

**51st ANNUAL REPORT
FOR THE YEAR 2012-13**

COMPANY INFORMATION

BOARD OF DIRECTORS	SHRI ANAND B. KULKARNI, IAS SHRI SURENDRAKUMAR BAGDE, IAS SHRI RAMESH DEVKAR, IAS SHRI SHIVAJI DAUND, IAS SHRI A. L. JARHAD, IAS
MANAGING DIRECTOR	SHRI SHIVAJI DAUND, IAS
JT. MANAGING DIRECTOR/ CHIEF FINANCIAL OFFICER	SHRI RAJENDRA MADKE
COMPANY SECRETARY	SHRI KUSH KESHRI
BANKERS	STATE BANK OF INDIA
STATUTORY AUDITORS	OM PRAKASH S. CHAPLOT & CO., CHARTERED ACCOUNTANTS, MUMBAI
REGISTERED OFFICE	KRUPANIDHI, 9, WALCHAND HIRANCHAN MARG, BALLARDESTATE, MUMBAI – 400001

DIRECTOR'S REPORT

Your directors take pleasure in presenting the 51st Annual Report of MSSIDC Limited with the Audited Statements of Accounts for the year ended 31st March, 2013 along with the report of Statutory Auditor's thereon.

1. FINANCIAL RESULTS:

Sr. no.	Particulars	FY 2012-13	FY 2011-12
1.	Revenue from operation	242.65	487.23
2.	Other income	14.57	10.74
3.	Total Revenue	257.22	497.97
4.	Expenses	243.74	475.49
5.	Profit before tax	13.48	22.48
6.	Profit after tax	6.38	14.04
7.	Share Capital	14.50	14.50
8.	Reserve & Surplus	38.07	32.34

The corporation has recorded the turnover of Rs.242.65 crore during the year under review as against Rs. 487.23 crore for the previous year. The activity-wise breakup of the turnover in comparison with previous year is as follows:

(Rs. In crores)			
Sr. no.	Activity	FY 2012-13	FY 2011-12
1.	Raw material – I & S, Coal	30.18	57.67
2.	Marketing	198.33	401.57
3.	Franking	0.08	1.30
4.	Handicraft	3.21	4.75
5.	Other	10.85	21.94
Total		242.65	487.23

i. MARKETING:

In respect of Marketing Activity, the corporation achieved sales of Rs.198.33 Crore during the year 2012-13 as against sales of Rs.401.57 Crore achieved in the year 2011-12.

ii. RATE CONTRACT:

The corporation has successfully operated various rate contracts for items like RCC pipes, PVC pipes, Water storage Tank, Air Coolers, Polythene Bags, Steel, Furniture, etc. and provided marketing assistance to SSI units in Maharashtra. Also provide Marketing assistance to Units for Non Rc items.

iii. HANDICRAFTS & EMPORIA:

The corporation continued to provide retail exposure to handicrafts and handlooms products through its Emporia at Mumbai and New Delhi which provides a sound base to the artisans. During the year 2012-13 the corporation achieved total sale of Rs.3.21 Crore through Emporia as compared to Rs.4.75 Crore for previous year.

The Paithani Center at Paithan achieved the sale of Rs.0.31 Crore during 2012-13 as compared to Rs.0.63 Crore for previous year.

IV. RAW MATERIAL:

The corporation recorded the turnover of Rs.30.18 Crore in Raw Material activity during the year under review as compared to Rs.57.67 Crore in the year 2011-12.

The corporation supplied following raw materials during the year under review:

Item	Qty in MTs.	Rs. In Crores
Ferrous – Iron & Steel	250.42	1.13
Coal	136689.40	29.05
Total	136939.82	30.18

V. COMMERCIAL WAREHOUSING AND RENT RECEIVED:

The Corporation achieved gross earnings of Rs.5.19 Crore during the year under review as compared to Rs.4.86 Crore in the year 2011-12.

VI. EXHIBITIONS:

The Corporation organized Maharashtra Pavilion in the India International Trade Fair at Pragati Maidan, New Delhi from 14.11.2012 to 27.11.2012 in the year under review.

2. DIVIDEND:

In view of adverse opinion by the Statutory Auditors because of pending adjustment of debtors, creditors, deposits etc. your directors have not recommended any dividend for the year under review.

3. INDUSTRIAL RELATIONS:

The industrial relation during the year under review was cordial and the morale of the employees was high.

4. DIRECTORS: As on date following are the Directors of the Corporation:

Sr. No.	Name	Designation	Address
01	SHRIANAND B. KULKARNI, IAS	Director	MD- Maharashtra State Financial Corporation (MSFC)
02	SHRI SURENDRA KUMAR BAGDE, IAS	Director	DC (Inds.) & Secretary (SMI)
03	SHRI RAMESH DEVKAR, IAS	Director	CEO – Maharashtra State Khadi & Village Industries Board (KVIB)
04	SHRI SHIVAJI DAUND, IAS	Director	MD- Maharashtra Small Scale Industries Development Corporation Limited (MSSIDC)
05	SHRI A. L. JARHAD, IAS	Director	Jt. CEO – Maharashtra Industries Development Corporation (MIDC)

5. AUDITORS:

The Comptroller and Auditor General of India, New Delhi appointed Om Prakash S. Chaplot & Co., Chartered Accountants, Mumbai as the Statutory Auditors of your Corporation for the year under review:

6. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217 (2AA) of the companies Act, 1956, with respect to the Director's responsibility statement, it is hereby confirmed that:

- (i) In the preparation of the annual accounts for the year ended 31st March 2013 the applicable accounting standards had been followed along with proper explanation relating to materials departures;
- (ii) The Directors 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 Corporation at the end of financial year and of the profit of the corporation for the period;
- (iii) The Directors took 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 Corporation and for preventing and detecting fraud and other irregularities;
- (iv) The Directors prepared the annual accounts on a going concern basis.

7. PARTICULARS REGARDING EMPLOYEES AS REQUIRED UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956:

No employees of the Corporation were paid Rs. 60 lakh per annum and in excess of Rs. 5 lakh per month for the year or a part thereof. Therefore the information is NIL.

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

As per requirement of section 217(1) (e) of the companies Act, 1956, the Corporation does not undertake any production activity directly; hence the details of Conservation of Energy, Technology Absorption is NIL. There is no Foreign Exchange Earnings as well Outgo.

9. ACKNOWLEDGEMENT:

Your directors would like to express their grateful appreciation for the services rendered by the Banks, Financial Institutions and co-operation received from various Government Departments, Suppliers and Vendors and the members during the year under review. Your Directors also wish to place on record their deep appreciation of the services rendered by the employees of the Corporation.

Date 27-05-15

For & on behalf of the Board of

Place : Mumbai

Directors. Managing Directors

OM PRAKASH S. CHAPLOT & Co.

Chartered Accountant

101, Vastsalya Building,
Ekta Co-op Society, Nr. RTO Office,
RTO Road, Andheri (W),
Mumbai – 400053
Tel : 91-22-26399050
Email :opc.mum@gmail.com

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

TO THE MEMBERS OF

MAHARASHTRA SMALL SCALE INDUSTRIES DEVELOPMENT CORPORATION LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Maharashtra Small Scale Industries Development Corporation Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2013, the statement of Profit and Loss and the Cash Flow Statement for the year ended, on that date and a summary of significant policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section 3(C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Basis of Adverse Opinion

1. (i) The Company has Trade receivable of Rs. 71,03,52,546 and Debit balances in trade payable of Rs.15,36,54,667 which are pending for adjustment for more than 3 years (As per tally data). Provision of Rs.2,64,85,000 has only been made against the same.

- (ii) The company has certain long pending deposits at Head Office amounting of Rs.80,07,427 which are doubtful of recovery and pending for adjustment for more than 3 years for which Company does not have any details and no provision for the same is made in the accounts.

- (iii) Rent receivable of Rs.83,17,593 from a few parties is overdue for more than 3 years but not provided for.

- (iv) There are certain other long pending other advances amounting to Rs.57,76,578 which are doubtful of recovery and pending for adjustment for more than 3 years for which Company does not have any details and no provision for the same is made in the accounts.

- (v) Other advances include Rs.1,36,074 towards loss incurred due to jumping of franking machine at Aurangabad Divisional Offices and Bandra Franking Department. The same is outstanding for over 3 years. The Company has not provided the same.

The cumulative effect of not providing for items (i) to (v) in point 1 mentioned above is given hereunder :

Particulars	Amt. (Rs.)	Amt. (Rs.)
Net profit/loss for the period 2012-13 as per statement of Profit and Loss		6,38,19,438
Trade receivable pending for adjustment over 3 years not provided for	(68,38,67,546)	
Trade payable (debit) pending for adjustment over 3 years not provided for	(15,36,54,667)	
Deposits pending for adjustment for more than 3 years not provided for	(80,07,427)	
Rent receivable overdue for more than 3 years not provided for	(83,17,593)	
Other advances pending for adjustment for more than 3 years not provided for	(57,76,578)	
Loss incurred due to jumping of Franking Machine not provided for	(1,36,074)	(85,97,59,885)
Net profit (loss) after providing for above		(79,59,40,447)

Thus, the company would have incurred a loss of Rs.79.59 crore as against the reported profit of Rs.6.38 crores.

2. Suspense account with a balance of Rs.62,078.00(net) is appearing under “Loans and Advances” & is not written back by the company

3. Balances under Liability for Expenses of Rs.5,58,53,859 includes old liability of Mumbai Port Trust of Rs. 2,76,77,667.00 are subject to scrutiny, reconciliation and consequential adjustment, effect of which on the profit of the company cannot be quantified.

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

(i) Company in accounting purchases and sales only after receiving invoices from the suppliers and not when the seller has transferred the property in the goods to the buyer for a consideration. This practice of revenue recognition is not in compliance with AS 9 – Revenue Recognition. This gives an unfair view of the purchases and sales of the 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 and Loss given an unfair view of Profit for the year. The Company has not fully complied with AS 9 and AS 5 and the effect of the same cannot be quantified.

(ii) Physical verification of fixed assets or any other procedure has not been carried out by the Company to ensure that its assets are carried at no more than their recoverable amount. Thus, the Company has not complied with AS 28 – Impairment of Assets. Since, physical verification of fixed assets has not been carried out, the Company cannot ensure that fixed assets have been eliminated from the financial statements on disposal or when no further benefit is expected from their use, or that losses arising from the retirement or gains or losses arising from disposal of fixed asset has been recognized in the profit and loss statement. Thus, the company has not complied with AS 10 for fixed Assets.

The useful lives of major depreciable assets have been reviewed periodically. Thus the company has not fully complied with AS 6 – Depreciation Accounting.

(iii) As per audit certificate of IITF 2012 excess of Income Over Expenditure is Rs.20,32,725. However as per Tally system, the same is appearing at Rs. 26,03,436. The said difference cannot be reconciled. Thus, the Company has not fully complied with AS 12 – Accounting for Government Grants.

(iv) The company has not made certain disclosures as required by AS 15-Employee Benefits, AS 17 – Segment Reporting, AS 18 – Related party Disclosures & AS 19 – Leases.

5. In the absence of details of status of pending Sales Tax, Service 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.

6. Balances under the following heads are subject to scrutiny, reconciliation and consequential adjustment.

Head Balance	(Amt. in Rs.)
Liability for Expenses	5,58,53,859
Trade Payable	129,14,19,596
Employee Benefits	9,13,853
Dues to outside parties	73,04,93,889
Service tax	1,07,48,378
Deposits received	16,41,18,853
Advance Tax and TDS	12,73,41,242
CST	7,96,194
MST and VAT	16,29,416
Advances to suppliers	5,95,000
Security deposits	96,61,748
Trade receivable	139,29,41,358

7. 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.	40,92,408.00
Ind & Lab Dept. Mah. Govt.-Seed Capital 3.5%	1,54,52,630.00

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

9. We were unable to check original Fixed Deposit Receipts as on 31st March 2013 as by the time audit had commenced, those FDR's had already matured. In the absence of sufficient details, we are unable to comment on interest received, interest accrued and fixed deposit amounts.

10. 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.

11. Various accounts under the head Godown and office rent receivable are not reconciled. We are unable to comment on the accuracy of Godown rent received and receivable accounted for in the books of accounts.

12. Provisions of the Companies Act not complied with :

- (i) The Company did not have a whole time company secretary in employment as required by Section 383A of the Act till 10/09/2012.
- (ii) No Audit Committee meetings were held during the year

Adverse Opinion

In our opinion and due to the significance of the matters stated in the basis of the adverse opinion paragraph, to the best of our information and according to explanations given to us, the said accounts read along with the notes of accounts, give the information as required by the Companies Act, 1956 in the manner so required, but **do not give the true and fair view** in conformity with the accounting principles and applicable financial reporting framework generally accepted in India.

- i) In the case of balance sheet, of the state of affairs of the Company as at 31st March 2013.
- ii) In the case of Statement of Profit and Loss, of the profit for the year ended on that date and
- iii) In the case of Cash Flow statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements.

1. As required by the Companies (Auditor's report) Order 2003 ("the order") issued by the Central Government of India in terms of Sub – Section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the order.

2. As required by Section 227(3) of the Act, we report that :

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books.

c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the book of account;

d) Subject to the observations reported in point (4) of our "Basis of Adverse Opinion" para above in our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Sub-Section 3(C) of section 211 of the Companies Act, 1956, and

e) As per notification no G.S.R. 829(E) dated 21.10.2003 provisions of clause (g) of section 274 (1) of the Companies Act, 1956 are not applicable to the Company being a Government Company as at 31st March, 2013.

f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the company.

For Om Prakash S. Chplot & Co.
Chartered Accountants
Firm's Registration no. 000127C

(Yash Punjawat)
(Partner)

Membership No. 415552

Place : Mumbai

Date : May 27, 2015

Annexure to the Independent Auditor's Report

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

- i) In respect of its Fixed Assets:
 - a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets;
 - b) The company does not have a regular programme of physical verification of its fixed assets having regard to the size of the Company and the nature of its assets.
 - c) According to the information, explanations and representation given to us, the Company 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 Company has not been physically verified by the management during the year
 - b) Systematic procedures reasonable and adequate in relation to the size of the company 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 company has neither granted any loans, secured or unsecured to companies firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 nor has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

- iv) In our opinion, internal control procedures with regard to purchase of inventories, fixed assets and for the sale of goods and services need to be strengthened. During the course of our audit, we have observed that there is a continuing failure to correct major weaknesses in internal control procedures.

- v) According to the information, explanations and representation given to us, we are of the opinion that there are no transactions during the year at the Company that needs to be entered in the register maintained under section 301 of the Companies Act, 1956.

- vi) The Company has not accepted deposits from the public. Hence provision of section 58A and 58AA of the Companies Act, 1956 and Rules framed there under are not applicable.

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- vii) In our opinion, the Company's internal audit system is not commensurate with the size and nature of its business (a firm of Chartered accountants has been appointed for the purpose)
- viii) According to the information and explanations given to us, the Central government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act for any products or services of the Company.
- ix) a) According to the records of the Company and according to the information and explanation given to us, the company is regular in depositing with appropriate authorities, undisputed statutory dues, including Provident Fund, Investors, 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.
According to the records of the company and according to the information and explanations 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 2013 for a period of more than six months from the date they became payable except the following.
- 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	Periods which the Amount relates	Amount	Forum where dispute is pending
Sales Tax	Sales tax demand interest and penalty	1989-90 1999-00 2001-02	5,52,454 32,33,608 1,12,09,845	Deputy Commissioner, Sales Tax
Income Tax	Income tax demand	1992-93	1,07,06,402	High Court, Mumbai
VAT	Tax Interest & Penalty	2005-06 2008-09 2009-10 2010-11	15,42,67,740 4,20,07,119 21,06,62,310 12,48,35,973	Deputy Commissioner, Sales Tax

- x) Without considering the effect of auditor's qualifications, the Company has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year. The Company has no accumulated losses as per the reported statement of Profit & loss.

xi) According to the information, explanations & representation given to us, the Company has not defaulted in repayment of its dues to banks and financial institutions. The Company does not have any borrowings by way of debentures.

xii) According to the information, explanations & representation given to us, the Company has not granted any loans and advances on the basis of Security by way of pledge of shares, debentures or other securities.

xiii) The provision of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the Company.

xiv) The Company is not dealing or trading in shares, securities, debentures or other investments and hence the requirements of clause 4(xiv) are not applicable to the Company.

xv) According to the information, explanations & representation given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.

xvi) The Company has not taken any term loan during the year.

xvii) The Company has not taken any loan during the year. Hence our comments regarding use of funds raised on short term basis being used for long term investment and vice versa are not required.

xviii) According to the information, explanations & representation given to us, the Company has not made any preferential allotment of shares to any parties and companies covered in the register maintained under section 301 (3) of the Act.

xix) The Company has not issued any debentures during the year.

xx) Since the Company has not raised any money by public issue during these year, our comments under clause (xx) of the Order are not required.

xxi) On the basis of our examination and according to the information, explanations and representation given to us, no fraud on or by the Company, has been noticed or reported during the year.

**For Om Prakash S. Chaplot & Co.
Chartered Accountants
Firm's Registration no. 000127C**

**(Yash Punjawat)
(Partner)**

Membership No. 415552

Place : Mumbai

Date : May 27, 2015

REPLY TO AUDITOR'S REPORT FY 2012-13

Sr. No.	Comments of Auditor	Comments of Management put up to Board/Auditor																										
1.	<p>Basis for Adverse Opinion</p> <p>(i) The Company has trade receivable of Rs. 71,03,52,546 and Debit balances in trade payable of Rs. 15,36,54,667 which are pending for adjustment for more than 3 years. (As per tally data). Provisions of Rs.2,64,85,000 has only been made against the same.</p>	<table border="1"> <thead> <tr> <th data-bbox="810 456 914 512">Activity</th> <th data-bbox="914 456 1026 512">Total Debtors</th> <th data-bbox="1026 456 1129 512">Debtors> 3years</th> <th data-bbox="1129 456 1233 512">Total Creditors</th> <th data-bbox="1233 456 1345 512">Creditors debit>3 years</th> </tr> </thead> <tbody> <tr> <td data-bbox="810 512 914 539">Marketing</td> <td data-bbox="914 512 1026 539">1103942013</td> <td data-bbox="1026 512 1129 539">424906638</td> <td data-bbox="1129 512 1233 539">1223137010</td> <td data-bbox="1233 512 1345 539">100999065</td> </tr> <tr> <td data-bbox="810 539 914 595">Raw Material</td> <td data-bbox="914 539 1026 595">285060391</td> <td data-bbox="1026 539 1129 595">281569558</td> <td data-bbox="1129 539 1233 595">14982564</td> <td data-bbox="1233 539 1345 595">41727275</td> </tr> <tr> <td data-bbox="810 595 914 730">Others (Creditor for exp,transport, Export, Import etc.)</td> <td data-bbox="914 595 1026 730">3938953</td> <td data-bbox="1026 595 1129 730">3876349</td> <td data-bbox="1129 595 1233 730">53300021</td> <td data-bbox="1233 595 1345 730">10928326</td> </tr> <tr> <td data-bbox="810 730 914 757">Total</td> <td data-bbox="914 730 1026 757">1392941357</td> <td data-bbox="1026 730 1129 757">710352545</td> <td data-bbox="1129 730 1233 757">1291419595</td> <td data-bbox="1233 730 1345 757">153654667</td> </tr> </tbody> </table>	Activity	Total Debtors	Debtors> 3years	Total Creditors	Creditors debit>3 years	Marketing	1103942013	424906638	1223137010	100999065	Raw Material	285060391	281569558	14982564	41727275	Others (Creditor for exp,transport, Export, Import etc.)	3938953	3876349	53300021	10928326	Total	1392941357	710352545	1291419595	153654667	<p>The all Debtors is supported by creditors in Marketing Transaction. In Raw Material the major legal cases amount involved, which are i.e. Metal Tube Rs.837.05 Lakhs, Mehta Group Rs.563.59 Lakh, Khutale Steel Rs. 47.52 Lakh. Further, we are recovering outstanding amount through Amenity Scheme (Rs.9.79 lac) The Corporation has also file case U/S 138 against raw material transaction for the recovery and the cases are pending with respective authority and we are following the matter through court. The Corporation has assigned Debtors Reconciliation work for F. Y. 2009-10 (Base Year) to independent CA firm on 20.06.2012 and they have submitted their report on 28.02.2013. However the CA firm has not given any concrete proposal for write back/write off (Division wise) therefore decision is not taken. We will scrutinize debtors creditors in details after completion of pending backlog (F.Y. 2013-14)</p>
Activity	Total Debtors	Debtors> 3years	Total Creditors	Creditors debit>3 years																								
Marketing	1103942013	424906638	1223137010	100999065																								
Raw Material	285060391	281569558	14982564	41727275																								
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<p>(ii)The company has certain long pending deposits at Head Office amounting to Rs.80,07,427 which are doubtful of recovery and pending for adjustment for more than 3 years for which company does not have any details and no provision for the same is made in the accounts.</p>	<p>Noted the contents. Deposit paid Rs.52,96,427 (HO) and deposit with Court Rs. 27,11,000 (HO) This is very old one and we do not have details. Hence, the provision is not made in books of accounts. We will scrutinize deposit account in details after completion of pending backlog (F.Y. 2013-14)</p>																											

(iii) Rent receivable of Rs.83,17,593 from a few parties is overdue for more than 3 years but not provided for

Particulars	Debit
Hindustan Copper Ltd.	103094
Hindustan Organic Chem.	39642
Hindustan Zinc Ltd.	3544918
Indian Oil Corp.	4479029
M.C.E.D.	5624
Punj Lloyd Ltd.	2477
Texcom	142808
Total	8317593

The Account balance is very old one. The arbitration proceeding with respect to Hindustan Zinc Ltd. is in process. Hence, the provision is not made in books of accounts.

We will scrutinize accounts in details after completion of pending backlog (F.Y. 2013-14)

(iv) There are certain other long pending other advances amounting to Rs.57,76,578 which are doubtful of recovery and pending for adjustment for more than 3 years for which company does not have any details and no provision for the same is made in the accounts.

Particulars	Debit
Adv. against seed capital	3409750
Indian Oil Corp. Ltd.	795821
Indian Petrochemical Corp. Ltd.	892987
IPCL Credit Sale to Mkt. Units adj. A/c	190539
Kerala State Ind. Products Trading Corp. Ltd.	4667
Leather Ind. Dev. Corp. of Mah. Ltd.	213867
National Craft complex New Delhi	139769
IPCL - Thane	129178
Total	5776578

This account is very old and we do not have details. Hence, the provision is not made in books of accounts.

We will scrutinize accounts in details after completion of pending backlog (F.Y. 2013-14)

<p>(v) Other advances include Rs.1,36,074 towards loss incurred due to jumping of franking machine at Aurangabad Divisional Offices and Bandra Franking Department. The same is outstanding for over 3 years. The company has not provided the same,</p>	<p>Rs.1,36,074 (Aurangabad Rs.15,139 & HO Mumbai Rs.1,20,935) towards loss incurred due to jumping of franking machine during last 3-4 years.</p>																											
<p>The cumulative effect of not providing for items (i) to (v) in point 1 mentioned above is given hereunder:</p>																												
<table border="1"> <thead> <tr> <th>Particulars</th> <th>Amt. (Rs.)</th> <th>Amt. (Rs.)</th> </tr> </thead> <tbody> <tr> <td>Net profit/loss for the period 2012-13 as per statement of Profit and Loss</td> <td></td> <td>6,38,19,438</td> </tr> <tr> <td>Trade receivable pending for adjustment over 3 years not provided for</td> <td>(683867546)</td> <td></td> </tr> <tr> <td>Trade payable pending for adjustment over 3 years not provided for</td> <td>(15,36,54,667)</td> <td></td> </tr> <tr> <td>Deposits pending for adjustment for more than 3 years not provided for</td> <td>(8,007,427)</td> <td></td> </tr> <tr> <td>Rent receivable overdue for more than 3 years not provided for</td> <td>(83,17,593)</td> <td></td> </tr> <tr> <td>Other advances pending for adjustment for more than 3 years not provided for</td> <td>(57,76,578)</td> <td></td> </tr> <tr> <td>Loss incurred due to jumping of Franking Machine not provided for</td> <td>(136,074)</td> <td>(85,97,59,885)</td> </tr> <tr> <td>Net profit (loss) after providing for above</td> <td></td> <td>(79,59,40,447)</td> </tr> </tbody> </table>	Particulars	Amt. (Rs.)	Amt. (Rs.)	Net profit/loss for the period 2012-13 as per statement of Profit and Loss		6,38,19,438	Trade receivable pending for adjustment over 3 years not provided for	(683867546)		Trade payable pending for adjustment over 3 years not provided for	(15,36,54,667)		Deposits pending for adjustment for more than 3 years not provided for	(8,007,427)		Rent receivable overdue for more than 3 years not provided for	(83,17,593)		Other advances pending for adjustment for more than 3 years not provided for	(57,76,578)		Loss incurred due to jumping of Franking Machine not provided for	(136,074)	(85,97,59,885)	Net profit (loss) after providing for above		(79,59,40,447)	<p>Noted the contents. The detailed reasons mentioned in Sr. No. (i) to (v) above.</p>
Particulars	Amt. (Rs.)	Amt. (Rs.)																										
Net profit/loss for the period 2012-13 as per statement of Profit and Loss		6,38,19,438																										
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Loss incurred due to jumping of Franking Machine not provided for	(136,074)	(85,97,59,885)																										
Net profit (loss) after providing for above		(79,59,40,447)																										
<p>Thus the company would have incurred a loss of Rs.79.59 Crores as against the reported profit of Rs.6.38 Crores.</p>																												

<p>2. Suspense account with a balance of Rs.62,078 (net) is appearing under “Loans and Advances” & is not written back by the company</p>	<p>Noted the content. The theft cases at Gwalior Trade Fair 1992 are Rs.85728 and at HO the credit balance shows Rs.23650. This account is old one and we will write off/back in FY2013-14</p>
<p>3. Balances under Liability for Expenses of Rs.5,58,53,859 includes old liability of Mumbai Port Trust of Rs. 2,76,77,667 are subject to scrutiny, reconciliation and consequential adjustment, effect of which on the profit of the company cannot be quantified.</p>	<p>The major portion of liability towards MBPT is Rs.2,76,77,666 which are not written back from books of accounts since MBPT has claimed arrears of demand & current provision including CIDCO is Rs.2,77,23,197.</p>
<p>4. Company is not fully complied with certain Accounting Standards issued by ICAI as detailed below (i) Company is accounting purchases and sales only after receiving invoices from the suppliers and not when the seller has transferred the property in the goods to the buyer for a consideration. This practice of revenue recognition is not in compliance with AS 9 – Revenue Recognition. This gives an unfair view of the purchases and sales of the 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 and Loss given an unfair view of Profit for the year. The Company has not fully complied with AS 9 and AS 5 and the effect of the same cannot be quantified.</p>	<p>The practice of accounting purchases only after receiving purchase bills from the supplier is prevailing since last several years. Further the Corporation buys goods on behalf of registered SSI units hence booking sales of the identical amount of the purchases to its customers is also practice followed for last several years.</p> <p>We have booked all sales, purchase and income for FY 2012-13. The order is placed by consignee before March and supply is to be completed by 31st March. Unit complete supply by 31 March or partly in the next financial year, i. e. April, May etc. However delivery challans are signed by the consignee putting the date of March to book their sales/exp in that particular financial year. The units submit bills to MSSIDC only after completing the entire supply in April/May. They raise their bills for entire supply including supply effected in March, April & May. The booking of the sales/purchases bills is done on the basis of bills submitted by units during 2012-13.</p> <p>The practice is followed by Corporation because most of the order are placed by the consignees in March and supply is to be completed by 31st March</p>

<p>(ii) Physical verification of fixed assets or any other procedure has not been carried out by the Company to ensure that its assets are carried at no more than their recoverable amount. Thus, the Company has not complied with AS 28 – Impairment of Assets.</p> <p>Since, physical verification of fixed assets has not been carried out, the Company cannot ensure that fixed asset have been eliminated from the financial statements on disposal or when no further benefit is expected from their use, or that losses arising from the retirement or gains or losses arising from disposal of fixed asset has been recognized in the profit and loss statement. Thus, the company has not complied with AS 10 - Accounting for fixed Assets.</p> <p>The useful lives of major depreciable assets have been reviewed periodically. Thus the company has not fully complied with AS 6 – Depreciation Accounting.</p>	<p>Assets Register is maintained by the Corporation, however item wise details at present are not available because of the following reasons.</p> <ol style="list-style-type: none"> 1. Our Corporation is more in nature a facilitator. 2. The assets are scattered at various places (divisions/districts) 3. Through the general records are available at each locations consolidated up-to-date, records are not available immediately. 4. The Corporation assigned this work to independent CA firm on 20.06.2012 for F.Y. 2009-10 and they have submitted their report on 28.02.2013. However the report is not finalized.
<p>(iii) As per audit certificate of IITF 2012 excess of Income over Expenditure is Rs. 20,32,725. However, as per tally System, the same is appearing at Rs. 26,03,436. The said difference cannot be reconciled. The Company has not fully complied with AS 12 - Accounting for Government Grants.</p> <p>(iv) The Company has not made certain disclosure as required by AS 15 – Employee Benefits, AS-17 – Segment Reporting, AS-18 - Related party Disclosures & AS 19 – Leases.</p>	<p>Noted the contents. The excess expenditure will be booked and debited to profit and loss account in F. Y. 2013-14</p> <p>Noted the Contents. As per the LIC we have made actuarial provision in books of accounts. The segment reporting and related party disclosures are shown as per the prevailing practices. Leases disclosures is not done since long back because all properties are taken on lease from Govt.</p>
<p>5. In the absence of details of status of pending Sales Tax and WCT (Work Contract Tax) assessment 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.</p>	<p>Noted the contents</p>

6. Balances under the following heads are subject to scrutiny, reconciliation and consequential adjustments.

Head	Balance (Amt.in Rs.)
Liability for Expenses	5,58,53,859
Trade Payable	129,14,19,596
Employees Benefits	9,13,853
Dues to outside parties	73,04,93,889
Service Tax	1,07,48,378
Deposits received	16,41,18,853
Advance Tax and TDS	12,73,41,242
CST	7,96,194
MST and VAT	16,29,416
Advance to Suppliers	5,95,000
Security Deposits	96,61,748
Trade Receivable	139,29,41,358

Noted the contents. All the accounts are very old and in absence of proper details scrutiny of accounts is difficult We will scrutinize all accounts in details after completion of pending backlog (F. Y. 2013-14)

7. 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.	40,92,408.00
Ind & Lab Dept. Mah. Govt.– Seed Capital (3.5%)	1,54,52,630.00

Noted. This matter is prior to 1983-84 and the accounts are not reconciled since last so many years and Govt. has not asked any principal amount and interest. Hence, the provision is not made in books of accounts towards interest from the year 2007-08.

The interest amount will be written back after completion of pending backlog (F. Y. 2013-14)

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

The accounting software of tally is not full proof. We have to integrate separate accounting software. Due to backlog of work the internal audit is also delayed. We have also requested our internal auditor to verify all accounting aspects at the time of audit. Therefore, we will strengthen the accounting system after completion of pending backlog.

<p>9. We were unable to check original Fixed Deposit Receipts as on 31st March 2013 as by the time audit had commenced, those FDR's had already matured. In the absence of sufficient details, we are unable to comment on interest received, interest accrued and fixed deposit amounts.</p>	<p>The corporation invested Total Amount of Rs.999536261. During the year deposits encashed. The Finance Div. has provided Xerox copies of FDR's and the corporation has booked interest Received & interest Accrued properly.</p>
<p>10. 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 .</p>	<p>Noted the content.</p>
<p>11. Various accounts under the head Godown and office rent receivable are not reconciled. We are unable to comment on the accuracy of Godown rent received and receivable accounted for in the books of accounts.</p>	<p>The total Godown and office rent receivable amount Rs. 18821942. Corporation has accounted Godown income on the basis of available records.</p>
<p>12. Provision of the Companies Act not complied with :</p> <p>(i) Company did not have a whole time Company Secretary in employment as required by Section 383A of the Act till 10/09/2012</p> <p>(ii) No Audit Committee meetings were held during the year.</p>	<p>Noted.</p> <p>The Corporation constituted the Audit Committee in its 326th board Meeting held on 21.08.2012. Due to backlog of Accounts, Audit committee meeting was not held.</p>
<p><u>Annexure to the Independent Auditor's Report</u></p>	
<p><i>The Annexure referred to in our report of even date. We report that :</i></p>	
<p><u>(i) In respect of its Fixed Assets:</u></p> <p>a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets;</p>	<p>The Corporation is maintaining fixed assets register at various locations. Directions to this effect are being given to all DMs and same will be updated in detailed register.</p>

<p>b) The company does not have a regular programme of physical verification of its fixed assets having regard to the size of the Company and the nature of its assets.</p>	<p>Noted, this will be implemented from March 2015 and directions to this effect are being given to all DMs and same will be updated in detailed register.</p>
<p>c) According to the information, explanations and representation given to us, the Company has not disposed off any substantial part of its Fixed Assets during the year.</p>	<p>Noted.</p>
<p>ii) In respect of its inventories : a) The inventory of the Company has not been physically verified by the management during the year</p>	<p>Noted. This will be implemented from March 2015 and directions to this effect are being given to all DMs and same will be updated in detailed register.</p>
<p>b) Systematic procedures reasonable and adequate in relation to the size of the company and nature of its business need to be implemented for physical verification of inventory by the management.</p>	<p>Noted. This will be implemented from March 2015 and directions to this effect are being given to all DMs and same will be updated in detailed register.</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>Noted. This will be implemented from March 2015 and directions to this effect are being given to all DMs and same will be updated in detailed register.</p>
<p>iii) As explained to us, the company has neither granted any loans, secured or unsecured to companies firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 nor has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.</p>	<p>Noted.</p>
<p>v) In our opinion, internal control procedures with regard to purchase of inventories, fixed assets and for the sale of goods and services need to be strengthened. During the course of our audit, we have observed that there is a continuing failure to correct major weaknesses in internal control procedures.</p>	<p>Noted the contents and we will comply with the same.</p>

<p>v) According to the information, explanations and representation given by us, we are of the opinion that there are no transactions during the year at the Company that needs to be entered in the register maintained under section 301 of the Companies Act, 1956.</p>	<p>Noted.</p>
<p>vi) The Company has not accepted deposits from the public. Hence provision of section 58A and 58AA of the Companies Act, 1956 and Rules framed there under are not applicable.</p>	<p>Noted.</p>
<p>vii) In our opinion, the Company's internal audit system is not commensurate with the size and nature of its business (a firm of Chartered accountants has been appointed for the purpose)</p>	<p>The corporation has appointed internal auditor and they have provided the report to management. The internal audit of 2013-14 work is in progress and we have given instructions to auditor to submit report on basis of scope of work including suggestions and strengthening of internal control.</p>
<p>viii) According to the information and explanations given to us, the Central government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act for any products or services of the Company.</p>	<p>Noted.</p>
<p>ix)</p> <p>a) According to the records of the Company and according to the information and explanation given to us, the company is regular in depositing with appropriate authorities, undisputed statutory dues, including Provident Fund, Investors, Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Cess and other Statutory dues applicable to it except Service Tax.</p> <p>According to the records of the company and according to the information and explanations given to us, no undisputed amounts payable in respect of</p>	<p>Noted.</p>

Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty and Cess which in arrears as at 31st March 2013 for a period of more than six months from the date they became payable except the following.					
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:					Noted. The corporation is following with matters before respective authorities and sales tax, income tax and vat cases are pending before authorities for final decision.
Name of statute	Nature of dues	Periods which the Amount relates	Amount	Forum where dispute is pending	
Sales Tax	Sales Tax demand interest & penalty	1989-90	5,52,454	Deputy Commissioner Sales Tax	
		1999-00	32,33,608		
		2001-02	1,12,09,845		
Income Tax	Income tax demand	1992-93	1,07,06,402	High Court, Mumbai	
VAT	Tax Interest & Penalty	2005-06	15,42,67,740	Deputy Commissioner Sales Tax	
		2008-09	4,20,07,119		
		2009-10	21,06,62,310		
		2010-11	12,48,35,973		
(x) Without considering the effect of auditor's qualifications, the Company has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year. The Company has no accumulated losses as per the reported statement of Profit & loss					Noted
(xi) According to the information, explanations & representation given to us, the Company has not defaulted in repayment of its dues to banks and financial institutions. The Company does not have any borrowings by way of debentures.					Noted
(xii) According to the information, explanations & representation given to us, the Company has not granted any loans and advances on the basis of Security by way of pledge of shares, debentures or other securities.					Noted

<p>(xiii) The provision of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the Company.</p>	<p>Noted</p>
<p>(xiv) The Company is not dealing or trading in shares, securities, debentures or other investments and hence the requirements of clause 4(xiv) are not applicable to the Company.</p>	<p>Noted</p>
<p>(xv) According to the information, explanations & representation given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.</p>	<p>Noted</p>
<p>(xvi) The Company has not taken any term loan during the year.</p>	<p>Noted</p>
<p>(xvii) The Company has not taken any loan during the year. Hence our comments regarding use of funds raised on short term basis being used for long term investment and vice versa are not required.</p>	<p>Noted</p>
<p>(xviii) According to the information, explanations & representation given to us, the Company has not made any preferential allotment of shares to any parties and companies covered in the register maintained under section 301 (3) of the Act.</p>	<p>Noted</p>
<p>(xix) The Company has not issued any debentures during the year</p>	<p>Noted</p>
<p>(xx) Since the Company has not raised any money by public issue during these year, our comments under clause (xx) of the Order are not required.</p>	<p>Noted</p>
<p>(xxi) On the basis of our examination and according to the information, explanations and representation given to us, no fraud on or by the Company, has been noticed or reported during the year.</p>	<p>Noted</p>



सत्यमेव जयते

गोपनीय

प्रधान महालेखाकार (लेखापरिक्षा)-III महाराष्ट्र
प्रतिष्ठा भवन, १०१, महर्षी कर्वे मार्ग, मुंबई - ४०००२०
OFFICE OF THE PRINCIPAL ACCOUNTANT
GENERAL (AUDIT)-III, MAHARASHTRA
Pratistha Bhavan, 101, Maharshi Karve Marg,
Mumbai - 400020

तारीख १३ ऑक्टोबर २०१५

पीएजी/लेप-III/वालेप खंड - I/ स्मॉल स्केल/2012-13/536

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

विषय : मार्च 31, 2013, को समाप्त हुए वर्ष के महाराष्ट्र स्मॉल स्केल इंडस्ट्रीज डेव्हलपमेंट कॉर्पोरेशन लिमिटेड, मुंबई के लेखों पर कंपनी अधिनियम, 1956 की धारा 619 (4) के अंतर्गत भारत के नियंत्रक - महालेखापरिक्षक की टिप्पणियाँ।

महोदय,

मार्च 31, 2013 को समाप्त हुए वर्ष के महाराष्ट्र स्मॉल स्केल इंडस्ट्रीज डेव्हलपमेंट कॉर्पोरेशन लिमिटेड, मुंबई के लेखों पर कंपनी अधिनियम, 1956 की धारा 619 (4) के अंतर्गत भारत के नियंत्रक - महालेखापरिक्षक की टिप्पणी (Comments) संलग्न हैं।

वार्षिक आमसभा (A.G.M) होने के पश्चात, वार्षिक रिपोर्ट की पांच मुद्रित प्रतियाँ कृपया इस कार्यालय को भेज दें।

भवदीया,
संगीता चौरे
प्रधान महालेखाकार
लेखापरिक्षा - III

संलग्न : यथोपरि

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF MAHARASHTRA SMALL SCALE INDUSTRIES DEVELOPMENT CORPORATION LIMITED, MUMBAI FOR THE YEAR ENDED 31 MARCH 2013.

The preparation of financial statements of **Maharashtra Small Scale Industries Development Corporation Limited, Mumbai** for the year ended **31 March 2013** in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India.

The Statutory Auditors vide their Audit Report dated 27 May 2015 have expressed an adverse opinion that the Financial Statements of the Company do not give true and fair view.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619(3)(b) of the Companies Act, 1956 of the financial statements of **Maharashtra Small Scale Industries Development Corporation Limited, Mumbai** for the year ended **31 March 2013**. 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 619 (4) of the Companies Act, 1956 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:

COMMENTS ON FINANCIAL POSITION

STATEMENT OF PROFIT AND LOSS

Other income (Note No. 18) : Rs.14.57 Crore

Rent Received – Rs. 5.20 Crore

1. This included the rent bills of Rs. 45.39 lakh raised by the Company on Central Warehousing Corporation for the period March 2011 to March 2013 even though there was no Agreement

between them and the enhanced lease rent demanded by the Company was under dispute. As per para 10 of AS 9 – Revenue Recognition, “If at the time of raising of any claim it is unreasonable to expect ultimate collection, revenue recognition should be postponed.”

Therefore, account of the disputed rent as income in the Profit and Loss account has resulted in overstatement of Profit for the year by Rs. 16.51 lakh, Prior period Income by Rs. 28.88 lakh (for the period March 2011 to March 2012) and Current Assets by Rs.45.39 lakh.

Other Expenses (Note No. 23) : Rs. 5.26 Crore

Rates and taxes : Rs.0.62 Crore

2. This includes Rs.52.74 lakh being the payment of godown rent which should have been booked under the Head “Rent”. This has resulted in overstatement of “Rates and Taxes” and understatement of “Rent” by Rs.52.74 lakh.

Other expenses (Note No. 23)

Repairs, Maintenance and Replacement

Others : Rs.16.12 Crore

3. The above includes Rs.41.15lakh towards non-refundable additional premium (during the period 19th September 1998 to 31st March 2012) paid to the Maharashtra Industrial Development Corporation (dt. 12-04-2012) for extension of time limit to the Company for submission of building plan, commencement and construction of building and other formalities. The expenditure should have therefore been accounted under Fixed Assets – Leasehold land, being capital in nature.

This has resulted in understatement of Profit and Fixed Assets by Rs.41.15 lakh.

COMMENTS ON DISCLOSURE

NOTES OF ACCOUNTS

4. The company had entered into Agreements with two parties for lease of its Godowns at Ahmednagar and Kolhapur. The rent was payable from September 2009 and October 2009 respectively. The Company did not raise bills for the period July 2010 to May 2011 in case of Ahmednagar godown and for the period December 2010 to May 2011 in case of Kolhapur godown.

Thus, Rs.77.06 lakh was recoverable from the parties. This fact should have been suitably disclosed in the Notes of Accounts.

Note 1 : Significant Accounting Policies

5. The Corporation has received a grant of Rs.25.40 lakh for the purchase of lease hold rights of 'World Trade Center' for 60 years which is being written off over a period of 60 years. The annual amortization of Rs.0.42 lakh is being deducted from the Grant amount and credited to other income. However, the Accounting Policy adopted for Government Grants, including the methods of presentation in the Financial Statements and the treatment of Fixed Assets purchased out of Government Grants and depreciation should have been disclosed as per Accounting Standard 12 – Accounting for Government Grants, in the significant Accounting Policy.

OTHER COMMENTS

6. The company does not have a proper system of providing for expenses in the year in which they are incurred. Instead they are booking the same in the year in which the expenses are actually paid for, resulting in distortion of the Financial Results of the Company.

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

Sangita Choure
**PRINCIPAL ACCOUNTANT
GENERAL (AUDIT) – III**

Place : Mumbai

Date :

Reply to comments of the comptroller and Accountant General u/s 619(4) of the companies Act, 1956 on the accounts of MSSiDC for the year ended 31st March 2013

Comments	Corporation's Reply
<p>COMMENTS OF FINANCIAL POSITION STATEMENT OF PROFIT AND LOSS Other income (Note on. 18) : Rs. 14.57 Crore Rent Received – Rs.5.20 Crore.</p> <p>1. This included the rent bills of Rs.45.39 Lakh raised by the Company on Central Warehousing Corporation for the period March 2011 to March 2013 even though there was no agreement between them and the enhanced lease rent demanded by the Company was under dispute. As per para 10 of AS -9 – Revenue Recognition “If at the time of raising of any claim it is unreasonable to expect ultimate collection, revenue recognition should be postponed.”</p> <p>Therefore, account of the disputed rent as income in the Profit and Loss account has resulted in overstatement of Profit for the year by Rs.16.51 lakh, prior period Income by Rs.28.88 Lakh (for the period March 2011 to March 2012) and Current Assets by Rs.45.39 lakh.</p> <p>Other Expenses (Note no. 23) : Rs.5.26 Crore Rates and taxes : 0.62 Crore</p> <p>2. This included Rs.52.74 lakh being the payment of godown rent which should have been booked under the Head “Rent”. This has resulted in overstatement of “Rates and Taxes” and understatement of “Rent” by Rs.52.74 Lakh.</p> <p>Other Expenses (Note no. 23) : Repairs, Maintenance and Replacement Others : Rs.16.12 Crore</p>	<p>Noted. Corporation has sent various reminders for recovery. The recovery process is in progress. Further, the status of the case, will be shown in Notes of Accounts in FY 2013-14</p> <p>Noted. Accordingly we are classifying office rent properly in balance sheet FY 2013-14</p>

3. The above includes Rs.41.15Lakh towards non-refundable additional premium (during the period 19th September 1998 to 31st March 2012) paid to the Maharashtra Industrial Development Corporation (dt. 12-04-2012) for extension of time limit to the Company for submission of building plan, commencement and construction of building and other formalities. The expenditure should have therefore been accounted under Fixed Assets – Leasehold land, being capital in nature.

This has resulted in understatement of Profit and Fixed Assets by Rs.41.15 Lakh.

COMMENTS ON DISCLOSURE

NOTES OF ACCOUNTS

4. The Company has entered into agreement with two parties for lease of its Godowns at Ahmednagar and Kolhapur. The rent was payable from September 2009 and October 2009 respectively. The Company did not raise bills for the period July 2010 to May 2011 in case of Ahmednagar Godown and for the period December 2010 to May 2011 in case of Kolhapur godown.

Thus, Rs.77.06 lakh was recoverable from the parties. This fact should have been suitably disclosed in the Notes to Accounts.

Note 1 : Significant Accounting Policies

5. The Corporation has received a grant of Rs.25.40 lakh for the purchase of lease hold rights of “World Trade Center” for 60 years which is being written off over period of 60 years. The annual amortization of Rs.0.42 lakh is being deducted from the Grant amount and credited to Other Income. However, the Accounting Policy adopted for

Noted. MIDC has taken over the possession on 08.08.2013 of plot. Corporation has claimed refund amount from MIDC vide letter dtd. 26.10.2015 therefore corporation was not booked additional premium as fixed assets.

Disclosure will be given in FY 2013-14 Notes to Accounts.

Disclosure will be given FY 2013-14 Notes to Accounts

Government Grants including the methods of presentation in the Financial Statements and the treatment of Fixed Assets purchased out of Government Grants and depreciation should have been disclosed as per Accounting standard 12 – Accounting for Government Grants, in the Significant Accounting Policy.

OTHER COMMENTS

6. The Company does not have a proper system of providing for expenses in the year in which they are incurred. Instead they are booking the same in the year in which the expenses are actually paid for, resulting in distortion of the Financial Results of the Company.

Now onward we are scrutinizing subsequent period expenses to ascertain the expenses pertaining to earlier period and making provision accordingly.

MAHARASHTRA SMALL SCALE INDUSTRIES DEVELOPMENT CORPORATION LIMITED

Balance Sheet as at 31st March 2013

Amt in INR

Particulars	Note no.	As at 31st March 2013	As at 31st March 2012
I. EQUITY AND LIABILITIES			
1. Shareholder's fund			
(a) Share Capital	2	145,009,900	145,009,900
(b) Reserves and surplus	3	380,731,515	323,434,308
2. Non-current liabilities			
(a) Long-term borrowings	4	19,545,038	19,545,038
3. Current Liabilities			
(a) Trade Payable	5	1,291,419,596	1,170,236,582
(b) other current liabilities	6	1,065,486,776	1,117,456,541
(c) Short-term provisions	7	294,367,338	242,304,772
Total		3,196,560,163	3,017,987,141
II) ASSETS			
1. Non Current assets			
a) Fixed assets			
i) Tangible assets	8	129,049,890	138,703,729
b) Non-current investments	9	103,250	103,250
c) Other non-current assets	10	28,006,229	27,172,589
d) Deferred tax assets	11	8,637,255	7,572,694
2) Current assets			
a) Inventories	12	11,943,737	8,030,904
b) Trade receivable	13	1,392,941,358	1,209,655,378
c) Cash & Cash equivalents	14	1,125,044,763	825,372,359
d) Short-term loans and advances	15	352,994,901	686,529,197
e) Other Current Assets	16	147,838,779	114,847,040
Total		3,196,560,163	3,017,987,141
Significant accounting policies	1		

See accompanying notes forming part of financial statements

As per our report of even date
For Om Prakash S. Chaplot & Co.
Chartered Accountants
FRN 000127C

(Yash Panjawat)
Partner
M. No. 415552

Place : Mumbai
Date : 27 May 2015

For and on behalf of the Board of Directors

Director

Managing Director

Chief Financial Officer Company Secretary

MAHARASHTRA SMALL SCALE INDUSTRIES DEVELOPMENT CORPORATION LIMITED
Statement of Profit and Loss for the year ended 31st March 2013 Amt in INR

	Particulars	Note no.	For the year ended on 31st March 2013	For the year ended on 31st March 2012
I.	Revenue from operations	17	2,426,596,658	4,872,372,519
	Total		2,426,596,658	4,872,372,519
II.	Other income	18	145,684,218	107,405,809
III.	Total income (I+II)		2,572,280,876	4,979,778,328
IV.	Expenses			
	Cost of material consumed	19	2,306,295,731	4,633,009,715
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	(2,812,488)	(1,03,911)
	Employee benefits expense	21	77,935,762	67,394,729
	Finance costs	22	3,61,339	1,484,641
	Depreciation and amortisation expenses	8	3,136,528	3,323,928
	Other expenses	23	52,556,090	49,830,464
	Total Expenses		2,437,472,955	4,754,939,566
V.	Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		134,807,921	224,838,762
VI.	Exceptional items			
	a. Prior Period Items (Net)	24	27,306,215	5,009,652
	b. Other exceptional Item		-	-
VII.	Profit before tax (V-VI)		107,501,706	219,829,110
VIII.	Tax Expenses			
	a) Current tax		44,746,829	74,328,672
	b) Deferred tax	11	(1,064,561)	229,424
	c) Income Tax for Earlier years paid		-	4,771,076
IX.	Profit for the Period (VII-VIII)		63,819,438	140,499,938
X.	Earning per equity share (face value Rs.10/- each)			
	1. Basic (Rs.)		44.01	96.89
	2. Diluted (Rs.)		44.01	96.89
	Singificant accounting policies	1		

See accompanying notes forming part of financial statements

As per our report of even date
For Om Prakash S. Chaplot & Co.
Chartered Accountants
FRN 000127C

(Yash Panjawat)
Partner
M. No. 415552

Place : Mumbai
Date : 27 May 2015

For and on behalf of the Board of Directors

Director

Managing Director

Chief Financial Officer Company Secretary

MAHARASHTRA SMALL SCALE INDUSTRIES DEVELOPMENT CORPORATION LIMITED

Cash Flow Statement for the year ended on 31st March 2013 Amt in INR

	Particulars	As at 31st March 2013	As at 31st March 2012
1	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before exceptional and extraordinary items and tax	1348,07,921	2248,38,762
	Adjustment for -		
	Add - Depreciation	31,36,528	33,23,926
	Add - Amortisation of Revaluation Reserve	-	-
	Less - Grant in Aid taken to P & L Account	(42,338)	-
	Add - Transfer to Marketing Risk reserve	95,567	
	Less - Interest & Dividend Income	(851,05,849)	(426,55,642)
	Add - Interest expenses	-	11,97,055
	Add - Debit Balance written off	-	47,173
	Less/Add - Profit on Sale of Assets/Dividend Dist. Tax	-	
	Operating profit before working capital changes	528,91,824	1867,51,275
	(Increase)/Decrease in Sundry Debtors	(1832,85,979)	237,52,859
	(Increase)/Decrease in inventories	(39,12,833)	(7,10,462)
	(Increase)/Decrease in Deposits/loans-advances	2997,08,917	2528,60,962
	Increase /(Decrease) in Sundry Creditors	1211,83,014	(414,98,901)
	Increase /(Decrease) in other liabilities	(519,69,766)	5524,67,418
	Increase /(Decrease) in retirement benefit Provisions	73,15,737	58,34,029
	Cash Flow from Operations	2419,30,914	4737,35,256
	Less - Income Tax Paid	-	
	Cash Flow Before Extra Ordinary Items	2419,30,914	4737,35,256
	Extra Ordinary Items	(273,06,215)	(50,09,652)
	Net Cash flow from Operating activities	2146,24,699	4687,25,604
2	CASH FLOW FROM INVESTING ACTIVITIES		
	(Increase)/Decrease in Fixed assets	(58,145)	80,36,762
	(Increase)/Decrease in investments	-	94,900
	Interest and Dividend Received	851,05,849	426,55,642
	Net Cash Flow from Investing Activities	850,47,704	507,87,304
3	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase/(Decrease) in Term Loans	-	(947,21,842)
	Less - Interest Paid	-	(11,97,055)
	Less - Dividend & Dividend Tax Paid		
	Net Cash flow from financing activities	-	(959,18,896)
	Net Increase in Cash or Cash Equivalent	2996,72,403	4235,94,012

Particulars	As at 31st March 2013	As at 31st March 2012
Cash or Cash equivalent At the Begining of period	8253,72,359	4017,78,347
Cash or Cash equivalent At the End of period	1125044763	825372359
Note		
Cash in Hand	98,480	1,15,213
Fixed Deposits	9995,36,261	5261,24,826
Bank Accounts	1254,10,022	2991,32,320
	11250,44,763	8253,72,359

See accompanying notes forming part of financial statements

The above cash Flow Statement has been prepared under the ``Indirect Method'' as set out in the Accounting Standard 3 on `Cash Flow Statements' as prescribed by Companies (Accounting Standard) Rules 2006

This is the Cash Flow Statement referred to in our Report of even date

As per our report of even date
For Om Prakash S. Chaplot & Co.
Chartered Accountants
FRN 000127C

For and on behalf of the Board of Directors

(Yash Punjawat)
Partner
M. No. 415552

Director

Managing Director

Place : Mumbai
Date : 27 May 2015

Chief Financial Officer Company Secretary

**THE MAHARASHTRA SMALL SCALE INDUSTRIES
DEVELOPMENT CORPORATION LTD.**

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED
31st MARCH 2013**

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF PREPARATION

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless otherwise stated, and comply with generally accepted accounting principles in India, the applicable mandatory Accounting Standards as notified by the Companies (Accounting Standard) Rules, 2006 and the relevant provision of the Companies Act, 1956 along with the rules of allocation, classification, recognition of revenue and expenditure adopted by the Corporation as are relevant and applicable.

B) USE OF ESTIMATES

The preparation of the financial statements are in conformity with generally accepted accounting principles. The management has made some estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revisions to the accounting estimates are recognised Prospectively.

C) Fixed Assets

- a. Fixed Assets are stated at cost including all incidental expenses till the date, asset is put to use.
- b. In case of lease-hold lands, original cost revalued by the valuer is considered in the accounts.

(D) Depreciation

Depreciation on fixed assets is charged on straight line method at rates prescribed under Schedule XIV of the Companies Act, 1956 subject to following deviations:

- Individual items of assets costing up to Rs. 5000.00 are depreciated 100%.
- Lease-hold Lands, where revalued, are amortized in the balance period of lease.

(E) Investments

Investments are stated at cost.

(F) Inventory

- Raw Material and stock in transit are valued at cost.
- Stock-in-process is valued at cost.
- Finished Goods are valued at cost.
- Trading goods are valued at lower of cost or market value.

(G) Revenue Recognition

All income and expenses have been accounted on accrual basis in accordance with generally accepted accounting principles in India & relevant provision of the Companies Act, 1956 except following :

- In marketing Govt. 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.
- Grants in Aid under various schemes, Dividends on investments and interest on Income Tax refunds are accounted for on receipt basis.

(H) Employees Retirement Benefits:

- Provident Fund: Corporation's contribution to Recognized provident fund, pension fund paid/ payable during the year is debited to Profit & Loss account.
- Gratuity: Corporation has covered gratuity liability with LIC under Employees Group Gratuity cum Life Assurance Scheme. A liability towards the same is recognized and accounted on the basis of actuarial valuation done by LIC.
- Leave encashment is recognized and accounted on the basis of actuarial valuation.

(I) 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 are shown as transactions pertaining to previous years.

(J) Taxation

- i. Tax expense comprises both deferred and current taxes. Deferred Income Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

ii. Deferred Tax is based on tax rate and the tax laws effective at the Balance Sheet date. The effect of deferred tax assets and liabilities of the change in tax rates is recognized in Profit & Loss Amount at the year end and the corresponding effect is given to Deferred Tax Assets/Liabilities in the Balance Sheet.

iii) Deferred Tax Assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

K) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when the corporation has a present obligations as a result of past event where it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure contingent liability is made when there is:

- i) A possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non occurrence of one or more uncertain future events not within the control of the Corporation or
- ii) A present obligations arising from a past event which is not recognized as it is not probable that an outflow of resources will be required to settle the obligations or a reliable estimate of the amount of the obligation cannot be made.

When there is a possible or a present obligations in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements. However contingent assets are assessed continually.

2. SHARE CAPITAL

Particulars	As at	
	31st March 2013	31st March 2012
Equity Share Capital		
(a) Authorised		
20,00,000 Equity Shares of Rs. 100/- each (Previous year 20,00,000 shares of Rs.100/- each)	200,000,000	200,000,000
	200,000,000	200,000,000
(b) Issued		
14,50,099 Equity Shares of Rs. 100/-each (Previous year 1450099 shares of Rs.100/- each)	145,009,900	145,009,900
(c) Subscribed & Fully paid - up		
14,50,099 Equity shares of Rs.100/- each (Previous year 1450099 shares of Rs.100/- each)	145,009,900	145,009,900
Total	145,009,900	145,009,900

Reconciliation of the number of equity shares :

Particulars	2012-13		2011-12	
	Number	(Amount in Rs.)	Number	(Amount in Rs.)
Shares outstanding at the beginning of the period	1,450,099	145,009,900	1,450,099	145,009,900
Shares outstanding at the end of the period	1,450,099	145,009,900	1,450,099	145,009,900

Rights, preferences and restrictions attached to shares

The company has one class of equity shares having a par value of Rs.100/- each. Each shareholders 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 company 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 Company.

Sr. no.	Name of share holder	As at 31st March 2013		As at 31st March 2012	
		No. of shares held	% of shares held	No. of shares held	% of shares held
		1.	Shri P. B. Dandekar Dy. Secretary Industries and Representative of the Governor of Maharashtra	1,440,093	99.31

3. RESERVE & SURPLUS

	(Amount in Rs.)	
	As at 31-03-2013	As at 31-03-2012
a. CAPITAL RESERVE	44,785	44,785
b. EXPORT INCENTIVE RESERVE		
Opening balance	375,000	375,000
Add : Transferred from profit & loss A/c	-	-
Closing Balance	375,000	375,000
c. GRANT IN AID		
Opening Balance	1,065,481	1,007,819
Transferred to Profit & Loss A/c (3.1)	(42,338)	(42,338)
Closing Balance	1,023,143	1,065,481
d. GRANT RECD FOR PAITHANI		
Opening Balance	10,299,000	10,299,000
Transferred from Profit & Loss A/c	-	-
Closing Balance (3.2)	10,299,000	10,299,000
e. MARKETING RISK & DEVELOPMENT RES.		
Opening Balance	4,900,489	4,699,656
Transferred from Profit & Loss A/c	95,567	200,833
Closing Balance (3.3)	4,996,056	4,900,489
f. REVALUATION RESERVE		
Opening Balance	64,213,449	70,788,909
Transferred from Profit & Loss A/c	(6,575,460)	(6,575,460)
Closing Balance (3.4)	57,637,989	64,213,449
g. SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		
Opening Balance	242,536,104	102,036,166
Transferred from Profit & Loss A/c	63,819,438	140,499,938
Closing Balance	306,355,542	242,536,104
	380,731,515	242,536,104
Total :	380,731,515	323,434,308

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 "Reserve 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 has 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 has also received subsidy of Rs.21,00,000 for purchase of 100 looms during the year. Since this

towards purchase of looms, the said subsidy of Rs.21,00,000 is added to Govt. Grants. The Corporation has also added Rs.5,00,000 to Govt. Grants towards unutilized grants given to Nashik division for training of labourers on Paithani Sarees. The balance of Rs.1,02,99,000 is shown under the head Govt. Grants, in compliance of As-12 issued by ICAI.

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.65,75,460 from Revaluation Reserve and Corresponding amount has been credited to leasehold land to reduce the value thereon.

4. LONG TERM BORROWINGS

(Amount in Rs.)

	As at 31-03-2013	As at 31-03-2012
Unsecured		
Long term maturities of finance lease obligations		
a. IND & LAB. DEPT. GOVT. EDU. UNEMP. H. P. A/C	13,18,000	13,18,000
INTEREST PAYABLE EPP GOVT OF MAHA*	90,49,299	90,49,299
b. IND & LAB.- GOVT. OF MAHA - SEED CAPITAL	64,03,332	64,03,332
INTEREST PAYABLE ON MAHA. GOVT. LOAN*	27,74,408	27,74,408
Total	195,45,038	195,45,038

* Interest amount is more than the principal amount in respect of above loans. Hence, no provision for interest payable from the year 2007-08 is made in the accounts. Management is of the opinion that the scheme amounts reflected in books of accounts are very old one and not reconciled since long back and are not payable to the Govt. has not also claimed these amounts from MSSIDC. Hence, Corporation has not provided interest since 2007-08

5. TRADE PAYABLES

(Amount in Rs.)

	As at 31-03-2013	As at 31-03-2012
- Micro, Small and Medium Enterprises (5.1)	-	-
- Others (5.2)	1,291,419,596	1,170,236,582
Total	1,291,419,596	1,170,236,582

5.1 Amount ovedue as on 31st March, 2013 to Micro, Small and Medium Enterprises on account of principal amount with interest in aggregate is Rs. Nil (Previous year Rs. Nil). No interest during the year has been paid to Micro, Small and Medium Enterprises on delayed payments.

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

6. OTHER CURRENT LIABILITIES

(Amount in Rs.)

	As at 31-03-2013	As at 31-03-2012
(a) Other Statutory Liabilities (6.1)	12,213,178	6,924,852
(b) Raw material Dues & Refund Payable	14,825,750	14,825,750
(c) Marketing Advance Received	241,615	241,615
(d) Retention Money	238,867	238,867
(e) Security Deposits/Earnest Money Deposits (6.2)	185,270,105	173,055,836
(f) Miscellaneous Liabilities (6.3)	72,695,264	44,048,662
(g) Contributions Received (6.4)	17,765,460	3,112,476
(h) Employee Benefits (6.5)	913,853	1,927,922
(i) Dues to outside parties (6.5)	730,493,889	839,049,983
(j) Sundry creditors for expenses	30,828,796	34,030,578
Total	1,065,486,776	1,117,456,541

6.1 Includes Service Tax Liability of Rs.1,07,48,378, CST liability of Rs.796,194 and MST & VAT Debit balance of Rs.16,29,416 which are subject to scrutiny, reconciliation and consequential adjustment.

6.2 Includes Deposit Received of Rs.16,41,18,853 which is subject to scrutiny, reconciliation and consequential adjustment.

6.3 Includes Liability for Expenses of Rs.5,58,53,859 which is subject to scrutiny reconciliation and consequential adjustment. Liability for Expenses includes old liability of Mumbai Port Trust of Rs.2,76,77,667.

6.4 Includes credit balance of IITF 2012 of Rs. 26,03,436. As per the audit certificate for IITF 2012 excess of Income Over Expenditure is Rs.20,32,725. The difference is not reconciled. Management is of the opinion that the credit balance reflected in books of account will be adjusted against previous year grant balance.

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

7. SHORT TERM PROVISIONS

(Amount in Rs.)

	As at 31-03-2013	As at 31-03-2012
(a) Provision for Employees' Benefits		
Provision for Gratuity (7.1)	94,580,391	91,306,085
Leave Encashment (7.2)	24,670,567	20,629,136
Vth Pay Arrears	145,470	145,470
(b) Provision for Taxation		
Provision for taxation F. Y. 2009-10	18,482,030	18,482,030
Provision for taxation F. Y. 2010-11	37,413,379	37,413,379
Provision for taxation F. Y. 2011-12	74,328,672	74,328,672
Provision for taxation F. Y. 2012-13	44,746,829	-
Total	294,367,338	242,304,772

7.1 The Corporation has made a provision of Rs.32,74,306 during the year towards gratuity on the basis of LIC demand (Projected unit Credit Method has been used for valuation by LIC). The Corporation has invested Rs.12,01,74,787 towards the gratuity fund maintained by LIC against the Provision of Rs.9,45,80,391.

7.2 The Corporation has made provision of Rs.2,46,70,567 towards leave encashment on the basis actuarial valuation.

9. NON-CURRENT INVESTMENTS

(Amount in Rs.)

	Nos.	Face Value Rs.	As at 31-03-2013	As at 31-03-2012
1. (Unquoted) :				
1. All India Fabricks Mkt. Co-op. Soc. Ltd.	1	1,000	1,000	1,000
2. Mah. Ind. & Tech Consultancy Org. Ltd.	1,000	100	40,000	40,000
3. Mah. State Handloom Coop Fed. Ltd.	1	250	250	250
4. Krupanidhi Ltd.	620	100	62,000	62,000
Total			103,250	103,250

Note 8 : Fixed Assets					Amt in INR					
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost 1.4.12	Additions	Sales adjustments	Balance as at 31.3.13	Accumulated Depreciation	Depreciation for the year	Adjustments	Total Depr. 31.3.13	WDV 31.3.13	WDV 31.3.12
Free hold land - Wada	76,426	-	-	76,426	-	-	-	-	76,426	76,426
Lease hold land -Cost	11,300,038	-	-	11,300,038	44,76,346	178,152	-	46,54,496	66,45,540	68,23,692
Leasehold land-Revaluation	199,216,368	-	-	199,216,368	1350,02,916	6,575,460	-	1415,78,376	576,37,992	642,13,452
Office premises	8,613,596	-	-	8,613,596	31,67,138	132,876	-	33,00,014	53,13,581	54,46,458
Building on leasehold land	553,47980	-	-	55,347,980	62,94,778	9,00,694	-	71,95,472	481,52,508	490,53,202
Residential flats	4,103,472	-	-	4,103,472	15,89,945	62,753	-	16,52,698	24,50,774	25,13,526
Leasehold rights WTC	2,540,250	-	-	2,540,250	14,74,763	42,338	-	15,17,101	10,23,150	10,65,487
Plant & Machinery	3,679,991	-	-	3,679,991	36,52,868	5,511	-	36,58,379	21,611	27,123
Furniture & Fixture	11,350,288	37,695	-	113,87,983	99,11,959	1,03,735	-	100,15,694	13,72,289	14,38,329
Office Equipments	94,19,036	7,100	-	9,426,136	59,28,046	4,47,602	-	63,75,648	30,50,488	34,90,990
Computers	21,093,323	-	-	21,093,323	174,80,482	11,44,527	-	186,25,009	24,68,314	36,12,841
Electrical fittings	817,710	-	-	817,710	1,06,059	38,841	-	1,44,900	6,72,810	7,11,651
Vehicles	2,749,230	-	-	2,749,230	26,86,054	63,175	-	27,49,229	1	63,176
Assets Costing less than5000	789,102	13,350	-	8,02,452	7,89,102	13,350	-	8,02,452	-	-
Paithani Dev. Center (MVVM)	182,226	-	-	182,226	14,850	2,970	-	17,820	1,64,406	1,67,376
Total	3312,79,036	58,145		3313,37,181	1925,75,306	97,11,984	-	2022,87,290	1290,49,890	1387,03,729
Previous Year (31-03-2012)	3235,26,393	96,25,643	18,73,000	3312,79,036	1734,24,667	98,99,389	-	1925,75,307	1387,03,729	1408,43,457
<p>Notes :</p> <p>A) Amortisation has been provided in proportion to Lease Period from the year in which possession of lands is taken, although the agreements to lease suitable that they will come into force after the execution of lease agreements.</p> <p>B) The Corporation has charged depreciation on the Lease Hold Rights of the premises in World Trade Center and amortised it over its useful life of 60 years.</p> <p>C) Depreciation provided in the accounts is subject to scrutiny of individual item of certain classes of Fixed Assets where the total depreciation provided so far has exceeded the cost thereof.</p> <p>D) Depreciation for the year of Rs. 3136524.00 (Rs.9711984-6575460)</p> <p>E) The Corporation had appointed an independent CA firm to conduct physical verification of all the items of fixed assets at Head Office and the Branches and reconcile the same with the fixed assets schedule of the Corporation. The report submitted by the CA Firm is not finalized.</p>										

10. OTHER NON - CURRENT ASSETS

(Amount in Rs.)

	As at 31-03-2013	As at 31-03-2012
DEPOSIT PAID *	10,342,516	9,807,349
DEPOSIT - TELEPHONE	22,000	14,500
DEPOSIT - COURT	17,169,496	16,975,638
EMD PAID	472,218	375,102
Total	28,006,229	27,172,589

* Includes certain long pending deposits paid at Head Office amounting to Rs.80,07,427 which are doubtful of recovery and pending for adjustment for more than 3 years for which corporation does not have any details and no provision for the same is made in the accounts.

11. DEFERRED TAX ASSETS (NET)

The break-up of net deferred tax assets on account of timing difference as at 31st March 2013 is as under

(Amount in Rs.)

	As at 31-03-2013		As at 31-03-2012	
	Assets	Liability	Assets	Liability
Opening Balance (DTA)	75,72,694		78,02,117	
Depreciation		2,90,678		3,33,613
P L Encashment	13,11,242			2,35,266
Disallowance u/s 40 (a)	43,997		3,39,456	
Total	89,27,933	2,90,678	81,41,573	5,68,879
Net Deferred Tax Assets *	86,37,255		75,72,694	

* During the year, there is increase in deferred tax assets of **Rs.10.65 Lakhs**.

12. INVENTORIES

(Amount in Rs.)

		As at 31-03-2013	As at 31-03-2012
Raw material and Components			
(a) Stock at Paithan		2,184,252	571,073
(b) Work-in-progress (Paithan)		792,217	1,305,051
(c) Finished Goods			
Stock at Yeola	2,188,287		
Stock at Paithan	762,973		736,259
Stock at trade-wtc	5,313,819		3,966,288
Stock at trade-TME Delhi	690,340		676,794
Stock franking	-		775,439
Window display at HO	11,849		-
		8,967,268	
Total		11,943,737	8,030,904

13. TRADE RECEIVABLES

(Amount in Rs.)

	As at 31-03-2013	As at 31-03-2012
Outstanding for a period exceeding six months from the due date :		
Unsecured - Considered Good (13.1)	942,696,764	798,175,017
Outstanding for a period not exceeding six months from the due date :		
Unsecured - Considered Good	450,244,594	411,480,362
Total*	1,392,941,538	1,209,655,379

13.1 Includes Rs.68,38,67,546/- (71,03,52,546/- less earlier provision Rs.2,64,85,000/- under sundry debtors) which is outstanding for over three years & the above three years ageing is done using Tally Data. The management is of opinion that since Doubtful debts pertaining to marketing activity are backed by creditors and the amounts involved in legal cases are subject to decision thereof, the provision regarding doubtful debts is not considered. (The corporation had appointed a firm of Chartered Accountants to reconcile Debtors, Creditors and Advances and recommendation made by the said C.A. Firm was to be considered by the Management for making suitable provision for doubtful debtors,

advances and to write back creditors which are no longer required. However, since no concrete recommendation about writing off of debts and writing back of creditors was given by the said CA firm, no action has been taken in this regard.)

13.2 Sundry Debtors include Rs. 873.05 Lakhs due from M/S. Metal Tube Rolling Mills (MTRM). The matter is under arbitration. Advocate of the Corporation has finally completed argument before the Arbitrator in April, 2011. The arbitrator has passed the award on 30.06.2011 in favor of the Corporation directing the other party to deposit Rs. 19.00 Crores plus interest. The MTRM has challenged the said award by way of Arbitration Petition before Hon. Bombay High Court. Hon. Bombay High Court has directed to list the petition before appropriate bench of High Court as the present bench has no pecuniary jurisdiction.

13.3 Corporation has filed criminal complaint before Chief Judicial Magistrate Court Nagpur u/s 138 of Negotiable Instrument Act against Mehta group of Industries (Munish Forge, Parshwa, Holum and Purthvi) for recovery of outstanding of Rs. 563.59 lacs, which they have defaulted in payment and civil suits against units of Mehta group Industries before Civil Court, Nagpur. Civil suits filed against Munish Forge and Parshwa are pending for hearing and civil suits filed against Holum steel is pending for reply/stage. For all relevant cases and their application hearing has been done from Corporation's side. The matter is in progress. The party has not deposited Rs.50.00 lakhs as per the order of high court.

13.4 M/s Khutale Steel Rolling Mills Pvt. Ltd., Satara, debtor who unauthorisedly removed raw material supplied under Warehousing Credit Scheme, has an outstanding of Rs. 47.52 Lakhs. The judgment delivered in favour of MSSIDC in civil suit filed by MSSIDC in Satara Court against M/ s Khutale for recovery and the original decree execution papers were submitted to Hon'ble High Court, Mumbai, as the immovable property of Director is situated at Mumbai. The Decree execution application came up before Hon. Bombay High Court hearing on 21.03.2012. The matter was dismissed in default for want of prosecution due to absence of advocate. The corporation has filed a notice of motion to restore the matter and the matter yet to be admitted.

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

14. CASH AND BANK BALANCES

(Amount in Rs.)

	As at 31-03-2013	As at 31-03-2012
A Cash and Cash Equivalentents :		
Balances with Bank :	125,410,022	2,99132,320
Cash on hand	98,480	115,213
Others :		
Deposit with Bank (FDRs)	999,536,261	518,830,311
Margin Money	-	7,294,515
Total	1,125,044,763	825,372,359

15. SHORT TERM LOANS AND ADVANCES

(Amount in Rs.)

	As at 31-03-2013	As at 31-03-2012
Unsecured - Considered Good :		
Loans to Employees (15.1)	1,032,832	1,798,248
Prepaid Expenses	137,191	63,054
Advance payment of income tax (15.2)	16,759,900	-
Tax deducted at source (15.2)	110,581,342	92,190,077
Security Deposits (15.2)	9,661,748	10,881,807
Other Loans and Advances (15.3)	214,821,888	581,596,011
Total	352,994,901	686,529,197

15.1 Includes Rs.1,36,074 (Aurangabad Rs.15,139 & HO Mumbai Rs.1,20,935) towards loss incurred due to jumping of franking machine during last 3-4 years. The Corporation has not provided the same as it is in the process of recovering from erring employees.

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

15.3 Includes :

(a) Debit balances in sundry Creditors of Rs.15,36,54,667 which are pending for adjustment for more than 3 years.

(b) Advance to Suppliers Rs.5,95,000 which is subject to scrutiny, reconciliation and consequential adjustment & suspense account of Rs.62,078.

(c) 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. We have submitted fresh addresses of accused to the Hon'ble court. Hon'ble Court issued non-bailable warrant on fresh addresses. The next date is 07.04.2015, Hon' Court awaiting report of non-bailable warrant.

16. OTHER CURRENT ASSETS

(Amount in Rs.)

	As at 31-03-2013	As at 31-03-2012
I. tax on Contractors Bills	1,758,532	1,620,669
I. tax on salary 87-88 onwards	71,200	54,200
Tds ded by consignee under WCT 2002-03	932,892	843,454
Tds consignee 2003-04	302,849	75,285
Godown & Office rent Receivable	18,821,942	22,971,677
Advance against seed capital *	3,409,751	3,409,751
Indian oil corporation ltd.*	795,822	795,822
I. P. C. L.*	1,022,167	1,022,167
I. P. C. L. Credit sale to mkt. units	190,539	190,539
Kerala state ind. products	4,668	4,668
Leather industry delp. corp. of Mah. Ltd.	213,868	213,868
National craft complex, New Delhi	139,763	139,763
Gratuity fund.	120,174,787	83,505,178
Total	147,838,779	114,847,040

16.1 Includes Rs.83,17,593 receivable from a few parties which is long overdue but not provided for since the Corporation is confident of recovering the same in near future.

The Corporation is to receive Rs.35,44,919 towards rent receivable from Hindustan Zinc Ltd. The case went to Arbitration and Arbitration Award was passed in favour of the Corporation asking Hindustan Zinc Ltd. to pay Rs.27,40,046.00 to the Corporation against which Hindustan Zinc Ltd. has moved the High Court against the Arbitration Award. The case no. CMM/3/14 is pending before Udaipur Court. The Corporation has filed written statement on dtd. 19.11.2014

The MSSIDC 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.

* These amounts are doubtful of recovery and pending for adjustment for more than 3 years for which Corporation does not have any details and no provision for the same is made in the accounts as they are in the process of reconciliation.

17. REVENUE FROM OPERATION

(Amount in Rs.)

	2012-13		2011-12	
	Rs.	Rs.	Rs.	Rs.
(i) SALE OF PRODUCTS				
(a) MANUFACTURING OPERATIONS :-				
1. Raw material sales	11,361,738		45,416,868	
2. Marketing sales	1,983,378,894		4,007,051,850	
3. Sales Paithani saree	3,037,797		6,306,160	
4. Sales of silk as Yeola depot	1,044,558		-	
5. Sales through stock transfer	2,269,192		3,934,555	
6. Sales coal	290,509,665		531,368,103	
7. Wct Marketing sales	-		8,681,881	
	2,291,601,843		4,602,759,417	
Less : Sales through Stock Transfer	(2,269,192)	2,289,332,651	(3,934,555)	4,598,824,862
Total (i)		2,289,332,651		4,598,824,862
(ii) OTHER OPERATING REVENUE				
Sale of Scrap	351,112		3,920	
Sales franking	774,110		13,081,671	
Sales handicraft	32,151,689		47,516,738	
Other Receipts	103,987,096		212,945,329	
Total (ii)		137,264,007		273,547,658
Total		2,426,596,658		4,872,372,519

18. OTHER INCOME

(Amount in Rs.)

	2012-13	2011-12
a) Interest Received	85,055,849	42,790,516
b) Dividend from Non-Current Investments	50,000	50,000
c) Rent received	51,919,031	48,634,010
d) Miscellaneous Income	8,659,338	15,931,283
Total	145,684,218	107,405,809

19. COST OF MATERIALS CONSUMED

(Amount in Rs.)

	2012-13	2011-12
	Rs	Rs.
1. Purchase	2,308,564,922	4,636,944,270
Less : Purchase through Stock Transfer	(2,269,192)	(3,934,555)
Total	2,306,295,731	4,633,009,715

20. CHANGE IN INVENTORIES OF FINISHED GOODS AND PROCESS STOCK

(Amount in Rs.)

	2012-13	2011-12
Closing Stock Finished Goods	8,967,268	6,154,780
Less : Opening Stock Finished Goods	6,154,780	6,050,869
(Increase)/Decrease	(2,812,488)	(103,911)

21. EMPLOYEE BENEFITS EXPENSE

(Amount in Rs.)

	2012-13	2011-12
	Rs.	Rs.
a) Salaries and Wages	65,004,761	60,282,958
b) Contribution to		
(i) Provident Fund	8,007,456	2,791,393
(ii) Gratuity Fund	3,274,306	2,765,030
	11,281,762	5,556,423
c) Staff Welfare Expenses	1,649,239	1,555,348
Total	77,935,762	67,394,729

22. FINANCE COST

(Amount in Rs.)

	2012-13	2011-12
(a) Interest	240	418,254
(b) Bank Charges	361,099	1,066,387
Total	361,339	1,484,641

23. OTHER EXPENSES

(Amount in Rs.)

	2012-13	2011-12
Power	1,392,327	1,687,297
Fuel, Natural Gas and Water Charges	222,924	142,502
Repairs, Maintenance and Replacement		
Building	50,883	427,187
Others	16,115,739	14,199,633
	16,166,622	14,626,820
Job Work/Processing Charges	806,103	1,194,053
Insurance	242,182	264,942
Rent	2,265,271	838,784
Rates and Taxes	6,178,997	969,450
Printing and Stationary	1,100,840	1,288,381
Postage and Telephone	1,504,323	1,520,421
Vehicle Running and Maintenance Including Hire Charges	2,090,494	2,551,038
Director's Fees	9,000	7,000
Auditor's Remuneration and Expenses	449,365	474,395
Membership and Subscription Fees	40,000	163,844
Travelling and Conveyance	2,273,666	2,062,778
Legal and Professional Charges	4,522,370	2,887,803
General Expenses	12,388,876	17,666,013
Marketing Expenses	530,734	589,258
Other Marketing Expenses	193,657	354,938
Marketing Risk and Development reserve	95,567	200,833
Work contract tax	55,937	292,741
Debit balance written off	26,835	47,173
Total	52,556,090	49,830,464

24. PRIOR PERIOD ADJUSTMENT (NET)

(Amount in Rs.)

	2012-13	2011-12
INCOME		
Sales	312,803	-
Other Income	201,098	1,395,652
	513,901	1,395,652
EXPENDITURE		
Administrative, General and Marketing Expenses	1,494,757	6,405,304
Additional Lease Premium	26,325,359	-
	27,820,116	6,405,304
Net Debit/(Credit) Total :	27,306,215	5,009,652

25. CONTINGENT LIABILITIES

Sr.No.	Particulars	Current Year Rs.	Previous Year Rs.
1.	Claims against the Corporation not acknowledged as debts a) Snehideep Structural Pvt. Ltd. Appeal no. 555 of 2006 Rs.4,18,04,825 & Appeal no. 260 of 2013 of Rs.2,36,63,430 b) Mumbai Port Trust* (Rs.16,03,51,088)	22,58,19,343	20,21,55,913
2.	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 II) Income Tax III) Value added tax	1,49,95,907 1,07,06,402 53,17,73,142	1,49,95,907 1,07,06,402 53,17,73,142
3.	Penalty u/s 271B of the Income Tax Act for non-filing of Tax Audit Report u/s 44AB of the Income Tax Act for last 7 years	8,50,000	7,50,000

Mumbai Port Trust vide letter dt. 17.12.2012 raised demand towards pending regulation/rectification of breaches and liquidation of Port Trust Arrears of Rs.160351088 in respect of TW-2 Shed at Cotton Green. In this regard vide our letter dt. 27.12.2012 the Corporation has requested to provide details of outstanding/arrears amount to BPT. However, the details are yet to be received.

Note 26: In the absence of details of status of pending Sales Tax and WCT 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.

Note 27: The Audit committee was constituted in 336th Board Meeting held on 21.08.2012. No meetings of Audit Committee were held during the year.

Note 28 : Segment Reporting : AS - 17 :

a. Primary Segment

(Rs. in lacs)

Particulars	Trading	Emporia	CWH/Oth.	Total
Revenue	24,946.10	584.90	191.80	25722.81
Segment Cost	23,817.70	502.80	22.86	24343.36
Result	1128.40	82.10	168.94	1379.45
Less- Unallocated Expenses				31.37
Profit Before Tax				1348.08
Less : Income Tax/ Deferred Tax				436.82
Net Profit After Tax				911.26
Less : Proposed Dividend				-
Less : Prior Period Adjustment (Net)				273.06
Net Profit				638.20
Other information				
Segment Assets	30214.90	185.60	188.22	30588.74
Unallocated Assets				1376.86
Total Assets				31965.60
Segment Liabilities	26521.30	79.63	109.69	26710.60
Unallocated Liabilities				5255.00
Total Liabilities				31965.60

b. Secondary Segment:

The entire operation is being treated as a single reportable segment.

Note 29 : Related Party Disclosure/Transactions: AS-18

The Corporation has considered the following as the related parties for disclosure under AS 18 issued by ICAI.

- During the financial year 2012-13 **Mrs. Radhika Rastogi (IAS)** was deputed as **Managing Director** of MSSIDC Ltd. by the State Government on 16.05.2011. She was paid Rs.12,37,667 towards remuneration and Rs. 61,622 towards other expenses during the year and her services was transferred on 20.01.2014
- During the financial year 2012-13 **Mr. S. B. Zaware** was deputed as Joint M.D. of MSSIDC Ltd. by the State Government on 15.07.2011. He was paid a total remuneration of Rs. 7,43,846 and Rs. 4,06,172 towards other expenses during the year and his services was transferred on 23.01.2013

NOTE 30 : Consolidated Financial Statements : AS 21

The Compliance of AS 21 is not mandatory for Corporation since it is not the listed company.

NOTE 31 : Additional Information pursuant to provision of Sub-paras 3, 4, 4-C & 4-D of para II of schedule VI to the Companies Act 1956.

i) Earnings and Expenditure in Foreign Exchange

(Rs. in lakhs)

Particulars	2012-13	2011-12
Earnings in Foreign Exchange	NIL	NIL
Expenditure in Foreign Exchange	NIL	NIL

CIF value of imported and indigenous raw - materials consumed

(Rs. in Lakhs)

Particulars	2012-13		2011-12	
	%	Value	%	Value
Imported	-	NIL	-	NIL
Indigenous	100%	20.82	100%	12.74
Total	100%	20.82	100%	12.74

ii) Payment to Auditors :

(Rs. in Lakhs)

Particulars	2012-13	2011-12
Audit Fees	2.75	2.75
Tax Audit Fees	1.25	1.25
Other Services	-	-

Note 32 : The previous year's figures have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure. All figures have been rounded off to the nearest rupee.

As per our report of even date

For and on behalf of the Board

For Om Prakash S. Chaplot & Co.
Chartered Accountants
FRN 000127C

Chief Financial Officer Managing Director

Partner
M. No. 415552

Place : Mumbai
Date : 27 May 2015

Company Secretary

Director