,738
PL Encashment		
Total	28,17,562	18,70,732
Deferred tax assets		
Opening balance	1,52,25,425	1,48,37,024
Disallowance U/s 40(a)	1,28,680	-
Disallowance U/s 43B	-	-
Provision for Bad Debts & Rent Receivable		
Timing difference on tangible assets depreciation and impairment	5,01,569	3,88,401
Total	1,58,55,674	1,52,25,425
Net deferred tax assets/(liability)	1,30,38,112	1,33,54,693
Profit & Loss Impact	(3,16,581)	67,663

11.1 During the year, Deferred Tax Assets are not recognized in the absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 12: Long term loans and advances

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
(Unsecured, Considered Good, unless otherwise stated)		
Capital Advances (Unsecured considered good)	-	-
Security deposits (refer note 12.1)		
- Unsecured, considered good	25,79,73,286	25,86,06,024
- Unsecured, considered doubtful	52,96,427	52,96,427
- Less: Provision for doubtful deposits	(52,96,427)	(52,96,427)
	25,79,73,286	25,86,06,024
Advance recoverable in cash or in kind or for value to be received		
- Unsecured, considered good		
- Unsecured, considered doubtful		
- Less: Provision for doubtful advances		
Advances to suppliers		
Less : Provision for doubtful advances		
Loans to Employees		
- Secured considered good		
- Housing and other loans		
Other advances and balances		
- VAT receivable	-	-
- Service tax credit receivable	-	-
- Advance tax and TDS	51,498,891	4,10,63,498
- Prepaid Expenses	-	-
- Other advances	-	-
Total	30,94,72,177	29,96,69,522

12.1 The amount includes Rs. 15,50,00,000 payable to Mohit Minerals Pvt. Ltd. The Corporation has appointed Mohit Minerals Pvt. Ltd. as handling agent for distribution of coal. He has submitted Bank Guarantee of Rs.15,00,00,000 and deposited Rs. 50,00,000 as Security Deposit. due to some dispute, the corporation has encashed this bank guarantee. the dispute went for Arbitration and the arbitration award passed by authority went against the corporation. The corporation has filed appeal against the award in Bombay High Court. The Corporation has deposited Rs.22,00,00,000 with High Court on 11.01.2018. Balance amount is subject to reconciliation and consequential adjustment.

12.2 Advance Tax and TDS is subject to reconciliation and consequential adjustment .

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 13: Other non-current assets

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Others		
Advance to gratuity trust (refer note 13.1)	16,44,16,370	17,22,85,768
Bank deposits (due to mature after 12 months from reporting date)		
Long term trade receivables		
- Unsecured considered good		
- Unsecured Considered Doubtful		
- Less: Provision for doubtful receivables		
Bank deposits (due to mature after 12 months from reporting date)		
Deposits		
Advance income tax		
Advance to suppliers		
Dividend receivable		
Total	16,44,16,370	17,22,85,768

13.1 The above accounts are not reconciled. As per the balance confirmation available with LIC, the balance with LIC is only of Rs. 4,40,05,871/-. The corporation has not reconciled this account since long and actual payment made for gratuity is also debited to this account. due to error in accounting, there is excess balance shown in this account by Rs. 12,04,10,499/-

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 14: Inventories

(Amount in Rs.)

(valued at cost or lower of net realizable value)

Particulars	31 March 2019	31 March 2018
Raw materials	3,89,583	2,40,957
Work-in-progress	6,95,965	6,73,099
Finished goods	14,31,715	12,31,907
Traded goods	57,22,991	70,44,857
Total	82,40,253	91,90,820

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 15: Trade receivables

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Receivables outstanding for a period exceeding six months from the date they are due for payment		
- Secured, considered good	-	-
- Unsecured, considered doubtful (refer note 15.1)	39,49,84,375	38,46,82,335
- Less: Provision for bad and doubtful receivables	(2,64,85,000)	(2,64,85,000)
	36,84,99,375	35,81,97,335
Other receivables		
- Secured, considered good	-	-
- Unsecured, considered good (refer note 15.2)	1,66,89,304	2,24,84,800
Total	38,51,88,679	38,06,82,135

15.1 The Trade Receivables are subject to scrutiny, reconciliation, consequential adjustments. The amount includes Rs. 37,44,10,020/- (Previous year Rs. 36,75,97,398/-) less earlier provision Rs. 2,64,85,000 under sundry debtors, which is outstanding for over three years as per ageing using TALLY accounting software. The Management is of opinion that some of the debtors pertaining to marketing activity which are backed by creditors, and some of the debtors legal cases are filed which result will be favorable. Hence no provision is made against these debtors.

Trade Receivables of Rs. 8,73,05,634 was due from M/S. Metal Tube Rolling Mills (MTRM). The matter went under arbitration. Advocate of the Corporation has finally completed argument before the Arbitrator in April 2011. The arbitrator has passed the award on 14.06.2011 in favour of the Corporation directing the MTRM to deposit Rs. 16,99,56,060 plus interest. The Arbitration award was challenged by MTRM. The case challenging the Arbitration Award was decided in favour of MSSIDC by Bombay High Court on 27/08/2018. The Caveat was filed in Hon'ble Supreme Court within the stipulated time. The Corporation filed execution application dated 27.07.2016 for claim of Rs. 50,64,73,685 at Bombay High Court. Further, the Execution proceeding is in process at Hon'ble High Court.

Trade Receivables includes Rs. 5,62,79,307 receivable from Mehta Group of industries. The Corporation has filed civil suit as well as u/s 138 (cheque bouncing) on Mehta Group of Companies (1. Prithavi Espat, 2. Holum Iron Steel, 3. Parshwa Engg., 4. Munish Forge Ltd.)

Prithavi Espat- The Corporation had filed special Civil Suit No. 574/2002 for recovery Rs. 1,13,35,861/- in the court of Civil Judge Senior Division Nagpur. The said suit dismissed by Court on 13-11-2008 for default. (As Corporation's advocate was

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

absent and nobody was present on behalf of Corporation . We have filed Civil Suit for restoration of original recovery suit which was dismissed in default. The summons issued to defedents are returned back with endorsement left the address above 6-7 years back. The Court has directed to issue fresh Summons on new address as we do not have new address summons cannot be issued. Amarchand Mehta died on 09-11-2008 The matter is pending before the 16th Joint Civil Judge , Senior Division Nagpur for further steps. (Next Date 25-06-2019)

Holum Iron Steel-SCS no 9/2016 – mssidc file affidavit on evidence on 25/10/2016. mssidc adv. take chif on 22/02/2017 and court passed the order of no cross. defendant no. 3 bipin babulal mehata filed application for setting aside order of no cross. the corporation filed objection on application. for hearing on application for setting aside order of no cross. in this matter stay has been granted by the hon'ble high court to proceed in this matter . the matter is fixed on 20-06-2019. WP No 6587/2017- Hon'ble High Court by its order dated 13.12.2017 granted Ad.Interim relief in terms of prayer clause (ii) by way of Ad Interim relief further proceeding pending before the Hon'ble District Judge Nagpur . In special (commercial) Civil Suit No. 9 / 2016 be stayed during the pendency of writ petition until further orders. And This notice for respondants returnable. Since notices could not be served upon respondents due to non availabilty of addresses .Paper publication order has been passed by the Court. Notice publised in news paper by dt .17/8/2018 . Matter is pending for further steps.

Parshwa Engg SCS No 14/2016- mssidc file affidavit for evidence on 25/10/2016. mssidc adv. take chif on 22/02/2017 and court passed the order of no cross. defendant no. 3 bipin babulal mehata filed application for setting aside order of no cross. the corporation filed objection on application. for hearing on application for setting aside order of no cross.the matter is pending before the hon'ble district judge, nagpur for framing issues.the matter is fixed on 20-06-2019

Munish Forge Ltd- RDN/145/2017- The suit is decded with first on dated 17-04-2017 by Civil Judge Senior Division . The defendant are diredcted to pay an amount of Rs. 5043435/- with interest @ 27% per annum till it's realization. This is a regular Darkhast for execution of decree of Rs. 25785135/- in this matter summons have not been served to the respondents due to non availability of the Noticee. The matter is pending before the Civil Judge Sr. Division , Nagpur RCA 303/ 2017- Civil Case No. 621/2002 decided in favour of MSSIDC on 17.04.2017. Bipin Mehta being Respondant No.3 of the said case has challanged to squash and set aside impugned and decree dtd. 17.04.2017 before District Judge. We have filed Written Reply by our Advocate on 10.07.2017. This appeal has been filed by Bipin Mehta against the Corporation where in we have filed our written submission. It is kept of hearing on 19-06-2019.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Khutale- sundry debtor includes receivable from m/s. khutale steel rolling mills pvt ltd. ("khutale"), satara for Rs. 42,52,635. khutale unauthorizedly removed raw material supplied under warehousing credit scheme and has an outstanding of Rs. 42,52,635 as on date. the judgment delivered in favour of the corporation in civil suit filed by the corporation in satara court against khutale for recovery and the original decree execution papers were submitted to hon'ble high court, mumbai. the matter is pending before high court. notice of motion no. 843 of 2013 is filled in high court judicature at bombay. the notice of motion, which is filled for restoration is pending with hon'ble high court.

15.2 This amount is subject to scrutiny, reconciliation and consequential adjustment.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 16: Cash and bank balances

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents		
Cash on hand	41,666	1,40,489
Balances with banks		
- in current accounts	5,45,72,073	5,46,97,417
- in deposit account (with maturity upto 3 months)	-	-
Other bank balances		
- Deposits with maturity more than 3 months but less than 12 months	50,52,00,000	54,54,00,000
- Balances with bank held as margin money	-	-
Total	55,98,13,739	60,02,37,906

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 17: Short-term loans and advances

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Unsecured considered good, unless otherwise states:		
Loans and advances to employees		
- Housing and other loans	58,623	60,738
- Salary advances	23,04,927	29,22,036
Advance to suppliers (refer note 17.1)	5,86,82,552	5,75,34,474
Advance recoverable in cash or in kind or for value to be received(ref note 17.2)		
- Unsecured, considered good	1,44,871	41,310
- Unsecured, considered doubtful	1,30,21,406	1,30,21,406
- Less: Provision for doubtful loans and advances	(1,30,21,406)	(1,30,21,406)
	1,44,871	41,310
Other Advances and Balances (Ref Note 17.3)		
- Exhibition and Training	52,43,623	1,60,61,872
Total	6,64,34,596	7,66,20,430

17.1 Advance to suppliers are subject to scrutiny, reconciliation and consequential adjustments.

Advance to Suppliers includes Advance of Rs. 29.42 lakhs which was paid on 24.11.2003 to M/s. Inter National Steel Industries (ISI), Mumbai, towards raw material transaction. Since the amount was outstanding and FIR was lodged with Economic Offence Wing (EOW) on 22.12.2004, the matter is under investigation. Further, the Corporation has also filed 2 criminal complaints against ISI and the same are pending before Metropolitan Magistrate Court (Esplanade), Mumbai. The Corporation have submitted fresh addresses of accused to the Hon'ble Court. Hon'ble Court issued non-bailable warrant on fresh addresses. The accused are absconding and concern police department are searching for the absconded accused. Balance amount is also subject to reconciliation and consequentile adjustment

17.2 Balance amount is subject to reconciliation and consequentiles adjustment

17.3 Balance amount is subject to reconciliation and consequentiles adjustment

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 18: Other current assets

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Unsecured considered good, unless otherwise states		
Interest Accrued on fixed deposits	2,29,77,286	2,63,85,859
Claim recoverable (refer note 18.2)	10,82,542	10,82,542
Rent receivable (refer note 18.1)	10,56,87,256	8,39,26,921
- Less: Provision for doubtful rent receivable	(48,24,614)	(48,24,614)
	10,08,62,642	7,91,02,307
Prepaid expenses	62,009	6,75,471
Preoperative Expenses	-	-
Total	12,49,84,478	10,72,46,179

18.1 The Corporation is to receive Rs.35,44,918/- towards rent receivable from Hindustan Zinc Ltd. The case went to Arbitration and Arbitration Award was passed in the favour of the Corporation asking Hindustan Zinc Ltd. to pay Rs.27,40,046/- to the Corporation. Hindustan Zinc Ltd. has moved Udaipur District Court against the Arbitration Award. Hindustan Zinc has shown willingness to settle the matter and the final settlement claim is received by corporation on 24.02.2019 .

The Corporation had given their godowns on rental basis to Thakkar Warehousing Agency (TWA). The party has sublet the said godowns to 5 parties. There was a dispute between the Corporation and TWA and the matter was handed over to the arbitration. The arbitrator has given their award in favour of the Corporation for Rs.2.59 Crores on 08.10.2010 on which TWA has filed petition in the court of Law challenging the arbitration award, which has been admitted by the court. The Corporation has filed an appeal before divisional bench to challenge the order of the single bench of admission of the petition of TWA. The appeal of the Corporation is admitted and pending for final hearing.

The Corporation has allotted 2863 sq.ft space at Krupanidhi Building First floor, Mumbai to MIDC for running IPFC (Investor Promotion & Facilitation Cell) wef 27.08.2013 @ 130 per sq.ft. The rental income booked in FY 2018 -19 Rs. 73.64 lacs, however same has been recovered in 2019-20.

Rent receivable includes Rs 6,83,85,053/-outstanding from last years and not recovered during the year and in addition to that Rs.3,77,15,716/-rent income out of total booked during the F.Y. 2018-19 not received during the year.

18.2 Claim amount recoverable is not reconciled and there is no recovery of this amount since long.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 19: Revenue from operations

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Sale of products		
- Finished goods	11,60,145	48,32,414
- Traded goods	20,05,79,819	13,06,02,221
	20,17,39,964	13,54,34,636
Total	20,17,39,964	13,54,34,636
Breakup of revenue from sale of products		
Note 19.1:	31 March 2019	31 March 2018
Manufactured goods		
- Cotton paithani sarees	59,60,258	39,00,088
- Coir Products	29,47,546	9,32,326
Traded goods		
- Marketing sales	17,12,33,570	8,47,79,886
- Handicraft sales	2,15,98,590	4,58,22,336
Total	20,17,39,964	13,54,34,636

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 20: Other income

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Interest income	3,90,75,302	5,10,44,368
Dividend income from		
- long term investments	1,60,000	1,60,000
Gain/(Loss) on Sale of Investments (Net):		
- On Long-Term Investments		
Rental income (refer note 20.1)	5,04,31,715	4,55,89,274
Liabilities written back to the extent no longer required	82,347	1,13,410
Other non-operating income	14,13,181	31,86,056
Profit transferred from divisions	-	-
Contribution from shareholders	-	-
Prior Period Item	-	-
less: Inter Company Transaction	-	-
Total	9,11,62,546	10,00,93,108

20.1.: Renal Income of godown no.D-10 including seven Parties at Thane, out of that two parties rent booked in current financial year as per agreement.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 21: Cost of materials consumed

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Raw material consumed		
- Opening inventory	2,40,957	2,33,600
- Add : Purchases	13,74,507	10,97,503
- Less : Inventory at the end of the year	3,89,583	2,40,957
Cost of raw materials consumed during the year	12,25,881	10,90,146

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 22: Purchases of traded goods

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Marketing and handicraft purchases	18,46,47,813	12,41,05,363
Total	18,46,47,813	12,41,05,363

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 23: Changes in inventories of finished goods, work-in-progress and stock-in-Trade

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
(Increase)/Decrease in stocks		
Stock at the end of the year:		
- Finished goods	14,31,715	12,31,907
- Work-in progress	6,95,965	6,73,099
- Stock in trade	57,22,991	70,44,857
Total A	78,50,670	89,49,863
Less: Stock at the beginning of the year:		
- Finished goods	12,31,907	9,93,642
- Work-in progress	6,73,099	5,02,011
- Stock in trade	70,44,857	64,17,621
Total B	89,49,863	79,13,274
(Increase)/Decrease in stocks (A-B)	10,99,192	(10,36,589)

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 24: Employee benefit expenses

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Salaries, wages and bonus	6,07,77,123	6,60,25,552
Contribution to provident and other funds	45,49,519	51,36,931
Gratuity	20,000	-
Staff welfare expenses	1,35,414	14,68,725
Total	6,54,82,056	7,26,31,208

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 25: Finance costs

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Bank charges	95,601	1,24,916
Interest paid others	10,44,424	33,729
Total	11,40,025	1,58,645

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 26: Depreciation and amortization expense

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Depreciation of tangible assets (Also, refer note 9)	52,42,903	51,97,439
less: Inter Company Transaction		
Amortisation of Intangible Assets	3,58,375	3,58,375
	56,01,278	55,55,813
less: Transfer to Revaluation reserve	18,59,252	18,59,252
less: Debit pertaining to previous year (short Amort. Of Last year)	-	-
Total	37,42,026	36,96,562

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 27: Other expenses

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Power and fuel	14,09,997	14,86,695
Freight, clearing and forwarding	1,65,073	80,488
Rent	69,69,005	1,11,62,361
Repairs and maintenance		
- Building	28,76,967	39,82,407
- Plant and equipment	7,52,653	6,38,486
- Other	5,15,219	9,89,364
Insurance	2,76,145	2,22,045
Rates and taxes	19,04,769	43,19,736
Travelling and conveyance	15,95,277	24,50,840
Directors' fees	1,36,745	17,000
Payments to auditors (Also, refer note 27.1)	5,00,000	5,00,000
Legal and professional charges	74,23,282	56,80,149
Advertisement expenses	10,25,428	2,76,686
Printing and stationery	5,01,814	5,05,185
Communication expenses	4,86,054	8,90,765
Office maintenance	3,99,131	13,45,062
Vehicle running and maintenance charges	24,19,703	23,67,624
Corporate social responsibility	-	-
Mkt Risk & Devepoment Res.	8,548	639
Bad debts written off	1,270	15,969
Security expenses	46,94,084	53,02,526
Miscellaneous expenses	65,81,833	1,08,07,308
Total	4,06,42,995	5,30,41,335
27.1 Payment to auditors	31 March 2019	31 March 2018
As auditor		
- Statutory audit	3,50,000	3,50,000
- Tax audit	1,50,000	1,50,000
Reimbursement of expenses	-	-
Total	5,00,000	5,00,000

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Note 28: Prior period items (net)

(Amount in Rs.)

Particulars	31 March 2019	31 March 2018
Income		
Sales	5,65,927	21,766
Interest	-	-
Rent Income	-	23,32,050
Registration income	-	-
Services Charges/Rebate	63,473	-
Electricity Charges (Reimbursed)	27,96,764	1,21,620
Refund National Information centre	-	-
Reversal of Excess provision	8,52,500	1,46,503
Deposit Forfieted	-	-
Miscellaneous Income	1,08,785	3,088
Total A	43,87,449	26,25,027
Expenditure		
Purchases	-	-
Service charges	68,291.00	-
Office and administrative expenses	1,90,001.00	-
Marketing expenses	-	3,529.48
Miscellaneous expenses	-	2,64,178.00
Professional Fee	8,15,000.00	-
Travelling Exp	-	25,212.00
Rent and interest expenses	4,07,630.00	-
Office expenses	1,87,090.00	47,430.00
Rates & Taxes	26,633.00	1,80,396.00
Spare Parts	-	-
Expenses on Parwasi Divas	-	-
Depreciation / Amortisation	-	-
Water Charges	-	-
Staff Walfare	-	-
Wages	-	-
Annual Maintenance Charges	-	-
Total B	25,82,493	5,20,745
Total (A-B)	18,04,956	21,04,282

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

(Amount in Rs.)

29 Earning per share (EPS)

Earnings Per Share is calculated in accordance with Accounting Standard 20 - 'Earning Per Share' - (AS-20), notified by the

Particulars	31 March 2019	31 March 2018
Net profit after taxes as per statement of profit and loss attributed to equity	(3,57,99,971)	(70,47,732)
Weighted average number of equity shares used as denominator for calculating	14,50,099	14,50,099
Basic and diluted	(24.69)	(4.86)
Face value per share in rupees	100	100

30 Segment reporting

Primary segment reporting (by business segment)

The Corporation has identified its reportable segment for Segment Reporting , in accordance with Accounting Standard 17, as Marketing, Emporium & CWH Activity which are primary segment. In addition, the following policies have been followed for Segment Reporting.

- (i) Segment Revenue includes sales and other income directly identifiable with / allocable to the segment with bifurcation of inter segment revenue.
- (ii) Expenses that are directly identifiable with /allocable segments are considered for determining the segment results. Expenses which relate to the corporation as a whole and not allocable to segments are included under "Unallocable Expenditure".
- (iii) Income which relates to the Corporation as whole and not allocable to segments is included in " Unallocable Segment"
- (iv) Segment assets & liabilities include those directly identifiable with the respective segments, Unallocable Corporate assets and liabilities represents the assets and liabilities that relate to the corporation as a whole and not allocable to any segment.

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

Particulars	Marketing Activity	Emporium	CWH	Production activity
	31 March 2019	31 March 2019	31 March 2019	31 March 2019
Revenue				
Total revenues	19,84,15,238	-	5,04,31,715	11,60,145
Internal revenue (sales through stock transfer)	-	21,64,581	-	-
Direct attributable income to segment	84,77,245	-	-	-
Other unallocable income	-	-	-	-
Total revenues	20,68,92,482	21,64,581	5,04,31,715	11,60,145
Attributable expenses to segment	19,09,61,408			35,38,157
Unallocated expenses	-	-	-	-
Operating profit	1,59,31,074	21,64,581	5,04,31,715	(23,78,012)
Interest expenses	-	-	-	-
Interest income	-	-	-	-
Other income	-	-	-	-
Profit before tax and extraordinary items	1,59,31,074	21,64,581	5,04,31,715	(23,78,012)
Income taxes/deferred taxes	-	-	-	-
Prior Period Adjustment (Net)	-	-	-	-
Net Profit	1,59,31,074	21,64,581	5,04,31,715	(23,78,012)
Other information				
Segment assets	1,30,17,51,842	85,09,547	10,56,87,256	16,50,203
Unallocated corporate assets	-	-	-	-
Total assets	1,30,17,51,842	85,09,547	10,56,87,256	16,50,203
Segment liabilities	69,62,47,824	1,35,09,718	-	6,69,315
Unallocated corporate liabilities	-	-	-	-
Total liabilities	69,62,47,824	1,35,09,718	-	6,69,315

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

(Amount in Rs.)

31 Disclosure as required by Accounting Standard (AS)-15 (Revised) on "Employee Benefits":

A. In respect of Gratuity, a Defined Benefit Scheme (based on actuarial valuation):

The Corporation pays gratuity to the employees whoever has completed five years of service with the Corporation at the.

The Corporation has invested in LIC under employees group gratuity cum life assurance scheme. The liability in respect

The Corporation has obtained gratuity valuation certificate from the actuary, as per actuary valuation certificate the liability

B. In respect of Leave Encashment, a Defined Benefit Scheme (based on actuarial valuation):

	31 March 2019	31 March 2018
Benefit type	Privilege leave	Privilege leave
Method of valuation	Projected unit credit method	Projected unit credit method
Valuation results		
Discontinuance liability	2,19,72,424	2,27,04,101
Projected benefit obligation	2,36,31,021	2,10,16,078
Other Results		
Average future service	4 years	5 years
Current & non-current liability		
Funding status	Unfunded	Unfunded
Fund balance	NA	NA
Current liability	72,32,039	63,13,590
Non-current liability	1,63,98,982	1,47,02,488
Valuation Assumption		
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult Table	Indian Assured Lives Mortality (2006-08) Ult Table
Discount Rate	6.96%	7.50%
Salary escalation rate	9.75%	5.00%
Attrition rate	5.09%	2.00%
Retirement Age	58 & 60 years	58 & 60 years
Maximum accumulation	300 days	240 days

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

C. In respect of Gratuity, a Defined Benefit Scheme (based on actuarial valuation):

	31 March 2019	31 March 2018
Benefit type	Gratuity	Gratuity
Method of valuation	Projected unit credit method	Projected unit credit method
Valuation results		
Discontinuance liability	5,66,17,354	6,71,99,535
Projected benefit obligation	6,10,67,364	6,21,00,699
Other Results		
Average future service	4 years	5 years
Current & non-current liability		
Funding status	Funded	Funded
Fund balance	4,40,05,871	5,12,86,387
Current liability	25,44,897	30,15,058
Non-current liability	1,45,16,596	77,99,254
Valuation Assumption		
Discount Rate	6.96%	7.50%
Salary escalation rate	9.75%	5%
Attrition rate	2%	2%
Retirement Age	60 & 58 Years	60 & 58 Years

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

(Amount in Rs.)

32 Disclosures in respect of cancellable operating lease

The Corporation has entered into cancellable leasing arrangement for the premises on mutually agreeable terms. The lease rentals of Rs.1,11,62,361 /- (31 March 2017: Rs. 73,71,192/-) are debited under the head "Other expenses-Rent" under note 27.

33 Contingent liabilities and commitments

Particulars	31 March 2019	31 March 2018
(a) Claims against the Corporation not acknowledged as debt:		
i) Mumbai Port Trust (refer note 34.1)	45,88,82,204	45,88,82,204
(ii) WIST – Wadala Godown, Mumbai	1,08,32,189	1,08,32,189
(iii) Savatram Polymers, Akola	24,65,320	24,65,320
(iv) M/s Ajay Entp, Yavatmal	6,24,736	6,24,736
(v) Shri Industries Aurangabad	8,06,971	8,06,971
(vi) Assistant Commisioner SPF	6,18,234	6,18,234
(vii) Dist Cooperative Industrial Development Society, Nanded	4,39,502	4,39,502
(viii) Grips India, Parbhani	3,82,767	3,82,767
(ix) Maruti Wires, Parbhani	4,68,725	4,68,725
(b) Provision for Interest expenses not made of following:		
(i) Industries & Labour Dept., Maharashtra Govt. Edu. Unemployment	9,48,960	8,69,880
(ii) Industries & Labour Dept., Maharashtra Govt. Seed Capital	26,89,410	24,65,288
(iii) Mohit Minerals Pvt. Ltd.	6,50,00,000	6,50,00,000
(c) Tax Liability not acknowledged as debt and Pending in Appeal with higher		
(i) Sales Tax	2,27,13,224	2,27,13,224
(ii) Income Tax	6,17,63,413	6,17,63,413
(iii) Value added tax	29,63,09,876	39,53,81,594
(d) Penalty u/s 271B of the Income Tax Act for non-Filling of Tax Audit	9,00,000.00	7,50,000

33.1 Mumbai Port Trust vide letter dated 02.08.2017 raised demand towards pending regulation / rectification of breaches and liquidation of Port Trust Arrears of Rs.45,88,822,04/- in respect of TW-2 Shed at Cotton Green. The matter is to be

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

(Amount in Rs.)

34 Related party disclosure

a) Names of related parties

As per Accounting Standard 18 – Related Party Transactions, specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended), the Corporation's related parties and transactions with them are enumerated below:

(a)	Enterprises where a contract exists:
	(i) Subsidiaries:
	Krupanidhi Limited
	(ii) Key Managerial Personnel one level below the board
	Shri S.R.Daund -Managing Director
	Shri Santosh kumar -Managing Director
	Smt Leena Bansod- Joint Managing Director
	Shri S.G.Siddhewad- C.F.O
	Shri V.D.Kapate-General Manager
	Shri Kush Keshri-Company Secretary

b) The transactions with related parties for the year are as follows:

Transaction during the year	31 March 2019	31 March 2018
Maintenance charges contribution to Subsidiary		
Krupanidhi Limited (Maintenance Charges)	12,78,169	11,38,732
Krupanidhi Limited (Payment made for maintenance charges)	12,78,169	11,38,732
Remuneration to KMP and one level below the board		
Shri Shivaji Daund	2,66,940	26,08,407
Shri Shivaji Daund-Reimbursement of other expenses	-	1,06,822
Shri Santosh Kumar	23,24,660	
Shri Santosh Kumar -Reimbursement of other expenses	1,25,309	
Shri M. V. Waghilkar	2,58,258	8,70,085
Smt. Leena Bansod-	16,81,065	-
Shri Kush Keshri	6,64,514	5,93,200
Shri V.D.Kapate	11,29,461	11,00,186

c) Balance outstanding with related parties:

Party name	Receivable/payable	31 March 2019	31 March 2018
Krupanidhi Limited	Maintenance charges contribution payable	12,78,169	1,78,62,570

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

(Amount in Rs.)

35 Additional information

	Particular	31 March 2019	31 March 2018
A.	C.I.F. Value of Imports by the Company:	-	-
	Raw materials	-	-
	Coal and fuel	-	-
	Trading goods	-	-
	Stores and spares	-	-
	Capital goods	-	-
B.	Expenditure in foreign currency during the year:	-	-
	Technical Know-how and professional or consultation fees	-	-
	Interest	-	-
	Foreign travelling	-	-
	Others	-	-
C.	Value of Raw Materials, and Stores and Spares Consumed during the year ended:		
		Rs. in lacs	
		Percentage (%)	
		31 March 2019	31 March 2018
		31 March 2019	31 March 2018
	Raw materials:		
	Imported	-	-
	Indigenous	10.98	6.44
		10.98	6.44
	Stores and spares:		
	Imported	-	-
	Indigenous	0.42	-
		0.42	-
D.	Earnings in foreign exchange:		
	Export of goods on F.O.B. basis	-	-
	Others	-	-
		-	-

Maharashtra Small Scale Industries Development Corporation Limited

Notes to financial statements for the year ended 31 March 2019

36 The Company has regrouped / reclassified the previous year figures to conform to the current year's presentation.

For S A R A & Associates
Chartered Accountants
Firm Reg. No. : 120927W

For and on behalf of the Board

Chief Financial Officer

Managing Director
DIN:02642157

Manoj Agarwal
Partner
Membership No. 119509

Company Secretary

Director
DIN:07183938

Place : Mumbai
Date : 30.09.2021

Place : Mumbai
Date : 30.09.2021



KRUPANIDHI LTD

FINANCIAL STATEMENTS OF THE COMPANY

COMPANY INFORMATION

CHAIRMAN & DIRECTOR	SHRI VIJAY D. KAPATE
DIRECTOR	SHRI R. G. HOTKAR
CHIEF ADMN. OFFICER	SHRI. PRAKASH Y. RAO
ADMN. OFFICER [A/C]	SHRI. CHANDRAKANT WAGHMARE
BANKERS	BANK OF INDIA BALLARD ESTATE BRANCH MUMBAI - 400 001.
AUDITORS	M/S. A.D. LALWANI & ASSOCIATES CHARTERED ACCOUNTANTS 4-A, GROUND FLOOR, D.T.C. GOREGAONKAR LANE ATTACHED TO CENTRAL PLAZA CHARNI ROAD [E] MUMBAI-400 004
REGISTERED OFFICE	"KRUPANIDHI," 9, WALCHAND HIRACHAND MARG, BALLARD ESTATE, MUMBAI - 400 001.

Director's Report

To,

The Members
Krupanidhi Limited
MUMBAI.

1. The Directors take pleasure in presenting the **54TH Annual Report** of your Company along with Profit & Loss Account for the **year ending 31st March, 2019** and the Balance Sheet as on that date along with Auditor's Report, the Director's Report and Comments of CAG on the accounts **for the year 2018-2019**

<u>Accounts & Audit</u>	<p>Your Board is pleased to inform you that the C.A.G. has appointed M/s. A. D. LALWANI & Associates, Mumbai, Chartered Accountants as Statutory Auditor of the Company for the year 2018-2019.</p> <p>Since your company is not a profit making organization all expenses incurred during the year under audit were as per usual practice proposed to be recovered from the members on pro-rata basis.</p>
<u>Directors' Responsibility Statement</u>	<p>Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013 the Board of Directors of the Company hereby state and confirm that :-</p> <ol style="list-style-type: none">(1) in the preparation of annual accounts, the applicable accounting standards have been followed.(2) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;(3) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for preventing and detecting fraud and other irregularities;(4) the Directors had prepared the annual accounts on a going concern basis.

<p>Legal cases</p>	<p>You are aware that Mumbai Port Trust, owner of the lease hold land on which the Building Krupanidhi is situated, filed a case in Small Causes Court against your company on the ground that your company has transferred the said premises to its members without obtaining prior consent of MbPT. The Small Causes Court of the Law has passed judgment against your company on 31.08.2001 and directed to evict the premises. The same has been challenged in the Higher Court by preferring an Appeal. The appeal has been admitted and the same was argued at length in the Court of Small Causes, by our Advocate on record.</p> <p>You are aware that your company's application for regularization of tenancy is pending with Mbpt.</p>																																				
	<p>The company has received the liability statement for Rs.2.96 crores in the Court through the advocate for MBPT, worked out on compromise proposal as per the Supreme Court judgment delivered on 13.01.2004. The Company has already forwarded the copy of statement to its unit holders/members with a request to arrange for payment. As such company has requested every member that they will have to contribute their share of amount against the liability to be paid by your Company.</p> <p>Present Status of arrears paid to Mumbai Port Trust</p> <table border="1" data-bbox="512 1055 1358 1693"> <thead> <tr> <th>Name</th> <th>Share amount</th> <th>Amount Paid</th> <th>Balance</th> </tr> </thead> <tbody> <tr> <td>MSSIDC</td> <td>1,83,03,002</td> <td>1,83,03,000</td> <td>002</td> </tr> <tr> <td>Seamens' PF</td> <td>35,42,516</td> <td>35,42,516</td> <td>Nil</td> </tr> <tr> <td>Mumbai Port Trust</td> <td>35,42,516</td> <td>35,42,516</td> <td>Nil</td> </tr> <tr> <td>Air India</td> <td>26,56,888</td> <td>Nil</td> <td>26,56,888</td> </tr> <tr> <td>Niyati Consultant</td> <td>5,90,419</td> <td>1,00,000</td> <td>4,90,419</td> </tr> <tr> <td>Fusion Consultancy</td> <td>5,90,419</td> <td>Nil</td> <td>5,90,419</td> </tr> <tr> <td>Rohan Merchant</td> <td>2,95,210</td> <td>2,95,210</td> <td>Nil</td> </tr> <tr> <td>Total</td> <td>2,95,20,970</td> <td>2,57,83,242</td> <td>37,37,728</td> </tr> </tbody> </table>	Name	Share amount	Amount Paid	Balance	MSSIDC	1,83,03,002	1,83,03,000	002	Seamens' PF	35,42,516	35,42,516	Nil	Mumbai Port Trust	35,42,516	35,42,516	Nil	Air India	26,56,888	Nil	26,56,888	Niyati Consultant	5,90,419	1,00,000	4,90,419	Fusion Consultancy	5,90,419	Nil	5,90,419	Rohan Merchant	2,95,210	2,95,210	Nil	Total	2,95,20,970	2,57,83,242	37,37,728
Name	Share amount	Amount Paid	Balance																																		
MSSIDC	1,83,03,002	1,83,03,000	002																																		
Seamens' PF	35,42,516	35,42,516	Nil																																		
Mumbai Port Trust	35,42,516	35,42,516	Nil																																		
Air India	26,56,888	Nil	26,56,888																																		
Niyati Consultant	5,90,419	1,00,000	4,90,419																																		
Fusion Consultancy	5,90,419	Nil	5,90,419																																		
Rohan Merchant	2,95,210	2,95,210	Nil																																		
Total	2,95,20,970	2,57,83,242	37,37,728																																		

Please note that this liability statement has nothing to do with the Appeal filed by the company against Mbpt and all the members are requested to pay contribution of their share.

During the hearing on 16.09.2011 the Hon. Appellate Court has passed an order remanding the matter back to the Trial Court for decision of additional issue no.2, which was not decided by the Trial Court. The Court has been directed to give its finding on the said additional issue and appeal is kept pending. **The Trial Court has decided on the issue no.2 in favour of Mbpt informing that the this Court is having Jurisdiction.**

After having decided by the trial Court on the issue no. 2 in favour of MbPT, our appeal came up for hearing On Board in Appellate Court. Matter was adjourned many a times for some or other reasons. Our Advocate on record Smt. Waghmare could not appear in our matter. She has discharged herself from appearing in our matter as she has joined CBI. Shri Jabra, an Advocate, was appeared in our matter as Counsel, instructed by our Advocate Smt Waghmare, Shri jabra had appeared in our matter 4 to 5 times and according to him he had argued at length in our matter before the Hon. Court. Hon. Chairman of this company is an employee of MSSIDC working as General Manager, was transferred to Paithan and thereafter to Delhi resulting no one was attending the Court during his transfer period Counsel Jabra was also not appearing in our matter as there was no response from Krupanidhi Limited. **Finally our Appeal was DISPOSED by the Hon. Court on 5th July 2013 and Appeal Dismissed without Judgment for want of prosecution.**

We have requested our Advocate, Shri Jabra to file an application for restoration of Appeal, at the earliest. Shri Jabra, after obtaining Certified copy of the Order / Judgement and in consultation with the Registrar of the Court, has filed an application for restoration of appeal alongwith the affidavit of Shri Kapate, Hon. Chairman, in the year 2016. But unfortunately our application was rejected in the office of the Registrar it self for non removal of objection in the proceeding and non follow up by our Advocate Shri Jabra. Our Company, once again requested our Advocate Shri Jabra to file revised application for restoration of Appeal in the Court of Small Causes. But once again, in spite of our constant follow up with Advocate, the revised application could not be filed as on date though the application for condo nation of delay was notarised and application for restoration appeal was affirmed though it was ready with him.

	<p>Due to failure of Advocate Jabra, in filing of revised application for restoration of appeal, Mumbai Port Trust taken the advantage of the same, filed Execution application no. 522 of 2019, served upon the company through Hon. Court, received on 02.12.2019. As our Advocate Shri Jabra has failed to file application for restoration of Appeal, the case was handed over to M/s. Little & Co., for defending the Execution Application.</p> <p>PRESENT STATUS OF THE CASE:</p> <ol style="list-style-type: none"> 1. The Company has filed application for condonation of delay and application for restoration of appeal in the court on 13.12.2019. The matter was listed on Board on 02.01.2020 and during the hearing the Hon.Court directed our Advocate and the court official to issue notice to the other side and adjourned the matter to 03.02.2020. 2. Regarding Eviction Application, the Company has filed affidavit in reply in the Hon. Court on 13.01.2020 and submitted the copy of the same to other side on 22.01.2020. The matter was adjourned to 07.02.2020.
Staff	The relation of your company with its staff members remained Cordial throughout the year under review.

Your Directors take this opportunity to express their thanks to all the members and the staff for their valuable co-operation. Your Directors also takes pleasure in placing on record their appreciation of the services rendered by M/s. A. D. Lalwani & Associates, Chartered Accountants, the Statutory Auditors of our Company. The Directors also thank our Banker for their services rendered to us from time to time.

For & On behalf of the Board of Directors

CHAIRMAN

Place : Mumbai

Date : January 13, 2020

A. D. Lalwani & Associates Chartered Accountants

Branches : Chennai, Kota & Santacruz

PAN : AAEEFA 9378 B TAN : MUMA 34753 F
GSTIN : 27AAEFA9378B2ZE FRN : 118733 W
SAC : 9982

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. KRUPANIDHI LIMITED

Report on the standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **M/s. Krupanidhi Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, and statement of cash flows for the month ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (The company does not have no Branches, Statement of changes in Equity statement is not applicable)

In our opinion and to the best of our information and according to the explanations given to us, 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 March 31, 2019, and profit/loss (nil profit), (changes in equity-Not Applicable-No change) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matter as per SA 701, Key Audit matters are not applicable to the Company as it is an unlisted company.

Responsibility of Management 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Other Matter

The company did not have branches hence other matter related to branch is not applicable,

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

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.

- a. 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. A confirmation from Debtors/creditors are yet to be obtained
- b. 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
- c. 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.
- d. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- e. On the basis of representation received from Company the Internal financial controls with respect to financial statements (ICFR) are properly placed in the company
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, there is no remuneration paid by the Company to its directors during the year hence 197 limits clause is not applicable and
- (g) 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. As informed to us the Company does have any pending litigations (Amount is 37.37 LAKHS)which would impact its financial position if not recovered

from members ,It will not impact to financials if recovered from members
As per nature of company transactions all cost of company are recoverable
from members, Detail note is reported in other notes point no (c) of financial
statement.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company}.

For A D LALWANI AND ASSOCIATES
Chartered Accountants
Firm Regn. No 118733W

(CA DIVYA LALWANI)
Partner
M. No. 077552
UDIN:- 19077552AAAAEP5604
ADDRESS:- 4-A DT.C.,GROUND FL
GOREGONKAR LANE,R.R.ROAD
CHARNI RAOD EAST MUMBAI-400004
Place: MUMBAI
DATE: - 06.09.2019

ANNEXURE TO AUDITOR'S REPORT

(Referred to in paragraph I of our report of even data)

	Reporting on maintaining and verifying and disposing of fixed assets
(i)	A) The company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
(ii)	b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(iii & iv)	Physical verification and maintenance of records of inventories; There is no inventory in the company. Consequently clause ii(a),ii(b) & ii(c) are not applicable to the company .
(v)	Loans granted by the company The company has not granted any loans secured or unsecured to companies, Firms or other parties covered in the register maintained u/s 189 of the companies Act, 2013. Accordingly clauses 4(iii) (a) &(b) of the Order are not applicable.
(vi)	Loans accepted by the company According to the information and explanation given to us, the company has not accepted any loans from financial institutions or bank or debenture holders. According to the information and explanation given to us, the company has not given any guarantee for loan taken from financial institutions or bank.
(vii)	Acceptance of Deposits As the company has not accepted any deposit from the public, the provisions of the section 73 to 76 of the companies Act, 2013 and rules there under are not applicable to the company.
(viii)	Cost Records Since the company is providing services to its nature of building maintenance, the sub-Section (l) of section 148 of the companies Act, 2013 pertaining to maintenance of cost record, does not apply.
(ix & x)	Payment of Taxes a) According to the records of the company and information and explanation given to us, the company has been generally, regular in depositing undisputed statutory dues including income tax and other statutory dues-professional tax with the appropriate authorities during the year. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as 31st March 2019 for a period of more than six months from the date of becoming payable except following : <ol style="list-style-type: none"> (1) Traces default for Financial year 2014-2015 Rs.11078(Late filing fees u/s 234E) (2) Traces default for the financial year 2012-2013 Rs.1892(Short Deduction=Rs.1620 and Tds Interest=Rs.272) (3) Traces default for the financial year 2011-2012 Rs.4820 (Short Deduction=Rs.4500, Tds Interest=Rs.320). b) According to the records of the company and information and explanations given to us, no disputed dues of provident fund, employee' state insurance, sales tax, service tax, value added tax, duty of the custom, wealth tax, Income tax, and other statutory dues were payable during the year.

(xi)	Default in repayment of dues , Guarantee of loan According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to bank. Further the company does not have any dues payable to financial institutions, government or debenture holders.
(xii)	Applicability of Public Offer/Term Loan According to the information and explanation given to us, The company has not raised moneys by way of initial public offer or further public offer (including debt instrument). The moneys were not raised by way of term loans, from related parties Terms and conditions of utilization of funds raised through loans from related parties have not been mentioned in the respective documents.
(xiii)	Reporting of Fraud To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.
(xiv)	Remuneration Managerial remuneration has not been paid or provided under provisions of section 197 read with schedule V to the companies Act.
(xv)	Nidhi Company The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO, 2017 order is not applicable.
(xvi)	Related Party Transaction According to the information and explanations given to us, The company has entered into transaction with related parties in compliance with the provisions of section 177 and 188 of the Act., where applicable and the details have been disclosed in the Financial Statement etc , as required by the applicable accounting standards.
(xvii)	Allotment According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and not commented upon.
(xviii)	Non Cash Transaction In our opinion and according to the information and explanations given to us, during the year the company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
(xix)	Section 45-1A According to the information and explanation given to us, the company is not required to be registered under Section 45-1A of the Reserve Bank of India Act,1934

**FOR A D LALWANI & ASSOCIATES
CHARTED ACCOUNTANTS**

**CA DIVYA LALVANI
Partner**

M.No. 077552

UDIN NO :19077552AAAAEP5604

Firm Registration No. 118733W

ADDRESS:- 4-A DT.C., GROUND FLOOR

GOREGONKAR LANE, R.R.ROAD

CHARNI ROAD EAST MUMBAI-4000004

Place : MUMBAI

Date: 06.09.2019

KRUPANIDHI LIMITED

Kripanidhi 9, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400001
Balance Sheet as at 31 March 2019

Particulars	NOTE NO	31.03.2019	31.03.2018
I. EQUITY AND LIABILITIES		₹	₹
(1) Shareholder's Funds			
(a) Share Capital	2	1,00,000	1,00,000
(b) Reserves and Surplus	3	-	-
(2) Share Application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings		-	-
(b) Other Long Term Liabilities	4	83,72,706	3,04,75,955
(4) Current Liabilities			
(a) Trade Payables	5	21,16,952	3,67,025
(b) Other Current Liabilities	6	-	3,526
(c) Short-Term Provisions	7	1,18,688	1,08,323
Total Equity & Liabilities		1,07,08,346	3,10,54,829
II.ASSETS		₹	₹
(1) Non-Current Assets			
(a) Property, Plant and equipment	8	16,479	19,121
-Tangible assets			
(b) Non-current investments	9	46,39,000	46,39,000
(c) Other non-current assets	10	4,25,689	4,04,791
(2) Current Assets			
(a) Trade receivables	11	51,07,657	2,50,08,324
(b) Cash and cash equivalents	12	4,33,446	9,14,838
(c) Short-term loans and advances	13	86,075	68,755
Total Assets		1,07,08,346	3,10,54,829

Significant accounting policies**1**

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

FOR A D Lalwani and Associates
CHARTERED ACCOUNTANTS
Firm Reg. No.: 118733W

FOR KRUPANIDHI LIMITED

CA Divya Lalwani - Partner
UDIN : 19077552AAAAEP5604
Mem. No. : 077552
Place : Mumbai
Date : 06.09.2019

V.D. Kapate
(Chairman)
DIN : 02089898
Place : Mumbai
Date : 06.09.2019

R.G. Hotkar
(Director)
DIN : 06911352
Place : Mumbai
Date : 06.09.2019

KRUPANIDHI LIMITED

Krupanidhi, 9, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001

Profit and Loss Account for the year ended 31 March 2019

Particulars	NOTE NO	31.03.2019	31.03.2018
Revenue		₹	₹
Other Income	14	22,53,512	18,64,616
Total Revenue		22,53,512	18,64,616
Expenses:			
Employee Benefit Expense	15	6,91,373	6,38,017
Financial Costs	16	-	-
Depreciation and Amortization Expense	17	2,642	3,069
Other Expenses	18	15,59,497	12,23,530
Total Expenses		22,53,512	18,64,616
Profit before exceptional and extraordinary items and tax	(III - IV)	-	-
Tax expense:			
(1) Current tax		-	-
Profit(Loss) from the period from continuing operations	(IX-X)	-	-
Earning per equity share:			
(1) Basic			
(2) Diluted			
Summary of significant accounting policies		-	-

Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit & Loss Statement referred to in our Report of even date.

For A D Lalwani and Associates
CHARTERED ACCOUNTANTS
Firm Reg. No.: 118733W

FOR KRUPANIDHI LIMITED

CA Divya Lalwani
Partner
Mem. No. : 077552
DIN : 06911352
Place : Mumbai
Date : 06.09.2019

V.D. Kapate
(Chairman)
DIN : 02089898

Place : Mumbai
Date : 06.09.2019

R.G. Hotkar
(Director)

Place : Mumbai
Date : 06.09.2019

KRUPANIDHI LIMITED

Krupanidhi, 9, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

A	Cash Flow From Operating Activities	2018-19	2017-18
	Net Profit Before Tax As Per Profit And Loss Account	-	-
	Adjustments For:		
	Depreciation	2,642	3,069
	Sale of Assets	-	-
	Purchase of Assets	-	-
	Other	-	-
	Less:- Loss/profit on sale of assets	-	-
	Operating Profit Before Working Capital Changes	2,642	3,069
	(Increase)/decrease in Other Current Assets	(20,898)	122
	(Increase)/Decrease In Trade Debtors	1,99,00,667	18,70,434
	Increase in Loans & Advance		-
	Increase/(decrease) in Trade Payables	17,49,927	2,63,619
	Increase/(decrease) in Other Current Liabilities	(3,526)	(3,117)
	Increase/(decrease) in Short Term Provision	10,365	762
	(Increase)/decrease in short term loans and advances	(17,320)	
	Cash generated From Operations	2,16,19,215	21,31,820
	Income Taxes Paid /TDS	-	-
	Net Cash Flow From Operating Activities	2,16,21,857	21,34,889
B	Cash Flow From Investing Activities		
	(Purchase) of Investments	-	-
	Sale Of Investments	-	-
	Interest Income Received(INT REC 23220,TDS 2322)	20,898	20,151
	Net Cash Flow From Investing Activities	20,898	20,151
C	Cash Flow From Financing Activities		
	Repayment Of Unsecured Loan	-	-
	Loan taken/Credtiros bal written off	-	-
	Increase/Decrease in Long Term Liabilities	(2,21,03,249)	(27,58,804)
	Net Cash Flow From Financing Activities	-	-
	minority interest	-	
	Total	(2,21,03,249)	(27,58,804)
	Net Increase/(Decrease) In Cash And Cash Equivalent:	(4,81,392)	(6,44,066)
	Opening Balnce	9,14,838	15,58,904
	Closing Balance	4,33,446	9,14,838

FOR A D LALWANI AND ASSOCIATES
CHARTERED ACCOUNTANTS
 Firm Reg. No.: 118733W

FOR KRUPANIDHI LIMITED

CA DIVYA LALWANI
PARTNER
 Membership No. : 077552
 UDIN NO :19077552AAAAEP5604
 Place : Mumbai
 Date : 06.09.2019

V.D.Kapate
(Chairman)
 Din no. 02089898
 Place : Mumbai
 Date : 06.09.2019

R.G.Hotkar
(Director)
 Din no. 06911352
 Place: Mumbai
 Date : 06.09.2019

SIGNIFICANT ACCOUNTING POLICIES AND NOTES

ACCOUNTING CONVENTION:

The Accounts are maintained and statements are prepared on historical basis as per accrual system of the accounting. All provision relating to accounting standards and Companies Act, 2013, has been complied other than those which are specified below except in case of leave encashment which is provided on cash basis

REVENUE RECONGNITION:

- a. As suggested by CAG the expenditures have been allocated based on the space occupied by each tenement and the income has been apportioned on the basis of shareholdings from 2010-2011.
- b. All other income and expenditure having a material bearing on the financial statements is recognized on accrual basis.
- c. The company is not engaged in any business activity. Revenue from the service is recorded in the books on issue of invoices to the customer and net of taxed and duties.
- d. Other miscellaneous revenues are recorded on accrual basis.
- e. Revenue is generally recognized on accrual basis and all income and expenditure having a material bearing on the financial statements is recognized on accrual basis.

PROPERTY, PLANT AND DEPRECIATION

- a. The fixed assets are shown at their cost of acquisition less accumulated depreciation. None of the fixed assets have been revaluated during the year.
- b. The management has physically verified the fixed assets during the year and no material discrepancies have been noticed on such verification.
- c. Depreciation is provided on pro-rata basis on the period of usage of the assets, which is rounded off to the nearest month. Depreciations is provided on written down value method.
- d. The rates of depreciation adopted are in conformity with the rates prescribed in the companies Act, 2013
- e. The nature of expenses spent on assets are recoverable from members, if recoverable in nature expenses amount will be treated revenue.

INVESTMENT: Investment are stated at cost.

FOREIGN CURRENCY TRANSCATION: During the year company does not have entered in any foreign currency transaction.

SEGMENTAL INFORMATION: Reporting of particulars specified by accounting standards 17-“Segment Reporting” is not applicable as the management is of opinion that the company operates significantly in only a single revenue segment.

INCOME AND EXPENDITURE: As suggested by CAG the expenditures were allocated based on the space occupied by each tenement till F.Y 2008-09 but as per the decision taken by board meeting held on 08/03/2010, expenses has been allocated as per share holding and the income has been apportioned on the basis of share holding from 2010-2011.

KRUPANIDHI LIMITED

Schedules Forming Integral Part of the Balance Sheet as on 31st March 2019

NOTE : 2 Share Capital

Sr. No	Particulars	31.03.2019	31.03.2018
1	<u>AUTHORIZED CAPITAL</u> 50000(previous year 5000)equity shares of Rs.100/- each	50,00,000	50,00,000
2	<u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u> 1000(previous year 1000) equity shares of Rs.100/- each	1,00,000	1,00,000
	Total	1,00,000	1,00,000

Reconciliation of number of equity shares

Particulars	31.03.2019		31.03.2018	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,000	1,00,000	1,000	1,00,000
Shares Issued /Bought backduring the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,000	1,00,000	1,000	1,00,000

Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of Rs.100/- each. Each Shareholder is eligible for one vote per one shares held. The dividend proposed by the Board of Director is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

List of shareholding more than 5% of total number of shares issued by the company

SR NO	Name of Shareholder	31.03.2019		31.03.2018	
		No of Shares	% of Holding	No of Shares	% of Holding
1	MSSIDCL LTD	620	62%	620	62%
2	Air India	90	9%	90	9%
3	Bombay Dock Labour Board	120	12%	120	12%
4	Seamon's Provident Fund	120	12%	120	12%

c) Share held by holding/ultimate holding company and / or their subsidiaries / associates

MSSIDCL LTD	620	62%
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d) Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date : Nil

KRUPANIDHI LIMITED

Schedules Forming Integral Part of the Balance Sheet as on 31st March 2019

e) Shares reserved for issue under options: Nil

NOTE : 3 Reserve and Surplus

particulars	31.03.2019	31.03.2018
<u>Surplus in statement of profit and loss</u>	-	-
At the commencement of the year		
Add:- Transferred from statement of profit and loss at the end of the year	-	-
Total	-	-

NOTE : 4 Other Long Term Liabilities

Sr. No	Particulars	31.03.2019	31.03.2018
1	Retention Money	-	2,62,711
2	Arrears of Rent	37,37,728	2,55,83,244
3	Security Deposits from members and share holders (Security Deposit for Premises Given on Rent to Members and Shareholder)	46,34,978	46,30,000
	Total in	83,72,706	3,04,75,955

NOTE : 5 Trade Payable

Sr. No	Particulars	31.03.2019	31.03.2018
1	Dues to micro and small enterprises	-	-
2	Dues to others	21,16,952	3,67,025
	Total	21,16,952	3,67,025

NOTE : 6 other current liabilities

Sr. No	Particulars	31.03.2019	31.03.2018
1	Statutory dues Income Tax p.y. 17-18	-	3,526
	Total	-	3,526

KRUPANIDHI LIMITED

Schedules Forming Integral Part of the Balance Sheet as on 31st March 2019

NOTE : 7 Short-Term Porvision

Sr. No	Particulars	31.03.2019	31.03.2018
1	Provision for emplyee benefits Salary Payable	11,133	13,146
2	Others Provision for expenses	1,07,555	95,177
	Total	1,18,688	1,08,323

KRUPANIDHI LIMITED

Schedules Forming Integral Part of the Balance Sheet as on 31st March 2019

NOTE : 8:-Property,Plant and Equipment

Sr. No	Particulars	Gross Block				Depreciaton			Net Block		
		01.04.2018	Addition during the year	Deduction during the year	31.03.2019	01.04.2018	Addition during the year	Deduction during the year	31.03.2019	WDV as on 31.03.2019	WDV as on 31.03.2018
I	Tangible Assets										
	Furniture & Fixture	10,812	-	-	10,812	10,702	-	-	10,702	107	107
	Water Pump	21,972	-	-	21,972	15,927	841	-	16,768	5,204	6,045
	Office Equipments	601	-	-	601	587	-	-	587	17	17
	Cylindrical Plastic Water Tank	1,97,543	-	-	1,97,543	1,84,592	1,801	-	1,86,393	11,151	12,951
	SUB TOTAL (A)	2,30,928	-	-	2,30,928	2,11,808	2,642	-	2,14,450	16,479	19,120
II	Intangible Assets										
	SUB TOTAL (B)	-	-	-	-	-	-	-	-	-	-
III	Capital Work-in-progress										
	SUB TOTAL (C)	-	-	-	-	-	-	-	-	-	-
IV	Intangible Assets Under Development										
	SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-
	Total [A + B + C + D] (Current Year)	2,30,928	-	-	2,30,928	2,11,808	2,642	-	2,14,450	16,479	19,120

KRUPANIDHI LIMITED

Schedules Forming Integral Part of the Balance Sheet as of 31st March 2019

NOTE : 9 Non Current Investment (Valued at cost unless stated otherwise)

Sr. No	Particulars	31.03.2019	31.03.2018
1	Investment in Property Leasehold Land & Building	46,39,000	46,39,000
	Total	46,39,000	46,39,000

NOTE: 10 other non -current assets

Sr. No	Particulars	31.03.2019	31.03.2018
1	Others	97,670	97,670
2	Bank Deposit(Due to mature after 12 months from reporting date)	3,28,019	3,07,121
	Total in ₹	4,25,689	4,04,791

NOTE: 11 Trade rceivables

Sr. No	Particulars	31.03.2019	31.03.2018
	Receivables outstanding for a period exceeding six months from the date they are due fro payment		
1	Secured Considerd good	46,24,546	2,33,45,511
2	Unsecured considerd good		-
	Receivables outstanding for a period less than six months from the date they are due fro payment		
1	Secured Considerd good	4,83,111	16,62,813
2	Unsecured considerd good		-
	Total in ₹	51,07,657	2,50,08,324

KRUPANIDHI LIMITED

Schedules Forming Integral Part of the Balance Sheet as of 31st March 2019

NOTE: 12 Cash & Cash Equivalent

Sr. No	Particulars	31.03.2019	31.03.2018
1	Cash and Cash equivalent		
	Cash on hand	8,300	5,664
2	Balances with banks		
	in current accounts	4,25,146	9,09,174
	in deposit account(with maturity upto 3 months)		
3	Other bank balances		
	Bank deposit with maturity of more than 12 months	3,28,019	3,07,121
		7,61,465	12,21,959
	Less:-Amount disclosed as Other non-current assets (refer note 11)	3,28,019	3,07,121
	Total	4,33,446	9,14,838

NOTE 13 Short term loans and advances

Sr. No	Particulars	31.03.2019	31.03.2018
1	Prepaid Expenses	86,075	68,755
2	Loan to employees	-	-
3	Tax Deduction at source		
	Total	86,075	68,755

NOTE : 14 Other Income

Sr. No	Particulars	31.03.2019	31.03.2018
1	Contribution from Shareholders	18,64,175	18,42,225
2	Other Receipts	3,89,337	22,391
	Tender Fees		-
	Total	22,53,512	18,64,616

KRUPANIDHI LIMITED

Schedules Forming Integral Part of the Balance Sheet as of 31st March 2019

NOTE : 15 Employment Benefit Expenses

Sr. No	Particulars	31.03.2019	31.03.2018
1	Salary, Wages & Bonus	6,91,373	6,20,117
2	Staff Welfare Expenses	-	17,900
	Total	6,91,373	6,38,017

NOTE :16 Financial Cost

Sr. No	Particulars	31.03.2019	31.03.2018
1	Bank Charges	-	-
	Total	-	-

NOTE: 17 Depreciation & Amortised Cost

Sr. No	Particulars	31.03.2019	31.03.2018
1	Depreciation	2,642	3,069
	Total	2,642	3,069

NOTE : 18 Other Expenses

Sr. No	Particulars	31.03.2019	31.03.2018
1	Electricity expenses	77,845	93,489
2	Rent	51,742	9,685
3	Repair to building and Others	2,63,840	4,500
4	Water Charges	5,52,184	4,94,527
5	Rates and Taxes	2,18,283	1,62,078
6	Travelling and Conveyance Expenses	1,713	1,496
7	Audit Fees(refer note 26.1)	11,800	11,800
8	Legal and professional fees	36,140	90,040
9	Printing and Stationery	17,381	2,229
10	Govt filing and Registration fees	-	13,000
11	Miscellaneous Expenses	1,52,759	1,90,411
12	Insurance	1,75,810	1,50,275
	Total	15,59,497	12,23,530

KRUPANIDHI LIMITED

Schedules Forming Part of the Profit & Loss Accounts as at 31st March 2019

NOTE : Payment to auditors

Sr. No	Particulars	31.03.2019	31.03.2018
	As Auditor		
	Statutory Audit	11,800	11,800
	Professional Fees for Taxation	15,340	35,400
	Total	27,140	47,200

NOTE : Repair and Maintenance

Sr. No	Particulars	31.03.2019	31.03.2018
	Building	2,63,840	4,500
	others	-	-
	Total	2,63,840	4,500

KRUPANIDHI LIMITED

Annexure to notes

Expenses Distribution during the year 01.04.2018 to 31.03.2019

SUNDR DEBTORS							
	period 01.04.18 to 31.03.2019					sundry debtors in b.s.31.03.19	difference
	Ratio	Opening 01.04.2018	Debit	Credit	Clsoing 31.03.2019		
AIR INDIA EXP A/C	0.09	30,77,761	1,67,776	30,29,063	2,16,474	2,16,474	-
BOMBAY DOCK LABOUR BOARD EXP A/C	0	37,16,881	-	37,16,881	-	-	-
FUSION CONSULTANT EXP A/C	0.02	6,69,461	37,284	5,90,419	1,16,326	1,16,326	-
MSSIDC LTD EXP AC	0.62	1,64,47,010	11,55,787	1,95,92,741	-19,89,944	-19,89,944	-
NIYATI CONSULTANBTS EXP A/C	0.02	6,90,974	37,284	4,90,419	2,37,839	2,37,839	-
ROHAN MERCHANT EXP A/C	0.01	61,483	18,642	22,080	58,045	58,045	-
SEAME'S PROVIDENT FUND EXP A/C	0.12	-2,63,620	2,23,701	86,165	-1,26,084	-1,26,084	-
Mumbai Port trust	0.12	-	2,23,701	-	2,23,701	2,23,701	-
TOTAL-	1	2,43,99,950	18,64,175	2,75,27,768	-12,63,643	-12,63,643	

NOTE :-MSSIDC EXP A/C & SEAME'S PROVIDENT FUND EXP A/C WAS SHOWN AS TRADE CREDITORS-RECEIVED ADVANCE
HENCE TREATED AS SUNDRY CREDITORS

Profit and Loss account

total income-interest	3,89,337
total exp	22,53,512
Expenses over interest for distribution	18,64,175

FOR A D LALWANI & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR KRUPANIDHI LIMITED

CA Divya Lalwani
Partner
M.No. 077552

V. D. Kapate
Chairman
DIN : 02089898

R.G.Hotkar
Director
DIN : 06911352

Place: Mumbai
Date :-06.09.2019

Place : Mumbai
Date : 06.09.2019

Place : Mumbai
Date : 06.09.2019

ANNEXURE TO NOTES		
ANNEXURE TO NOTE NUMBER 4	31.03.2019	31.03.2018
Other Long Term Liabilities		
Security Deposits from members and share holders		
- Air India	8,100.00	8,100.00
- Mumbai Port Trust	10,800.00	10,800.00
- Fusion consultancy private limited	1,000.00	1,000.00
- MSSIDC	55,800.00	55,800.00
- Rohan Merchant	900.00	900.00
- Niyati Consultants	2,600.00	2,600.00
- Seamen's Provident Fund	10,800.00	10,800.00
Deposits from unit holders		
- Air India	6,46,645.00	6,46,645.00
- Mumbai Port Trust	6,33,585.00	6,33,585.00
- MSSIDC	28,59,963.00	28,59,963.00
- Rohan Merchant	6,084.00	6,084.00
- Niyati Consultants	12,568.00	12,568.00
- Seamen's Provident Fund	3,81,155.00	3,81,155.00
EMD		
Suchi Turnkey Projects Pvt Ltd	4,978.00	-
TOTAL	46,34,978.00	46,30,000.00
ANNEXURE TO NOTE NUMBER 4	31.03.2019	31.03.2018
Retention money		
Ankush Enterprises	-	2,62,711.00
	-	2,62,711.00
Arrear of Rent		
MBPT arrears of rent	37,37,728.00	2,55,83,244.00
TOTAL	37,37,728.00	2,58,45,955.00
ANNEXURE TO NOTE NUMBER 5	31.03.2019	31.03.2018
Trade payable		
Seamens Provident Fund (Advance Received)	1,25,829.00	2,63,619.00
Ankush enterprises	-	1,03,406.00
Suchi Turnkey Projects Pvt Ltd	2,500.00	
MSSIDC LTD EXP AC	19,88,623.00	
TOTAL	21,16,952.00	3,67,025.00
ANNEXURE TO NOTE NUMBER 8		
Porvision for tax	3,677.00	-
Audit fees	11,800.00	11,800.00
Electricity charges payable	5,560.00	-
Water charges payable	63,322.00	39,280.00
Salary and wages payable	11,133.00	13,146.00

Professional Fees Payable	-	17,700.00
Security Guards Boards Payable	18,272.00	18,272.00
Provision for Professional Tax	-	8,125.00
Ground Rent Payable	1,625.00	
General exp payable (advertisement)	3,299.00	
TOTAL	1,18,688.00	1,08,323.00
ANNEXURE TO NOTE NUMBER 10		
	31.03.2019	31.03.2018
Fixed Deposit		
Fixed Depsoit-356110003378	58,406.00	54,139.00
Fixed Depsoit-356110003379	58,402.00	54,137.00
Fixed Depsoit-356110003533	1,65,463.00	1,56,062.00
Fixed Depsoit-356110003483	45,748.00	42,783.00
	3,28,019.00	3,07,121.00
DEPOSITS		
Deposit with Best (Electricity)	10,795.00	10,795.00
Deposit with BMC (Water)	35,900.00	35,900.00
Deposit with BMC (BPT)	50,975.00	50,975.00
TOTAL	97,670.00	97,670.00
Tax deduction at source	2,322.00	
TOTAL	2,322.00	-
ANNEXURE TO NOTE NO 11		
	31.03.2019	31.03.2018
TRADE RECEIVABLES		
MORE THAN SIX MONTHS		
AIR INDIA EXP A/C	48,698.00	50,674.00
BOMBAY DOCK LABOUR BOARD EXP A/C		-2,21,067.00
FUSION CONSULTANT EXP A/C	79,042.00	79,481.00
MSSIDC LTD EXP AC		-31,32,123.00
NIYATI CONSULTANBTS EXP A/C	2,00,555.00	2,00,994.00
ROHAN MERCHANT EXP A/C	39,403.00	39,623.00
MSSIDC ARREAR TO BE PAID TO MBPT	2.00	-
SECURITY GUARD BOARD FOR BRIHAN MUMBAI	3,44,755.00	3,03,099.00
FUSION CONSULTANT RENT TO MBPT ARREAR	5,90,419.00	
AIR INDIA RENT TO MBPT ARREAR	26,56,888.00	
NIYATI CONSULTANT ARREAR TENT TO MBPT	4,90,419.00	
MUMBAI PORT TRUST EXP (OLD BOMBAY DOCKLB	1,74,365.00	
TOTAL-A	46,24,546.00	-26,79,319.00

LESS THAN SIX MONTHS		
AIR INDIA EXP EXP	1,67,776.00	1,65,800.00
BOMBAY DOCK LABOUR BOARD EXP A/C	-	2,21,067.00
FUSION CONSULTANT EXP A/C	37,284.00	36,845.00
MSSIDC LTD EXP AC	-1,321.00	11,42,179.00
NAYATI CONSULTANT EXP A/C	37,284.00	36,845.00
ROHAN MERCHANT EXP A/C	18,642.00	18,422.00
SEAME'S PROVIDENT FUND EXP A/C	-255.00	-
SECURITY GUARD BOARD FOR BRIHAN MUMBAI AND THANE DIST	-	41,655.00
MUMBAI PORT TRUST EXP A/C	2,23,701.00	
TOTAL B	4,83,111.00	16,62,813.00
TOTAL A+B	51,07,657.00	-10,16,506.00
ANNEXURE TO NOTE NUMBER 12	31.03.2019	31.03.2018
BALANCE WITH BANKS in Current Account Bank of India	4,25,146.00	9,09,174.00
TOTAL	4,25,146.00	9,09,174.00
ANNEXURE TO NOTE NUMBER 13	31.03.2019	31.03.2018
PREPAID EXPENSES		
LIFT MAIN TOTAL	5,955.00	5,112.00
BUILDING INSURANCE	80,120.00	63,643.00
TOTAL	86,075.00	68,755.00
LOAN TO EMPLOYEE		
VILAS BHILARE	-	500.00
TOTAL		
ANNEXURE TO NOTE NUMBER 14	31.03.2019	31.03.2018
OTHER RECEIPTS :-		
INTEREST ON FIXED DEPOSIT 17-18	23,220.00	22,391.00
Credit Balance Written Back	3,66,117.00	
TOTAL	3,89,337.00	22,391.00
ANNEXURE TO NOTE NUMBER 19		
MISCELLANEOUS EXPENSES :-		
Administrative Expenses		42,500.00
Account Writing Charges	26,000.00	26,000.00
Drainage Clearing Charges	5,200.00	5,200.00

General Expenses	38,974.00	36,086.00
Lift Maintenance Expenses	34,986.00	31,126.00
Stno/Typing Exp	13,000.00	13,000.00
Sweeping Charges	28,600.00	28,600.00
Income Tax	5,999.00	7,899.00
TOTAL	1,52,759.00	1,90,411.00

NOTE : Payment to auditors

Sr. No	Particulars	31.03.2019	31.03.2018
	As Auditor		
	Statutory Audit	11,800	11,800
	Income Tax, Professional Tax	15,340	35,400
	Total	27,140	47,200

NOTE : Repair and Maintenance

Sr. No	Particulars	31.03.2019	31.03.2018
	Plant & Machinery	2,63,840	4,500
	Building		
	others	-	-
	Total	2,63,840	4,500

M/s. KRUPANIDHI LIMITED

“Other Note-1” NOTES TO THE ACCOUNTS FOR YEAR ENDED 31ST MARCH, 2019

- a) Share capital includes 620 Equity share of Rs. 100/- each fully paid up being held by MSSIDC being holding company.
- b) In the opinion of the Board current assets loans and advance are approximately of the value stated and realizable in ordinary course of business all known have been provided.
- c) **Bombay Port Trust owners of the leasehold land on which the building “Krupanidhi” is situated has filed suit for eviction of Krupanidhi Ltd. on the ground that the company has let out the portion of the said premises to its members without obtaining prior consent of Bombay Port Trust. As informed by company following litigation is pending for arrears of 2.96 cr due to Mumbai port trust the brief detail of history and current status are as follows:-**

APPEAL FILED BY KRUPANIDHI LIMITED :-BRIEF HISTORY.

Mumbai Port Trust had filed the suit L.E.& C. SUIT NO. 162/190 of 1985

against the Company in the year 1985, on the allegation that this Company had committed breach of terms and conditions of the Indenture of Lease by assigning a major portion of the demised premises to Maharashtra Small Scale Industries Development Corporation Ltd., without the consent of Mumbai Port Trust. The suit was decided by his Honour Learned Judge Shri M B Mali on 31st August, 2001 and the same was decreed in favour of Mumbai Port Trust and the Company were ordered to handover vacant possession of the suit premises. The Company being aggrieved by the said Judgement and decree dated 31 08 2001 preferred an appeal no. 704 of 2001 in Small Causes Court, Mumbai.

Meantime Company has received a statement of Accounts from Mumbai Port Trust through their Advocate, in the Court during the hearing on 13 03 2008, showing the arrears of Rent etc., amounting to Rs. 2.96 crores payable to Mumbai Port Trust for the period from 01 01 1971 to 31 12 2008, as per the Hon. Supreme Court’s Compromise Proposal. The Company have forwarded the said statement to all unit holders / members requesting them to make the payment of arrears as per their share.

PRESENT STATUS OF PAYMENT MADE AND TO BE MADE TO MUMBAI PORT TRUST.

Unit Holders	Share %	Payment to be made to MbPT	Payment made to MbPT	Payment balance to be made to MbPT
Maharashtra Small Scale Inds.Dev.Corp.	62%	1,83,03,002	1,83,03,000	2.00
Air India	9%	26,56,888	Nil	26,56,888
Bombay Dock Labour Board [Mbpt}	12%	35,42,516	35,42,516	NIL
Seamen's Provident Fund	12%	35,42,516	35,42,516	NIL
Fusion Consultancy Pvt. Ltd.	2%	5,90,419	Nil	5,90,419
Rohan Merchant	1%	2,95,210	2,95,210	NIL
Niyati Consultant	2%	5,90,419	1,00,000	4,90,419
TOTAL	100%	2,95,20,970	2,57,83,242	37,37,728

As on date Company has paid an amount of Rs.2,57,83,242/- to Mumbai Port Trust against the arrears of Rs.2,95,20,970/-. In this current financial year [2018-2019] Mumbai Port Trust vide their letter no. FA/Ex-BDLB/AZ [2018] / 3547dt. 23.07.2018 informed that Bombay Dock Labour Board has been merged with Mumbai Port Trust with effect from 01.01.2015 and MbPT is now 12% shareholder of Krupanidhi Ltd. Further they have requested to adjust arrears of rent on account of Erstwhile BDLB from the claim of Rs.2.96 crores payable to MbPT i.e. their share [12%] of Rs.35,42,516/-. The above amount is adjusted. As informed to us by company **THE PAYMENT OF ARREARS HAS NOTHING TO DO WITH THE APPEAL FILED BY THE COMPANY AGAINST MUMBAI PORT TRUST.**

PRESENT STATUS OF APPEAL :

Company has filed Appeal no. 704 of 2001 in the Court of Small Causes, Mumbai. **During the hearing on 16th September, 2011 the Hon. Appeal Court has passed an order remanding the matter back to the trial court for decision of additional issue no. 2, which was not decided by the trial court. The Court has been directed to give its finding on the said additional issue within two months and the appeal was kept pending before the appellate Court.**

OPERATIVE PART OF THE ORDER OF THE APPELLATE COURT IS AS FOLLOWS :

Additional issue no.2 be referred to the Trial Court for deciding the same after giving opportunity to both the parties. The trial Court is directed to decide the Additional issue no.2 within a period of two months and send back to this Court . Till then the present Appeal should be kept pending before the Appellate Court.

The Trial Court has decided on the issue no. 2 in favour of Mbpt informing that the this Court is having Jurisdiction.

After having decided by the Trial Court on the Issue no. 2 in favour of MbPT, our appeal came up for hearing on Board in Appellate Court. Matter was adjourned for some or other reasons. Our Advocate on record Smt. Waghmare could not appear in our matter. She has discharged herself from appearing in our matter as she has joined CBI. It was learnt that Shri Jabra was appearing in our matter as Counsel instructed by our Advocate Smt. Waghmare. Shri Jabra had appeared in our matter 4 to 5 times and according to him he had argued at length in our matter before the Hon. Court.

Hon. Chairman of this company is an employee of MSSIDC working as General Manager, was transferred to Paithan and thereafter to Delhi resulting no one was attending the Court during his transfer period. Counsel Jabra was also not appearing in our matter as there was no response from Krupanidhi Limited.

Finally our Appeal was DISPOSED by the Hon. Court on 5th July, 2013 and Appeal Dismissed without Judgment for want of prosecution.

Now our Company has to file an application for RESTORATION of our Appeal. We have requested Shri Jabra to file an application for restoration of Appeal, at the earliest.

PRESENT STATUS

Our Advocate Shri Jabra has filed an application for restoration of Appeal in the month of May 2016, after obtaining Certified copy of Order dt. 05.07.2013. The Registrar has raised some objection on our proceeding and said objection was not removed by our Advocate resulting our application was rejected by office of Registrar in the month of August, 2016. We have once again requested our Advocate to file revised application to restoration of our Appeal and the same is under process.

- d) Having regard to nature of operation, i.e allocation of deficit towards members and non-provisioning of taxes in normal course of business and as per prudence norms deferred tax provision have not been made. Taxes were paid on Interest Income.
- e) In the absence of individual confirmation of account of balance has been taken from books of accounts debtor amounting to Rs. 5109784/-and Trade Payable is 21,16,952.00 ,Long term Security Deposit for Rent has been taken from unit holder amount to Rs. 45,40,000/-and deposit from unit holder amounting to Rs. 90,000/-
- f) Employee's welfare fund consists of contribution of the Company and its employee. Employee Staff welfare fund and interest thereon have been

invested in the Fixed Deposits at the banks..Fixed deposit 31.03.2019= Rs...
328019./-(31.03.2018=Rs.3,07,121/-)

- g). The company has not made a provision of gratuity for the year since provision of relevant Act is not applicable to the company. The accumulated provisions is for the year 31.03.2019 is nil (31.03.2018 Rs. 0.00/-)
- h). Company is still in the processes of identifying Micro, small and Medium Enterprises Development Act, 2006 hence we are unable to provide the amounts due to such enterprises. However Trade payable creditors in balance sheet has been stated nil .As per book of accounts Trade payable consist advances received from shareholder and EMD from suppliers and provisions for expenses has been made ,The creditors for goods are nil, As informed to us by way of MRL MSME creditors are nil
- i) The company does not have any employee drawing salary over the limits as specified.
- j) Audit fees 10,000 plus 18% Gst 1800(last year audit fees 10000 plus Gst 1800),Payment for Tax (Income tax, professional tax work) 31.03.2019 Rs.15,340(31.03.2018.35,400)
- k) The related party disclosures, as required by Accounting Standard 18-“Related Party Disclosures” issued by the Institute of Chartered Accountants of India, are given below:-

A) Names of related parties and description of relationship:

a) Enterprises where KMP/Relatives of KMP have significant influence
MSSIDCL LIMITED-holding company

b) Key Management Personal(KMP) and Relatives of KMP
Chairman & Director:- Shri Vijay D Kapate
Director :- Shri R G Hotkar

the transaction held the related party company are as follows:-

MSSIDCL Limited

- 1) Share of expenses charged=2019=Rs1157108 (2018=Rs.18,42,225)
o.s. bal 31.03.2019=RS.(1988623 cr)(31.03.2018=RS.1,64,47,010)
- 2) Security Deposit for premises=31.03.2019=RS.2915,763(31.03.2018=
Rs.29,15,763)
- (l) At the end of each financial year, The day to day expenses for the year 2018-2019 incurred for maintaining and running the company are recovered from unit holder, the expenses for the year 2018-2019 are distributed in the ratio

of share holding by way of debit note and shown as debtors. The detail of unit holder(debtors) is attached as annexure to notes

- (m) Repair exp for the year 2018-2019 -Building=2,63,840 and office Rs... 0.00, P&M=34986) 2017-2018 Building Rs4500, office=0., Plant and Machinery Rs...0). The Fire fighting equipment of Rs.249148 was debited to repair and maintenance of building .since company is recurring cost of maintenance from members amount spent was treated repair expenditure
- (n) Rs.5,999 Income tax has been debited to Profit and loss account as on 31.03.2019 (31.03.2018=Rs.7899), since company is collecting expenses incurred from members as per share holding ratio, the income tax paid on interest on fixed deposit is reimbursable expenditure to the company from members. While declaring income the reimbursement of expenditure qua building maintenance is not income for the company, Interest income earned on Fixed deposit has been offered to the Income tax . As informed to us Income tax not expenditure it is reimbursement of expenditure from members for the company hence it is debited to profit and loss which may not be disallowable under income tax as expenditure.
- | | | |
|---|-----|-----|
| (o) Estimated Amount of Contracts remaining to be Executed on Capital Account | Nil | Nil |
| (p) Value of Imports on CIF Basis | Nil | Nil |
| (q) Value of Exports on FOB Basis | Nil | Nil |
| (r) Expenditure in Foreign Currency | Nil | Nil |
| (s) Foreign Currency Exposure | Nil | Nil |
| (t) Managerial Remuneration | Nil | Nil |
| (u) Earnings Per share | | |

Earning Per Share as required by Accounting Standard 20 – Earning Per Share Issued by the Institute of Chartered Accountants of India is given below

Earning per Share is calculated by dividing the profit attributable to the Equity Shareholders by the weighted average number of equity share outstanding during the year .The net profit considered for calculation of EPS as follows

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Profit after taxation as per profit and loss account	0.00	0.00
Net Profit for calculation of basic/diluted EPS	0.00	0.00

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
Weighted average number of equity shares outstanding	1000	1000
Basis & Diluted earning per share (Face value Rs 100 per share)	0.00	0.00

- (v) Creditors Rs.3,66,117/-Ankush Enterprises Retention money was pertaining above 3 years ,party are not claiming to repay hence it has been shown as sundry balance written off. which was approved by board as on 11.10.2018
- (w) Previous figures have been regrouped and/or rearranged wherever considered necessary.

AS PER OUR SEPARATE REPORT OF EVEN DATE ATTACHED.

For KRUPANIDHI LIMITED

**For A D LALWANI & ASSOCIATES
CHARTERED ACCOUNTANTS**

**V. D. Kapate
Chairman
DIN : 02089898**

**R.G.Hotkar
Director
DIN : 06911352**

**CA Divya Lalwani
Partner
M.No. 077552
Firm Registration No. 118733W**

**Place: Mumbai
Date :-06.09.2019**

**Place : Mumbai
Date : 06.09.2019**

फॅक्स नं. } 2209 2326
Fax No. } 2201 4438

दूरभाषा संख्या } 2205 4022
Telephone No. } 2205 7360
 } 2201 4437

e-mail : agcommaumaharashtra@cag.gov.in



सत्यमेव जयते

महालेखाकार का कार्यालय (लेखापरीक्षा)-III, महाराष्ट्र
प्रतिष्ठा भवन, तल मंजिल,
१०१, महर्षि कर्वे मार्ग, मुंबई - ४०० ०२०.

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL
(AUDIT) - III, MAHARASHTRA
PRATISHTHA BHAVAN, GROUND FLOOR,
101, MAHARSHI KARVE MARG, MUMBAI - 400 020.

दिनांक/Date : 12.12.2019

संख्या/No. गोपनीय
मले/लेप-III /वालेप-I/कृपानिधि/2018-19/532

सेवा में,
प्रबंध निदेशक,
कृपानिधि लिमिटेड,
मुंबई

विषय : ३१ मार्च, २०१९ को समाप्त हुए वर्ष के कृपानिधि लिमिटेड, मुंबई के लेखों पर कम्पनी अधिनियम,
२०१३ की धारा १४३(६)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ ।

महोदय/ महोदया,

३१ मार्च २०१९ को समाप्त हुए वर्ष के कृपानिधि लिमिटेड, मुंबई के लेखों पर कम्पनी अधिनियम,
२०१३ की धारा १४३ (६)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक का निरंक टिप्पणी प्रमाणपत्र
(Nil Comment) संलग्न है ।

वार्षिक आमसभा (A.G.M.) होने के पश्चात, वार्षिक रिपोर्ट की तीन मुद्रित प्रतियाँ कृपया इस
कार्यालय भेज दें, साथ ही उपरोक्त लेखों के वार्षिक प्रतिवेदन को विधानसभा में प्रस्तुत करने कि तिथी को भी
इस कार्यालय को सूचित करें ।

भवदीय,

(संदीप रॉय)

महालेखाकार (लेखापरीक्षा)-III

संलग्नक : यथोपरि

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF KRUPANIDHI LIMITED, MUMBAI FOR THE YEAR ENDED 31ST MARCH 2018.

The preparation of Financial Statements of **Krupanidhi Limited, Mumbai** for the year ended **31st March 2019** 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 the 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 **06 September, 2019**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the Financial Statements of **Krupanidhi Limited**, for the Year ended 31st March 2019 under section 143(6)(a) of the Act. 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.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143 (6)(b) of the Act.

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

(Sandip Roy)
ACCOUNTANT GENERAL
(AUDIT)-III

Place : Mumbai
Date : 11.12.2019



MSSiDC

MAHARASHTRA SMALL SCALE INDUSTRIES DEVELOPMENT CORPORATION LIMITED

EMPORIUM/ PRODUCTION CENTRES

MARHATI EMPORIUM

30, World Trade Centre,
Cuffe Parade, Colaba,
Mumbai - 400 005.

MARHATI MAHARASHTRA EMPORIUM

8/A, State Emporia Bldg.,
Baba Khadaksingh Marg,
New Delhi - 110 001.
Fax : (011) - 23363888

MAHACOIR

Maharashtra Coir Production,
Exhibition Cum Training Centre,
G/30, Additional M.I.D.C.,
Tal. - Kudal, Dist. - Sindhudurg,
Pin - 416 520.

MARATHI PAITHANI CENTRE

Udyan Road, Opp. Govt. Hospital, Paithan,
Aurangabad - 431 107.
Phone : 02431 - 223093

WAREHOUSES

KALAMBOLI

Opp. Libra Weigh, Bridge,
New Mumbai,
Kalamboli - 410 208.

AHMEDNAGAR

Plot No. A-2/3,
Near Common Facility Centre,
MIDC Station Road,
Ahmednagar - 414 001.

KOLHAPUR

MIDC Industrial Area,
Pune Bangalore Highway,
Opp. Shivphata,
Shiroli, Kolhapur.

PUNE

Plot No. 51 & 52,
D-1 Block Pimpri Chinchwad Indl. Estate,
Chinchwad,
Pune - 411 019.

THANE

Plot No. D-10, Road No. 33,
Plot No. A-301,
Wagle Industrial Estate,
Thane - 400 604.

REGISTERED OFFICE
Maharashtra Small Scale Industries
Development Corporation Limited

Krupanidhi, 9, Walchand Hirachand Marg, Ballard Estate, Mumbai - 400 001.
Phone : (022) 22611121-22-23 <https://www.mssidc.maharashtra.gov.in>

DIVISIONAL OFFICES

AURANGABAD MSSIDC LTD.

Vikas Bhavan, 3rd Floor,
Dr. Rajendra Prasad Raod,
Aurangabad - 431 001.
Phone : 0240-2331138 / 2344048

AMRAVATI MSSIDC LTD.

Ashirvad, Ground Floor,
Vidarbha Housing Society Tope Nagar,
Near MHADA Bldg, AMRAVATI 444602
Phone : 0721 - 2662374 / 2665698

NAGPUR MSSIDC LTD.

11, Farmland Layout,
Near Shakti Offset, Wardha Road,
Nagpur - 440012.
Phone : 07121 - 222484 / 2423544 / 45

NASHIK MSSIDC LTD.

A-9, Near Industries Estate,
Trimbak Road, Satpur,
Nashik - 422 007.
Phone : 0253 - 2350151 / 2353085

PUNE MSSIDC LTD.

Kamla Chambers, 4th Floor, 687,
Budhwar Peth, Near Prabhat Talkies,
Bajirao Raod, Pune - 411 022.
Phone : 020 24486860

NANDED MSSIDC LTD.

B- 2, Nanded Co.op. Indl. Estate,
College Road, Nanded - 431 602.
Phone : 02462 - 242060

THANE MSSIDC LTD.

Himagiri CHS, B-1, Veena Nagar,
Mulund (W),
Mumbai 400800.
Phone : 21640983 / 2582 9917
