

# 45<sup>th</sup> Annual Report 2021 - 2022

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## BOARD OF : DIRECTORS

(As on 31 March, 2022)

Shri.Eknath Dawale	IAS	Chairman
Shri.Ruchesh Jaivanshi	IAS	Managing Director
Shri.Dheeraj Kumar	IAS	Director
Shri.Vallabhrao T. Deshmukh		Director
Shri.Vinod K. Gaur		Director
Shri.Vishwanathan Mohan		Director
Shri. M.L. Arora		Director
Shri. Jai Prakash		Director

## AUDITORS

M/s. J.S.OBEROI & CO. Chartered Accountants, 2, "Sat-Pratap"  
Bezonbagh, Kamptee Road, Nagpur-440 004 Nagpur.

M/s.Ram Thakkar & Associates, Secretarial Auditors, Akola.

## BANKERS

Bank of Maharashtra, HDFC BANK

## REGISTERED OFFICE

“Mahabeej Bhawan”, Krishi Nagar, Akola- 444 104

## EXECUTIVES

Shri. Manish Yadav	General Manager (Finance)
Dr. Prafull Lahane	General Manager (Q.C & I/c Admin)
Shri.P.G. Tatar	I/c General Manager (Marketing)
Shri Prashant Pagrut	I/c General Manager (P & E)
Shri.Vinay Verma	Company Secretary & Dy.G.M.(I.A.)
Shri.Vivek Thakare	I/c General Manager (Production)



# Maharashtra State Seeds Corporations Limited

## **NOTICE OF 45<sup>th</sup> AGM** **Maharashtra State Seeds Corporations Limited**

Regd.Off.: 'Mahabeej Bhavan' Krishinagar, Akola 444 104  
CIN:-U01200MH1976SGC018990

### **NOTICE**

To,  
The All Members,  
M.S.S.C. Ltd.,

Notice is hereby given that the Forty-Fifth (45<sup>th</sup>) Annual General Meeting of the members of Maharashtra State Seeds Corporation Limited will be held on **Saturday 31<sup>st</sup> December, 2022 at 1.00 P.M. at K.R. Thakare Auditorium, PDKV, Krishi Nagar, Akola** to transact the following business, shareholders also attend the meeting through video conferencing:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Boards' Report and the audited Financial Statement as at 31<sup>st</sup> March, 2022 with the CAG, Auditor's Report and Secretarial Auditor's Report.
2. To consider declaration of Dividend on Equity Shares @ 20.00%.

### **SPECIAL BUSINESS**

3. Taking note of Appointment of Shri V.T. Deshmukh as farmers elected director from Rest of Maharashtra constituency
4. Taking Note of Appointment of Dr. Ranjit N. Sapkal as farmers elected director from Vidarbha, Akola constituency

**By the Order of Board of Directors,  
M.S.S.C. Ltd.**

**( Vinay Verma )  
Company Secretary**

**Place:-Akola.**

**Date – 28/11/2022**

#### **NOTES:-**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
2. Proxy appointed by the member is entitled to vote only. He is not entitled to raise any point and take part in the discussions during the meeting.
3. Copies of Annual Report have been sent to the all shareholder at their registered address, the proxy form also attached, to nominate the proxy, please affix Re.1 revenue stamp and sign the same. Proxies in order to be valid must be received by the Company at its registered office, not less than 48 hours before the commencement of the meeting.
4. MSSCL has declared dividend for the year 2014-2015, 2015-2016, 2016-17, 2017-18, 2018-19, 2019-20 & 2021-22 however some dividend lying with company which are unclaimed. Shareholders are again requested to contact to the office of the Company Secretary MSSCL, Akola for obtaining extension in date. As per section 124 of the Companies Act 2013, The unclaimed dividend pertaining to F.Y. 2014-2015 will be



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- transferred to Investor Education and Protection Fund, New Delhi and after that no rights to shareholders shall be considered requiring payment of said dividend with company.
5. Members are requested to notify change in address, if any, immediately to the Company at its Registered Office quoting their folio number.
  6. Nomination form is enclosed with Marathi Annual Report the shareholders who want to nominate their nominee may fill the form and send the original copy duly filled and signed at our H.O. To, Company Secretary, MSSCL "Mahabeej Bhawan" Krishinagar, Akola-444 104 India.
  7. As per green initiative of Ministry of Corporate affairs, Shareholders may obtain copy of annual report through e-mail, requesting shareholders to provide the requisition to e-mail address hocs@mahabeej.com.
  8. Corporate members/Universities intending to attend meeting through authorized representatives are requested to send to the Company a certified true copy of the Board Resolution/Authority letter authorizing their representative to attend and vote on their behalf at the Meeting or through e-voting.
  9. KYC Form is enclosed with Marathi Annual Report and also uploaded on Mahabeej website in Investor corner, Shareholder is requested to fill up the form and send to H.O.
  10. Legal heirs of diseased shareholder, if any, are requested to complete the process of Transmission of Shares
  11. The Ministry of Corporate Affairs has notified provisions relating to unclaimed dividend under Section 124 of Companies Act 2013, The Rules also mandates the companies to transfer the shares of shareholders whose dividends remain unpaid/ unclaimed for a period of seven consecutive years to the Demat account of IEPF Authority. Hence, the company urges all the shareholders to encash/claim their respective dividend during the prescribed period. Company has uploaded the details of shareholders who shares has been transferred, along with unpaid and unclaimed amounts lying with the Company on the website of the Company (www.mahabeej.com).
  12. The instructions with respect to attending AGM and E-voting are attached as per the provisions of section 108 of the Companies Act, 2013.

## **EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS 102 OF THE COMPANIES ACT, 2013**

### **ITEM NO. 3**

As per the provisions of Clause (c) of Article 125 of the Articles of Association of the Company and as per the applicable provisions of the Companies Act, 2013 and MSSCL Director Appointment Rules election of Farmer Shareholders Directors were held between 5<sup>th</sup> July, 2022 to 22<sup>nd</sup> September, 2022 through postal ballots, after counting valid postal ballots Shri Vallabharao Tejarao Deshmukh has been re-elected as representative of farmer shareholders from Rest of Maharashtra constituency.

As per the MSSCL Director's Appointment Rules the elected candidate shall be appointed for tenure of three years from the next day of Annual General Meeting. Hence the agenda has been placed for noting and approval of shareholders. The Board recommend the same to be passed as ordinary resolution.

### **ITEM NO. 4**

As per the provisions of Clause (c) of Article 125 of the Articles of Association of the Company and as per the applicable provisions of the Companies Act, 2013 and MSSCL Director Appointment Rules election of Farmer Shareholders Directors were held between 5<sup>th</sup> July, 2022 to 22<sup>nd</sup> September, 2022 through postal ballots, after counting valid postal ballots Dr. Ranjit Nilkanthrao Sapkal has been elected as representative of farmer shareholders from Akola Vidarbha constituency.

As per the MSSCL Director's Appointment Rules the elected candidate shall be appointed for tenure of three years from the next day of Annual General Meeting. Hence the agenda has been placed for noting and approval of shareholders. The Board recommend the same to be passed as ordinary resolution.



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## A. Voting through electronic means:

1. In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice), the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on **05/12/2022** (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by Central Depository Services Limited or to vote at the e-AGM. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

2. The details of the process and manner for remote e-voting are given below:

(i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

(ii) Now click on "Shareholders" tab.

**(iii) Now enter your User ID (Login Credential sent by Mobile SMS)**

**Members holding shares in Physical Form should enter Folio Number registered with the Company.**

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are a first time user follow the steps given below:

	<b>For members holding shares in Demat form and Physical Form</b>
<b>ENTER THE SEQUENCE NUMBER WHERE ASKING FOR PAN</b>	Enter your 10 digit Sequence number provided to you
<b>ENTER THE FOLIO NUMBER WHERE ASKING FOR DIVIDEND BANK DETAILS OR DATE OF BIRTH (DOB)</b>	Enter your Folio Number again.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

- On successful login, the system will prompt you to select the EVSN i.e. Maharashtra State Seeds Corporation Ltd.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.



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- Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through email at ramthakkar.cs@gmail.com and may also upload the same in the e-voting module in their login.
- (vii) Members can cast their vote online from **22/12/2022 (10.00 a.m.) till 29/12/2022 (5.00 p.m.)**. Voting beyond the said date shall not be allowed and the remote e-voting facility shall be disabled.
- (viii) In case of any queries/ grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of <https://www.evotingindia.com>.
- (ix) The share holder who have not opted e-voting facility may vote physically at the time of Annual General Meeting.
- (x) Shareholders who have held shares in electronic form can also vote through their own D-MAT account.

Individual Shareholders holding securities in Demat mode with CDSL cast their vote by following instruction

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or visit [www.cdslindia.com](http://www.cdslindia.com) and click on Login icon and select New System Myeasi.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

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## Boards' Report

### To the Members,

The Directors have pleasure in submitting their 45<sup>th</sup> Annual Report of your Company together with the Audited Statements of Accounts for the year ended on 31<sup>st</sup> of March, 2022.

### 1. FINANCIAL RESULTS

#### IMPLEMENTATION OF IND AS (IAS) AND SIGNIFICANT CHANGES IN ACCOUNTING POLICIES

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1st April, 2017. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2022, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").

The Company's financial performance for the year under review along with previous year figures is given hereunder:

Particulars	31/03/2022 (₹ in lakh)	31/03/2021 (₹ in lakh)
Revenue from Operations	43972.35	44675.59
Other Income	2385.87	2458.22
<b>Total Income</b>	<b>46358.22</b>	<b>47133.81</b>
Less Total Expenses	43485.57	44299.07
<b>Profit before extraordinary items and tax</b>	<b>2872.65</b>	<b>2834.74</b>
Current tax expense	722.99	713.45
Deferred tax expense/Liability	98.55	-11.03
Taxation related to earlier year	NIL	NIL
<b>Other Comprehensive income</b>	<b>-411.24</b>	<b>-36.97</b>
<b>Profit/Loss for the year</b>	<b>1639.87</b>	<b>2095.35</b>
Basic earnings per equity share (Amount in ₹)	391.90	500.75
Diluted earnings per equity share (Amount in ₹)	391.90	500.75

### 2. DIVIDEND

The Board recommends payment of dividend of ₹ 20 per equity share (i.e 20% of ₹100/-) net of taxes for the financial year 2021-22. The dividend, if approved by the members at the Annual General Meeting ("AGM"), will result in a cash outflow of ₹ **83.69** Lakhs as dividend payment.

### 3. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Your Directors wish to present the details of Business operations done during the year under review:





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## **IMPACT OF COVID-19:**

The State Government classified seed business as “Essential Commodity” and granted certain relaxations and guidelines so that production, processing, and distribution of the seeds will not be affected. The major portion of the Company's production, processing, and supply chain facilities remain in operation during most of the restricted period, following safety measures and proper sanitization in offices and plants as per the guidelines. Thus, the impact of Covid-19 on the Company was tolerable. The Company has assessed the recoverability of receivables, inventories, certain investments, and other financial assets considering the available internal and external information as on date. Considering the nature of these assets, the Company expects to recover the carrying amount of these assets.

## **PRODUCTION OF SEEDS:**

Your company has produced 4,12,308 quintals Certified/Truthful seed including vegetables and 36,749 quintals Foundation seed including vegetable crops, from an area of 70,663 hectares and 5,863 hectares respectively from growers/TSFs. Out of total production, the quantum of Certified seed in Cereals is 1,02,724 qtls, Pulses 2,27,292 Qtls, Oil seeds 67,844 qtls, Cotton and Fibers 1040 qtls, Green Manuring 2843 qtls. Fodder 4,564 qtls. And rest is on other crops, your company is also producing Hybrid Papaya Seedlings to fulfil the requirement of the farmers in Maharashtra. So as to organize seed production area in the compact block in a village under “Seed Village Programme”, your Company has introduced special schemes of 100%, 75%, & 50% rebate in Seed Certification Agency Inspection fee on the basis of area organized in a village. This scheme is also separately implemented for Paddy, Tur, Jute & Vegetable crops. The seed growers have been benefited under these schemes and the response is very encouraging.

Your company has also introduced the scheme of awarding the villages producing more than 3000 qtl Certified seed in a village. Under the “Seed Quality Improvement Campaign”, the MSSCL has introduced special seed quality incentives for production of lots having minimum low-grade as well as higher germinability seed in Soybean, Tur, Moog, Udid & Paddy etc. crops. Because of additional quality incentives over & above the procurement policy, the seed grower's response is increasing for tendering less low-grade percent raw seed having higher germinability of seed.

Considering the demand of certified seed in Pulses, Oil seeds & Cereals under National Food Security Mission, your company has produced targeted certified seed of new varieties in Moog, Udid, Tur & Gram in Pulses, Soybean in Oil seed and Paddy, Rabi Jowar, Bajara varieties in Cereal crops for distribution under this scheme, which has helped to increase the SRR in these crops. Your Company has also produced sizeable certified seed of the new varieties in Cereal, Pulses & Oil seed Crops for its promotion on large scale amongst the farmers in Maharashtra for boosting their productivity.

## **PRODUCTION OF NEW PRODUCT**

Your Company has undertaken the production programme of Imp.Bajra Dhanshakti, Hy.Bajara AHB 1200 Fe, AHB-1269, Paddy RTN-6, RTN-8, Paddy PDKV Tilak, Sakoli-9, Karjat-8, Karjat-9, Nagli, Phule Nachani, Tur Rajeshwari, PKV-Tara, BDN-711, BDN-716, Godavari, Moog BM-2003-2, Utkarsha, Udid AKU 10-1, Soybean MAUS 612, MAUS-162, MACS-1188, Phule Sangam, Phue Kimaya, JS-20-29, PKV Yellow Gold, PDKV





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Amba, Suwarna Soya, JS-20-94, JS-20-116, JS-20-98, JS-20-34, Sunhemp Prankur (JRJ-610) & suin-03, Gr. Nut Phule Morna, Phule Varna, Phule Unnati, Phule Bharati, Sesamum JLT-408, PKV-NT-11, Wheat DBW-168, Pusa Jwala, MACS-6478, Phule Samadhan, PDKV Sardar, Rabi Jowar Phule Suchitra, Phule Revati, Safflower SSF-708, SSF-12-40, PKV Pink, PBNS-86 & Gram Phule Vikram, Raj Vijay-202, BDNGK-798, Phule Vikrant, AKG-1109 (PDKV Kanchan), PDKV Kanak, Supper Annegiri-1, BGM 10216, BG 3062 & Linseed NL-260 & LSL-93 etc. new varieties developed by agricultural Universities.

### SEED PROCESSING AND ENGINEERING

The Processing of raw seed has always been challenging job due to varying climatic conditions in state and make quality seeds available for marketing at appropriate time in the season. During the year under report, the processing of 7,24,035 quintals raw seed in Kharif, Rabi and summer seasons even during covid-19 situation has been done timely and quality seeds were placed in the market for the farmers within the time limit.

Many new ideas and concepts were implemented and the processing operations are mechanized with vast experience in processing and storage engineering by MSSCL Engineers. The MSSCL has used auto filling bagging & tagging machine, Electronic labels printing machines, Z-type conveyors, fork-lifter truck at most of the plants in Maharashtra in order to mechanize the seed processing operations and the labour shortage problem faced at many plants and subsequently reduce processing cost. The scientific storage & processing of seeds lead to produce the best Quality seeds.

The seed storage capacity of MSSCL own godowns is 7,83,500 quintals. This has facilitated seed growers to store and process their seed in MSSCL godowns & plants at in the respective districts itself, conveniently and timely.

Company has installed APFC panels at all seed processing plants and offices for maintaining the power factor. The construction of new building of trichoderma Laboratory at Khamgaon has been started and the old office building is also renovated in current fiscal year.

### SEED MARKETING

Your Company has sold 2,16,113 quintal seeds during Kharif 2021 marketing season. The percentage of sale in comparison to availability of seed comes to 94%, during Rabi -2021 seasons your company has sold 2,19,902 quintal seeds, during summer 2021-22 seasons, 13,329 quintal seeds and 13,533 quintal seeds of Vegetable, Fodder & Green Manuring crops worth ₹ 18.08 crores sold during the Year. Out of this 7,827.28 quintal Fodder crops seeds and 3,521.20 qtl Green Manuring and 2,184.52 qtl Vegetable crops seeds have been sold under various Government schemes and General Marketing. Your company has achieved good sales due to proper planning, timely availability of seed & reasonable pricing. During the year 2021-22 your company has sold total 4,62,877 qtl seeds.

The Government of India is implementing “National Food Security Mission “to increase productivity of Wheat, Rice, and Pulses in selected districts in the State. Your Company has supplied 12,061 quintal seeds of Rice. Tur, Moog, Udid, Jowar, Bajara & Maize in Kharif – 2021 season and 61,550 quintal seeds of Wheat & Gram in Rabi -2021 season. Under



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National Food Security Mission – Bharaddhanya your company has sold 1771 quintal seed in Kharif- 2021 and 5,921 quintal Rabi Jowar seed in Rabi 2021 season.

### QUALITY CONTROL

During the year under review 14,841 samples of various Seeds/Tissues were taken for Germination test and 1,484 samples were taken for physical purity test in Maharashtra and other states. Also 3244 Elisa test were conducted during the year.

To minimize the germination complaints of soybean crop, your company had started Field Emergence Test of Soybean seeds from summer 2012, during the year total 2,058 FET were taken. Your Company is always committed to supply best quality seeds to the farmers and it can be assured by carrying FET at MSSCL farms.

Your company is strengthening quality control lab by installing new testing equipment and machinery by utilizing various Central/State government scheme and subsidies, we also got registered as certified Seed Testing Laboratory with Government of Maharashtra and implementing standard operating procedure and quality manual. We also applied for NABL accreditation for our Akola seed testing lab.

Recently we have received permanent registration by the Central Insecticide Board (CIB), Faridabad for production of Trichoderma veride it also includes Bio fertilizers-Rhizobium, Azobacter, Azospirillum, Phosphorus Solubilizing Bacteria (PSB), Potash Mobilizing Bacteria (KMB) consortia of NPK and various Bio pesticides and during the year we have produced 92,844 ltrs. Bio fertilizers and 1136.60 Qtls. Trico derma and receiving positive response from the farmer for Bio products.

#### **4. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATES AND THE DATE OF THE REPORT**

There was no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of the report.

#### **5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given as under:

#### **CONSERVATION OF ENERGY**

The Board of Directors always takes all endeavors to save the power and MSSCL is using



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LED lights and Solar Street Lights at various plants and location to promote green energy. Taking one more step towards green energy we have installed Solar Panels at Head Office and Construction Work of Solar power operated cold storage at SPP Vegetable, MIDC, Akola is also completed which can be utilized to preserve seeds. The main business of the company is seed production & processing and accordingly whatever the new energy saving automation and moderation needs to be done for saving the power has been thoroughly studied and implemented accordingly.

## **TECHNOLGY ABSORPTION, ADAPTION, INNOVATION & RESEARCH**

The research and development wing of your company is effectively engaged in developing new market oriented Hybrid Cotton, cereal crops, pulses and vegetable seeds, recently we have submitted various varieties of Gram, Fodder Jowar & Vegetable to research institute at national level for further testing and approval. Further we have got approval for commercial production of Mahabeej-124 BGII in Maharashtra from DAC, ICAR, Delhi.

## **FOREIGN EXCHANGE EARNINGS AND OUTGO**

1. Total Foreign Exchange earning : ₹ NIL
2. Total Foreign Exchange outgo : ₹ NIL

## **6. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

Examining the possible risk and preparation of Risk Management Policy is under process; however elements of risk threatening the Company's existence are very minimal.

## **7. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has developed Corporate Social Responsibility policy and board is taking initiatives for implementation of CSR activities effectively. The details of CSR Activities during financial year 2021-22 is enclosed in **Annexure-I**.

## **8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The particulars of Loans, guarantees or investments made under Section 186 are already reported in the financial statement.

## **9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis. The particulars of Contracts or Arrangements made with related parties made pursuant to Section 188 are annexed in form **AOC-2**.



## **10. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

Explanation & comments on the qualifications, reservation by the statutory auditors and practicing company secretary is given as an **addendum to the Board's Report**.

## **11. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are applicable to the Company and accordingly the committee has been formed, however the Ministry of Corporate Affairs, Government of India vide its notification dated 5<sup>th</sup> June, 2015 granted exemption to the government companies from provisions of section 178(2), (3) & (4) except appointment of senior management and other employees. Hence except the provisions of Articles of Association, the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration and other related matters as provided under Section 178(3) of the Companies Act, 2013. The committee will become functional after appointment of Independent Directors for which nomination already has been sent to State Government for their views and suggestions.

## **12. ANNUAL RETURN**

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

## **13. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR AND DETAILS OF DIRECTORS/KMP APPOINTED/CEASED DURING THE YEAR**

The details of Board and Committee meeting of Board of Directors and details of Directors and Key Managerial Persons appointed/ceased during the year is furnished in **Annexure III** and attached to this Report.

## **14. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement for the financial year 2021-22:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;



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- d. the directors had prepared the annual accounts on a going concern basis; and
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 15. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company is an Associate Company of National Seeds Corporation Limited who holds 35.44% of the total Equity of the Company and there is no change in shareholding during the financial year.

### 16. DEPOSITS

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

### 17. STATUTORY AUDITORS

Statutory Auditors & their Report

M/s. J. S. Uberoi & Co., Chartered Accountants, Nagpur has been appointed as Statutory Auditors by Comptroller and Auditor General of India letter dated 27/08/2021, who hold office for period 1 year; Further in accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> May, 2018 by the Ministry of Corporate Affairs, the appointment of such Statutory Auditors is not required to be ratified at every Annual General Meeting, thus no resolution is proposed for ratification.

#### Cost Auditor

The Cost Audit pursuant to section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 is not applicable to the company.

#### Secretarial Auditor

Under the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 M/s. Ram Thakkar & Associates, Company Secretary, Akola has been appointed as Secretarial Auditors for a period of 1 year in the board Meeting held on 31<sup>st</sup> December, 2021, who hold office till that period.

### 18. TRANSFER OF UNCLAIMED DIVIDEND TO IEPF

During the year 2021-22, ₹ 3, 69,240 has been transferred to Investor Education and Protection Fund on account of unpaid/unclaimed dividend for F.Y. 2013-14.

### 19. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Board has approved the composition of Audit Committee under provisions of Section 177 of the Companies Act, 2013; however the committee will become functional after appointment of Independent Directors for which nomination already has been sent to State Government for their views and suggestions.



## 20. SHARE CAPITAL AND SHARES

During the year there is no change in authorized and paid-up capital of the company.

### Buy Back of Shares

The Company has not bought back any shares during the year under review.

### Sweat Equity

The Company has not issued any Sweat Equity shares during the year under review.

### Bonus Shares

No Bonus Shares were issued during the year under review.

### Employees Stock Option Plan

The Company has not provided any Stock Option scheme to the employees.

## 21. INTERNAL FINANCIAL CONTROLS

The internal financial controls (IFC) framework at MSSCL encompasses internal controls over financial reporting (ICOFR) as well as operational controls that have been put in place across all key business processes of the Company. Further management has designed internal controls to facilitate and support the achievement of the Company's business objectives and such controls do enable the Company to adapt to changing and operating environment, to mitigate risks to acceptable levels and to support sound decision making and good governance.

Details in respect of adequacy of internal financial controls with reference to the financial statements are briefly iterated below:

- a. The Company has appointed internal auditors to examine the internal controls, whether the workflow of the organization is being done through the approved policies of the Company.
- b. The company is doing stock verification on regular intervals and
- c. The Board of Directors of the Company has adopted various policies such as related party transactions policy, whistle blower policy and such other procedures for ensuring the orderly and efficient conduct of its business for safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

## 22. DISCLOSURE UNDER SHWW ACT, 2013

Your Directors states that during the year under review, no case is recorded under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## 23. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS:

During the year under review, the auditor has not noted or reported any fraud in the affairs of the company as required u/s 143, thus Board of Directors has nothing to give details under above head.





# Maharashtra State Seeds Corporations Limited

## 24. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

## 25. COMPLIANCE OF SECRETARIAL STANDARDS

The company has duly complied with all the provision of applicable secretarial standards during the year.

## 26. PARTICULARS OF EMPLOYEES

As there are no employees who draw remuneration in excess of the limits specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, thus no information is given under said provision.

## 27. WEBSITE FOR DISPLAY OF ITS ANNUAL RETURN.

The Company is having website i.e. [www.mahabeej.com](http://www.mahabeej.com) and annual return of Company has been published on such website.

## ACKNOWLEDGEMENTS

The Company places on record its deep and sincere appreciation for the devoted services of its workers, staff and the executives of the Company who have contributed to improve performance and the Company's inherent strength. Grateful thanks are also due to:

- The Govt. of India, Govt. of Maharashtra for their continued support and guidance.
- The State Seeds Certification Agency.
- The National Seeds Corporation and other State Seeds Corporations and all Agriculture Universities of India
- ICAR, ICRISAT for their valuable support.
- Past and present colleagues in the Board for their valuable support and guidance.
- Bankers to the Company.
- The Auditors and Lawyers for their contribution.
- The Seed Growers, Seed Dealers and our Seed Brand patrons who have always remained a constant source of strength to the Company.
- The shareholders for their continued support and confidence reposed by them in the Company and their appreciation of the managements' efforts at the General Meetings of the Company providing a great fillip to strive for better performance year after year

**For and on behalf of the board of directors**

**Ek Nath Dawale, IAS**

**Chairman**

**DIN:- 06656860**

**Place: Mumbai**

**Date: 29.09.2022**





# Maharashtra State Seeds Corporations Limited

## ANNEXURE-I

### DETAILS OF CSR ACTIVITIES

Maharashtra State Seeds Corporation Limited (MSSCL) is committed actively to contribute to the social and economic development of society, a brief outline of the Company's CSR Policy, including overview of projects or programs undertaken during the year is given below. Rural Development, Promoting Farming Skills, Promoting education, health care, eradicating hunger, poverty & malnutrition, making available safe drinking water, environmental sustainability, ecological balance etc. are main CSR activities in which MSSCL concentrate.

#### 1. The Composition of CSR Committee

Shri Ruchesh Jaivanshi, IAS  
Shri Vallabhrao T. Deshmukh

Managing Director  
Member

**Average net profit of the company for last three financial years - ₹3474.51 lacs**

**Prescribed CSR Expenditure (2% of the amount as in item 2 above)- ₹69.48 lacs**

#### 2. Details of CSR spent during the financial year

- (a) Total amount spent for the financial year- During the period under review, your Company has contributed a sum of ₹ 70, 22, 200/- towards its CSR commitment.
- (b) Amount unspent, if any during 2021-22- **NIL**
- (c) Manner in which the amount spent during the financial year 2021-22 is detailed below :-

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.



# Maharashtra State Seeds Corporations Limited

1.	Healthcare		Y	Akola	--	5 Lakhs	235000	--	Yes	--	--
2.	Rural Education		Y	Sangali	1 Month	10 Lakhs	1000000	--	No	ZP Sangali	NA
3.	Water Conservation		Y	Raigadh	1 Month	5.5Lakhs	550000	--	Yes	--	--
4	*Promoting farming Skill-Crop Protection		Y	Maharashtra State	8 Months	50 Lakhs	4997200	--	Yes	--	--
	<b>Total</b>						6782200				

\* Spent during the present financial year 2022-23 on ongoing project out of the escrowed amount of Rs 50 Lakhs

(d) The administrative overhead during the year towards salary of employee is Rs 2,40,000

### Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2018-19	N.A.	32,09,000	--	--	--	67,67,000
2.	2019-20	N.A.	1,61,67,400	--	--	--	NIL
3.	2020-21	N.A.	71,61,063	--	--	--	NIL
	<b>Total</b>						

### 3. Explanation on Under Spending

The company has fully spent CSR budget for financial year 2021-22 and unspent amount of Budgeted CSR is NIL.

4. We hereby confirm that the implementation and monitoring of CSR Policy, is in Compliance with CSR Objectives and Policy of the Company.

\*\*\*\*\*



# Maharashtra State Seeds Corporations Limited

## Annexure-II Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2022

of Maharashtra State Seeds Corporation Limited

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

#### I. REGISTRATION AND OTHER DETAILS:

1. CIN	U01200MH1976SGC018990
2. Registration Date	28 <sup>th</sup> April, 1976
3. Name of the Company	Maharashtra State Seeds Corporation Limited
4. Category/Sub-Category of the Company	State Funded Company
5. Address of the Registered office and contact details	“Mahabeej Bhavan”, Krishi Nagar, Akola-444104, (MH).
6. Whether listed company	No
7. Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited 1 <sup>st</sup> Floor, Bharat Tin Works Building, Andheri East, Mumbai-400059, (MH).
8. International Securities Identification Number (ISIN), Depository - CDSL	INE04Q501018

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

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/Service	% of total turnover of the company
1	Production, Processing and marketing of Seeds	1209990	100%

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

S. No	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held by Associate	Applicable Section {
1	National Seeds Corporation Limited (NSC)	U74899DL1963GOI003913	Associate *	35.44%	

\*NSC is holding 35.44% of total Subscribed Equity Share Capital in MSSCL.



# Maharashtra State Seeds Corporations Limited

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

### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-								NA
b) Central Govt./Central PSU	-	148330	148330	35.44	-	148330	148330	35.44	NA
c) State Govt(s)/State PSU	-	205000	205000	49.00	-	205000	205000	49.00	NA
d) Bodies Corp. other than b) & c)	-	0	0	0	-	0	0	0	NA
e) Banks / FI	-	0	0	0	-	0	0	0	NA
f) Any Other	-				-				NA
<b>Sub Total (A) (1) :-</b>	-	<b>353330</b>	<b>353330</b>	<b>84.44</b>	-	<b>353330</b>	<b>353330</b>	<b>84.44</b>	<b>NA</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	0	0	0	-	0	0	0	NA
b) Other Individuals	-	0	0	0	-	0	0	0	NA
c) Bodies Corp	-	0	0	0	-	0	0	0	NA
d) Banks / FI	-	0	0	0	-	0	0	0	NA
f) Any Other	-	0	0	0	-	0	0	0	NA
<b>Sub Total (A) (2)</b>	-	<b>0</b>	<b>0</b>	<b>0</b>	-	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
<b>Total shareholding of promoter (A) = (A)(1) + (A)(2)</b>	-	<b>353330</b>	<b>353330</b>	<b>84.44</b>	-	<b>353330</b>	<b>353330</b>	<b>84.44</b>	<b>NA</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	0	0	0	-	0	0	0	NA
b) Banks/FI	-	0	0	0	-	0	0	0	NA
c) Central Govt	-	0	0	0	-	0	0	0	NA
d) State Govt(s)	-	0	0	0	-	0	0	0	NA
e) Venture Capital Funds	-	0	0	0	-	0	0	0	NA
f) Insurance Companies	-	0	0	0	-	0	0	0	NA
g) FIIs	-	0	0	0	-	0	0	0	NA
h) Foreign Venture Capital Funds	-	0	0	0	-	0	0	0	NA
Others – Investor Education & Protection Fund	-	0	0	0	18112	--	18112	4.33	NA



# Maharashtra State Seeds Corporations Limited

<b>Sub Total (B) (1) :-</b>	-	0	0	0	18112	0	18112	4.33	4.33
<b>2. Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	-	0	0	0	0	0	0	0	NA
ii) Overseas	-	0	0	0	0	0	0	0	NA
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	53112	53112	12.70	35000	35000	8.37	4.33	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	0	0	0	0	0	0	0	NA
<b>c) Others</b>	-	12003	12003	2.86	12003	12003	2.86	2.86	NA
<b>Sub Total (B) (2) :-</b>	-	0	0	0	0	0	0	0	NA
<b>Total Public Shareholding (B) = (B)(1) + (B)(2) :-</b>	-	0	0	0	0	0	0	0	NA
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	0	0	0	0	0	0	0	NA
<b>Grand Total (A) + (B) + (C)</b>	-	418445	418445	100.00	18112	400333	418445	100.00	NA

## (ii) Shareholding

Sr. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. Of Shares	% of total Shares of the company	% of shares Pledged / encumbered to total shares	No. Of Shares	% of total Shares of the company	% of shares Pledged / encumbered to total shares	
1	Government of Maharashtra	205000	49.00	Not Applicable	205000	49.00	Not Applicable	NIL
2	National Seeds Corporation Limited	148330	35.44	Not Applicable	148330	35.44	Not Applicable	NIL
3	Agriculture Universities	12003	2.86	Not Applicable	12003	2.86	Not Applicable	NIL
4	Farmer Shareholders	53112	12.70	Not Applicable	35000	8.37	Not Applicable	4.33
5	Investor Education & Protection Fund	--	--	Not Applicable	18112	4.33	Not Applicable	4.33
	<b>Total</b>	<b>418445</b>	<b>100.00</b>		<b>418445</b>	<b>100.00</b>		<b>NA</b>



# Maharashtra State Seeds Corporations Limited

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

Sl No.	Date	Remarks	No. of Shares	Cumulative shareholding during the year	
				Total no. of Shares	% of total shares of Company
--- NIL ---					

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Date	Remarks	No. of Shares	Cumulative shareholding during the year	
				Total no. of shares	% of total shares of Company
1		Dr. Punjabrao Deshmukh Agriculture University	4001	4001	0.95
2		Mahatma Phule Krishi Vidyapeeth, Rahuri	4001	4001	0.95
3		Vasantrao Naik Marathwada Agriculture University	4001	4001	0.95
4		Shri Diwakar Shamrao Dhotre	83	83	0.01
5		Shri Shivaji Raghuttamrao Deshmukh	70	70	0.01
6		Shri Rohan Prakashrao Kakad	70	70	0.01
7		Shri Vinod Ramkrishna Ingle	60	60	0.01
8		Shri Babaraho Yashwantrao Vikhe	53	53	0.01
9		Shri Umesh Hari Patil	52	52	0.01
10		Smt. Vimal Damodhar Raut	50	50	0.01

### (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Date	Remarks	No. of Shares	Cumulative shareholding during the year	
				Total No. of shares	% of total shares of Company
<b>Vallabhrao Tejrao Deshmukh</b>					
1	01/04/2021	Shareholding at the beginning of the year		3	0.001
2	31/03/2022	Shareholding at the end of the year		3	0.001



# Maharashtra State Seeds Corporations Limited

## V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i. Principal Amount	0.00	0.00	0.00	0.00
ii. Interest due but not paid				
iii. Interest accrued but not due				
<b>Total (i + ii + iii)</b>	0.00	0.00	0.00	0.00
<b>Change in Indebtedness during the financial year</b>				
• Addition	0.00	0.00	0.00	0.00
• Reduction				
<b>Indebtedness at the end of the financial year</b>				
i. Principal Amount	0.00	0.00	0.00	0.00
ii. Interest due but not paid				
iii. Interest accrued but not due				
<b>Total (i + ii + iii)</b>	0.00	0.00	0.00	0.00

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of remuneration	Name of MD/ WTD/ Manager	Total Amount (₹ in Lakh)
1	Gross salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961, including Value of perquisites u/s 17(2) Income-tax Act, 1961 and Profits in lieu of salary under section 17(3) Income tax Act, 1961	Shri Rahul Ashok Rekhawar, IAS Rs. 6,21,000/- Shri Ruchesj Jaivanshi, IAS Rs. 11,52,000/-	Rs. 17,73,000/-
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission - as % of profit - Travelling Allowances	-- Rs. 6,23,000/-	-- Rs. 6,23,000/-
	<b>Total (A)</b>	Rs. 23,96,000/-	Rs. 23,96,000/-
	<b>Ceiling as per the Act</b>	--	--





# Maharashtra State Seeds Corporations Limited

## B. Remuneration to other Directors:

Sl. No	Particulars of remuneration	Name of Directors		Total Amount (₹)
		Dr. Anita B. Chorey	Shri V. T. Deshmukh	
1	Independent Directors <ul style="list-style-type: none"> <li>• Fee for attending board committee meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	--	9500	9500
	Total (1)			
2	Other Non-Executive Directors <ul style="list-style-type: none"> <li>• Fee for attending board committee meetings</li> </ul>	--	--	--
	Total (2)	0.00	9500	9500
	Total (B) = (1+2)			
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			Within the limit of the Act

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No	Particulars of remuneration	Name of Directors/KMP	Total Amount in ₹ Lakh
1	Salary	Vinay Verma -Company Secretary	14.17

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. Directors</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. Other Officers in Default</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

\*\*\*\*\*



# Maharashtra State Seeds Corporations Limited

## Annexure-III INFORMATION REGARDING BOARD & THEIR MEETINGS

### CHANGES IN BOARD OF DIRECTORS:

The Board of Directors presently comprises 06 members. During the year, following director has retired and your Company wishes to place its sincere gratitude for their valuable support, guidance, and services rendered by them for the progress of the company –

Sr. No.	Name of the Directors	Post held	Date of Appointment	Date of Retirement/Resignation
1	Shri. G. Shreekanth, IAS	MD	07/02/2021	07/04/2021
2	Shri. Rahul Ashok Rekhawar, IAS	MD	08/04/2021	04/10/2021
3	Shri V.K. Gaur	CMD, NSC	17/08/2015	30/09/2021
4	Shri M.L. Arora	DC, NSC	27/12/2019	30/09/2021

### APPOINTMENT OF DIRECTOR IN THE FINANCIAL YEAR 2020 2021

Sr. No.	Name of the Directors	Post held	Date of Appointment
1	Shri. Rahul Ashok Rekhawar, IAS	MD	08/04/2021
2	Shri. Ruchesh Jaivanshi, IAS	MD	04/10/2021

### BOARD MEETINGS:

During the year 2021-2022, the Board could meet Four times as follows:

Sr. No.	Board Meeting No.	Date	Venue
1	203 <sup>rd</sup>	28 <sup>th</sup> June 2021	Through Video Conferencing
2	204 <sup>th</sup>	30 <sup>th</sup> September 2021	Through Video Conferencing
3	205 <sup>st</sup>	31 <sup>st</sup> December 2021	Mahabeej Bhavan Akola
4	206 <sup>th</sup>	13 <sup>th</sup> January 2022	Through Video Conferencing

### ATTENDENCE OF DIRECTORS TO THE MEETINGS :

Sr No	Name of Directors	Board Meetings	Sub-Committee Meetings	Attendance in last 44 <sup>th</sup> AGM (31 <sup>st</sup> Dec. 2021)
		Total-4	Total-14	Total-1
		Attended	Attended	Attended
1	Shri.Eknath Dawale, IAS	4	N.A.	Yes
2	Shri.Rahul Ashok Rekhawar, IAS	2	8	N.A.
	Shri. Ruchesh Jaivanshi, IAS	2	5	Yes
	Shri. G. Shreekanth, IAS	0	1	N.A.
3	Shri.Dheeraj Kumar, IAS	0	N.A.	No
4	Shri.V.T.Deshmukh	4	13	Yes
5	Shri.V.K.Gaur	0	N.A.	N.A.
6	Shri.V.Mohan	2	N.A.	No
7	Shri. Jai Prakash	2	10	Yes
8	Shri. Mohan Lal Arora	1	N.A.	N.A.

N.A. = Not applicable,

\*\*\*\*\*



# Maharashtra State Seeds Corporations Limited

## FORM NO. AOC -2

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

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

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

Sr. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Shri V.T. Deshmukh – Director Shri B. V. Deshmukh – Son of V.T. Deshmukh Shri D. V. Deshmukh – Son of V.T. Deshmukh Shri H. V. Deshmukh – Son of V.T. Deshmukh Mrs N. V. Deshmukh – Wife of V.T. Deshmukh Mrs S. B. Deshmukh – Daughter in Law Mrs P. D. Deshmukh -- Daughter in Law National Seeds Corporation Limited
2	Nature of contracts/arrangements/transaction	Sale/Purchase of Seeds
3	Duration of the contracts/arrangements/transaction	One Year
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of seed of Rs. 14.06 Lakhs during 2021-22 Purchase of Seeds of Rs 41.69 Lakhs from NSC
5	Date of approval by the Board	N.A.
6	Amount paid as advances, if any	N.A.

For and on behalf of the board of directors

**Ek Nath Dawale, IAS**  
**Chairman**  
**DIN:- 06656860**

**Date: 29.09.2022**  
**Place: Mumbai**

**Annexure-I****ADDENDUM TO THE DIRECTORS REPORT**

**Replies on the Report of the Statutory Auditor to the shareholders  
shareholders  
F. Y. 2021-22**

<b>Observation No.</b>	<b>Reply</b>
1.	Last year balance was Rs. 97.92 Lakhs and this has been increased to Rs. 98.59 Lakhs during current financial year. Unidentifiable credit in to bank accounts pertains to untraceable name of the growers/parties for which bankers are being pursued for clarification.
2.	During current financial year Rs. 56.36 Lakhs in cheque date bar Account. We will further reconcile/write off/pass necessary accounting entries, in current financial year.
3.	Contents are noted. Necessary action has been initiated by the management in this regard.

**(Manish Yadav)**  
General Manager (Finance)

**(Eknath Dawale, IAS)**  
Chairman



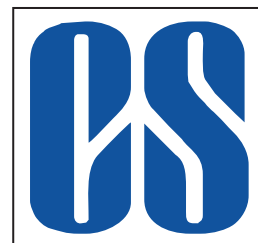
## **Ram Thakkar & Associates**

Practicing Company Secretary

Office :- The Bombay Lodge Building, Tilak Road, Akola -444001,

(MH) Mob No. 9422161224|| Phone No. : 0724 -2428466

Email: ramthakkar.cs@gmail.com



### **Secretarial Audit Report**

#### **For the Financial year ended as on 31<sup>st</sup> March, 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
Maharashtra State Seeds Corporation Limited  
CIN:- U01200MH1976SGC018990  
Add.:- Mahabeej Bhavan, Krishi Nagar,  
Akola-444104, (MH)  
Email:- hocs@mahabeej.com

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Maharashtra State Seeds Corporation Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Maharashtra State Seeds Corporation Limited** for the financial year ended on **31<sup>st</sup> March, 2022** according to the provisions of:

I have also examined the compliances of the provisions of the following other laws applicable specifically to the company wherein we have also relied on the information provided by the head of the respective departments in addition to the checks carried out by us.

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Other laws specifically applicable like



## Maharashtra State Seeds Corporations Limited

- The Payment of Gratuity Act, .
- Employees Provident Fund and Misc. Provisions Act, 1952.
- Seed Act
- The Factories Act, 1948
- Water (Prevention & Control of Pollution) Act 1974 and rules there under
- Air (Prevention & Control of Pollution) Act 1981 and rules there under
- Trade Mark Act 1999
- Legal Metrology Act
- Industrial Dispute Act
- Sexual Harassment of women at work place (prevention, prohibition and Redressal) Act

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. In past, the Board has approved the composition of Audit Committee under provisions of Section 177 of the Companies Act, 2013; however the committee will become functional only after appointment of one Independent Directors for which nominations have already sent to State Government for their views and suggestions and the same is awaited.
2. In past, the Board has approved the formation Nomination and Remuneration Committee as required U/s 178 of the Companies Act 2013 however the committee will become functional only after appointment of one Independent Directors for which nominations have already sent to State Government for their views and suggestions and the same is awaited.
3. The company has got many factory units at different places, where registration under the factories Act is applicable, out which few of the registration were yet to be done.

### **RECOMMENDATIONS AS A MATTER OF BEST PRACTICE:**

In the course of our audit, we have made certain recommendations for adequate systems and processes to monitor and ensure compliance with applicable laws, rules, regulations and guidelines good corporate practices, separately placed before the Board, for its necessary consideration and implementation by the Company

I/we further report that

The composition of the Board of Directors is constituted as per Articles of Association which has provision about ex-officio appointment; the company is following the same. Further the appointment of one Independent Directors is pending as nomination has already sent to State Government (Maharashtra), for their views and suggestions and the same is awaited. The changes in the composition of the Board of Directors that took place during the period under review were carried out as per the provision of Articles and Association and needful compliances about the reporting of the same was done under the provisions of the Act.

Adequate notices are given to all directors of the Board Meetings including agenda and detailed notes on agenda were sent at least seven days by post as well as by email and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



## Maharashtra State Seeds Corporations Limited

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

I further report that, about the systems and processes in the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, we opines that the same has segregated at different levels of authorities and departments which further needs to be strengthened by having a centralized system, process& dedicated authority be assigned to ensure that compliances at all the different levels of authorities.

I further report that during the audit period the company has no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For Ram Thakkar & Associates  
Company Secretary in Practice**

**Ram C. Thakkar**  
**Prop.**  
**Mem. No. 7452, CPNo. 4903**  
**UDIN:- F007452D001242840**  
**Place: Akola**  
**Date: 15.10.2022**

**Ram Thakkar & Associates,  
Practicing Company Secretary**





## Independent Auditors Report

To,  
The Members of  
**Maharashtra State Seeds Corporation Limited,**  
Mahabeej Bhawan, Krishi Nagar,  
Akola – 444 104.

### **Report on the Audit of the Standalone Financial Statements Opinion**

We have audited the financial statements of Maharashtra State Seeds Corporation Limited (“the Company”), which comprise the Balance sheet as at March 31, 2022 and the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and statement of cash flow for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “Standalone Financial Statements”)

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We



## Maharashtra State Seeds Corporations Limited

believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

### **Emphasis of Matters**

We draw attention to the following matters:

#### **Erroneous Debits/ Credits by Bank:**

It is observed that the company is passing entries in its books of accounts for erroneous Credit and Debits by Bank. Total Balance outstanding in this ledger account is Rs. 98.59 Lakhs. In our opinion, these entries should be stated in the Bank Reconciliation rather than recording those erroneous entries. As informed to us by the management, major entries pertain to the cash deposited by the growers at various banks across the state and are unable to verify the identity of such depositors. Controls regarding the same should be improved and all outstanding entries should be reconciled at the earliest.

#### **Cheque Date Bar Account/ RTGS Cancellation Account:**

The Company has a policy of crediting cheque date bar account / RTGS Cancellation Account with amount of stale cheques / returned RTGS instead of reversal of the expense or the payment to which it is related. Financial Impact upon settlement of these entries remains unascertainable. Total Balance outstanding in the account is Rs. 56.36 Lakhs.

#### **Internal Audit :**

Internal audit should be completed before the commencement of statutory audit and the compliances should be shared with the statutory auditors.

#### **Covid-19:**

During the year, we were unable to physically visit various units & locations of the company due to restrictions imposed by Central / State Government / Local Authorities during the period of our audit due to spread of second wave of Covid-19 pandemic. The Management had made available the data in soft copy for our verification remotely at the head office and same has been relied upon for formation of our opinion on the financial statements.

#### **Our Opinion is not modified in respect of these matters.**

#### **Information Other than the Standalone Financial statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate



## Maharashtra State Seeds Corporations Limited

Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also include maintenance of adequate accounting records in accordance with the provisions of the Act of safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to



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

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

We also:

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

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably



knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" statements on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required under section 143(5) of the Companies Act, 2013 we give in the Annexure "B" a statement on directions and sector specific sub-directions issued by the Comptroller & Auditor General of India after complying the suggested methodology of audit, action taken thereon and its impact on the accounts and standalone financial statement of the company.
3. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are



## Maharashtra State Seeds Corporations Limited

- in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representation received from the directors as on 31<sup>st</sup> March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "C"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- I. The Company has disclosed the impact of pending litigations as at March 31, 2022 on its standalone financial statements – Refer Note 31 to the standalone financial statements.
- II. There are no long term contracts including derivative contracts, which require provision for material foreseeable losses.
- III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For M/s. J. S. Uberoi & Co.**

**Chartered Accountants**

**Firm Registration Number :- 111107W**

**CA Rajeshwar Mote**

**Partner**

**Membership Number :- 188997**

**UDIN: 22188997AWOCHN5601**

**Place:- Akola**

**Date :- 29.09.2022**



## ANNEXURE “A” TO THE INDEPENDENT AUDITOR'S REPORT MAHARASHTRA STATE SEEDS CORPORATION LIMITED

(REFERRED TO IN PARAGRAPH 1 UNDER “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” SECTION OF OUR REPORT OF EVEN DATE)

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

- 1) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - b. The major Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
  - c. According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
  - d. The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- 2) (a) The inventories have been physically verified during the year by the management. In our opinion in the frequency of verification is reasonable and no material discrepancy was noticed on such verification.  
(b) The company sanctioned Rs. 50 crores limit in the Bank, but during the financial year 2021-22 the limit has not been utilized.
- 3) The Company has during the year, not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clauses 3(iii) of the Order are not applicable.
- 4) According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with.
- 5) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- 6) To the best of our knowledge and belief, the Central Government has not specified





## Maharashtra State Seeds Corporations Limited

maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

- 7) In our opinion, in respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has generally been regular in depositing with appropriate authorities the undisputed statutory dues including Profession Tax, Provident Fund Income-tax, Sales-tax, Excise Duty, Cess, GST and other statutory dues applicable to it during the year.
- (b) According to the information and explanations given to us and based on the records of the company there are no dues of Income-tax, Sales-tax, Service Tax, Duties of Custom and Excise Duty, Value Added Tax and other statutory dues have not been deposited by the Company on account of any dispute except the following :-

Name of the Statute	Nature of the Dues	Amount Rs.	Period	Forum where Dispute is pending
MP Entry Tax	Penalty U/s 52	12.77 Lakhs	2008-2009	Appellate Tribunal

- 8) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- 9) (a) In our opinion, the company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company not taken any term loans during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under Clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the Financial Statements of the Company, funds raised on short term basis, have, prima facie, not been used during the year, for long term purposes by the Company.
- (e) On an overall examination of the Financial Statements of the Company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries.





## Maharashtra State Seeds Corporations Limited

- 10) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.  
(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- 11) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.  
(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and up to the date of this report).
- 12) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- 13) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.  
(b) The reports of the Internal Auditor for the period under audit have been considered by us. During the year, out of 30 Financial units, Internal audit was conducted for 17 Financial Units. In our opinion, MSSCL should conduct the internal audit more timely & effectively.
- 15) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.  
(b) In our opinion, there is no core investment Company with the Group (as identified in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- 17) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year.
- 18) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable.
- 19) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report



## Maharashtra State Seeds Corporations Limited

indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20) (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of section 135 of the Act in pursuant to ongoing project, to a special account in compliance with the provision of sub-section (6) of section 135 of the Act. Details are given below.

Financial year	Amount to be spent in accordance with section 135(5)	Amount remaining unspent as at the year-end to be transferred special account u/s 135(6)	Amount transferred to Special Bank Account u/s 135(6), within 30 days from end of financial year.	Amount transferred to Special Bank Account u/s 135(6), after a period of 30 days from end of financial year	Amount transferred to Special Bank Account u/s 135(6), till the date of audit report.
2021-22	69.48	50.00	50.00	-	-

21) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For M/s. J. S. Uberoi & Co.**

**Chartered Accountants**

**Firm Registration Number :- 111107W**

**CA Rajeshwar Mote**

**Partner**

**Membership Number :- 188997**

**UDIN:- 22188997AWOCHN5601**

**Place :- Akola**

**Date :- 29.09.2022**



# Maharashtra State Seeds Corporations Limited

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR'S REPORT OF MAHARASHTRA STATE SEEDS CORPORATION LIMITED

(As referred to in Paragraph 2 under Report on Legal and Regulatory Requirements of our report on the statement of Directions under section 143(5) of the Companies Act, 2013 issued by the Comptroller & Auditor General of India for the year 2021-2022)

In terms of the information and explanations sought by us and given by the company and books & records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:-

Sr. No.	Particulars	Auditors observations	Financial Impact
1.	Whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	There are no cases of write off of debts/loans/interest etc during the year.	Nil
2.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.	Yes, proper records are maintained for inventories lying with third parties like distributors and authorized agents of the Company & assets received as grant(s) from Government or other authorities.	Nil
3.	A report on age-wise analysis of pending legal/arbitration cases including the reasons of pendency and existence / effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.	There are various cases lodged against the Company by contractors, growers and customers. The amount involved is Rs. 574.89 Lakhs (previous year Rs. 530.03 Lakhs) The number of such cases were 351 as informed to us. The Company has also filed cases against various parties. There are in all total 588 litigations pending.	In the event of MSSCL losing all the cases referred to herein, it would have to make a pay out of Rs. 574.89 Lakhs as claims to the petitioners.
4.	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined including the mode and present stage of disinvestment process.	No the Company has not been selected for disinvestment.	Nil

## Sector Specific subdirections :-

Sr. No.	Particulars	Remarks
1.	<p>Whether the stock of seeds packing/certification materials and other items has been taken on the basis of stock records after adjustment of Shortage/Excess as found during the physical verification of such stocks?</p> <p>Whether the due consideration has been given for deterioration in the quality of old stocks which may result into over valuation of stocks?</p>	<p>Yes, the stock of seeds packing/certification materials and other items has been taken on the basis of stock records after adjustment Shortage/Excess as found during the physical verification of such stocks.</p> <p>The stock of carry over seeds, the validity period of which has expired, is either offered for revalidation or subsequently sold as non-seed as a Company policy. All old stock is valued at net estimable realizable value thus reducing the chances of over valuation of stocks.</p>
2.	<p>Whether the company has an effective mechanism for disbursement of loans/subsidies/agro inputs and agriculture machineries to beneficiaries and recovery thereof along with interest?</p>	<p>To strengthen mechanism for disbursement of loans/subsidies/agro inputs and agriculture machineries to beneficiaries and recovery thereof along with interest, the Company has decided to make all such disbursements only through RTGS to the beneficiaries' bank accounts.</p>
3.	<p>Whether grants and subsidies are received during the year, if yes, whether the same has been accounted as per relevant accounting standards?</p> <p>Report whether the grant so received is utilized for the intended purpose.</p>	<p>Yes, grants and subsidies received during the year have been accounted as per relevant accounting standards.</p> <p>To the best of our observation, the grants have been used for the intended purpose.</p>
4.	<p>Whether Profit/loss mentioned in Audit report is as per Profit &amp; loss accounts of the company?</p>	<p>Yes, Profit/loss mentioned in Audit report is as per Profit &amp; loss accounts of the company.</p>



## ANNEXURE “C” TO THE INDEPENDENT AUDITOR'S REPORT OF MAHARASHTRA STATE SEEDS CORPORATION LIMITED

(As referred to in Paragraph 3(f) of Report on Legal and Regulatory Requirements of our report and in terms of section 143 (3)(i) of the Act for the 2021-2022)

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

We have audited the internal financial controls over financial reporting of **MAHARASHTRA STATE SEEDS CORPORATION LIMITED** (“the Company”) as of **31<sup>st</sup> March 2022** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



# Maharashtra State Seeds Corporations Limited

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

## Meaning of Internal Financial Controls over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

In our opinion, the Company has, in all material respects, an inadequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were not operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## Emphasis of Matters:

- a. The company has prepared IFC manual but the same is not as per guidelines based on the control criteria as stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.
- b. Inadequate staff for Internal Audit available with the internal control team to conduct the audit as required under Internal Financial Controls.
- c. Discounts are being manually calculated and posted in the system. No checks have been placed for calculation of discounts being posted in the system.



## **Maharashtra State Seeds Corporations Limited**

- d. The accounting Package (Seedflow ERP) of MSSCL lacks in following areas.
- i. Back dated entries are allowed in the system.
  - ii. Possibility of modification / deletion of entries.
  - iii. Addition of entries at other than system date. Also, Voucher date and Entry date are not separately recorded.
  - iv. No Blocking / Freezing of Login credentials after certain attempts of failed logins.

**For M/s. J. S. Uberoi & Co.**

**Chartered Accountants**

**Firm Registration Number :- 111107W**

**CA Rajeshwar Mote**

**Partner**

**Membership Number :- 188997**

**UDIN :- 22188997AWOCHN5601**

**Place :- Akola**

**Date :- 29.09.2022**



# Maharashtra State Seeds Corporations Limited



## MAHARASHTRA STATE SEEDS CORPORATION LIMITED Balance sheet as at 31st March 2022



(₹ in Lakhs)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
1	2	3	4
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	3	3567.73	3911.62
(b) Capital work-in-progress	4/49	1.27	0.00
(c) Other Intangible assets	5	18.90	28.89
(d) Intangible assets under development		0.00	0.40
(e) Other non-current assets	6	360.63	322.96
<b>2 Current assets</b>			
(a) Inventories	7	5540.00	6220.00
(b) Biological Assets other than bearer plants	8	20.00	8.00
(c) Financial Assets			
(i) Trade receivables	9/47	398.30	727.29
(ii) Cash and cash equivalents	10	19876.56	17779.41
(iii) Bank balances other than (ii) above	11	21120.22	24732.55
(iv) Other financial assets	11.1	421.44	569.02
(d) Current Tax Assets (Net)	12	997.82	757.76
(e) Other current assets	13	17367.47	19128.06
<b>Total Assets</b>		<b>69690.35</b>	<b>74185.97</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	14	418.45	418.45
(b) Other Equity & Prior Period	15	40475.10	38880.89
<b>Liabilities</b>			
<b>1 Non-current liabilities</b>			
(a) Capital Grants	16	2888.05	3149.68
(b) Revolving Fund from State Government	17	500.00	500.00
(c) Deferred tax liabilities (Net)	41	120.46	21.92
<b>2 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	0.00	0.00
(ii) Trade payables	19/46	7076.02	9978.23
(iii) Other financial liabilities		0.00	0.00
(b) Other current liabilities	20	16906.05	20492.93
(c) Provisions	21	583.24	30.43
(d) Current Tax Liabilities (Net)	22	722.99	713.45
<b>Total Equity and Liabilities</b>		<b>69690.35</b>	<b>74185.97</b>
See accompanying notes to the financial statements 1 to 51			
In terms of our report of even date		For and on behalf of the Board of Directors	
For M/s J.S. Uberoi & Co,			
Chartered Accountants			
FRN No : 111107W			
CA. Rajeshwar Mote		Eknath Dawale	
Partner		IAS	
Membership No. 188997		Chairman	
UDIN No :- 22188997AWOCHN5601		DIN NO. 06656860	
Vinay Verma		Manish Yadav	
Company Secretary		General Manager (Finance)	
Akola - 29 Sep - 2022		Akola - 29 Sep - 2022	



# Maharashtra State Seeds Corporations Limited



## MAHARASHTRA STATE SEEDS CORPORATION LIMITED Statement of Profit and Loss for the Year ended 31st March 2022



(₹ in lakhs)

Particulars		Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
I	Revenue From Operations	23	43972.35	44675.59
II	Other Income	24	2385.88	2458.22
III	<b>Total Income (I+II)</b>		<b>46358.22</b>	<b>47133.81</b>
IV	<b>Expenses</b>			
	Cost of materials consumed	25	1199.06	1027.88
	Purchases of Stock-in-Trade	26	31218.74	31614.69
	Changes in inventories of finished goods	27	753.00	1462.00
	Stock-in-Trade and work-in-progress			
	Employee benefits expense	28	5296.84	4532.02
	Finance costs	29	2.87	7.40
	Depreciation and amortization expense	3	435.46	525.42
	Other expenses	30	4579.61	5129.66
	<b>Total expenses (IV)</b>		<b>43485.57</b>	<b>44299.07</b>
V	<b>Profit / (loss) before exceptional items and tax (III-IV)</b>		<b>2872.65</b>	<b>2834.74</b>
VI	Exceptional Items		0.00	0.00
VII	<b>Profit / (loss) before tax (V-VI)</b>		<b>2872.65</b>	<b>2834.74</b>
VIII	<b>Tax expense:</b>			
	(1) Current tax		722.99	713.45
	(2) Deferred tax	41	98.55	-11.02
	(3) Earlier Year tax		0.00	0.00
	<b>Total Tax Expenses</b>		<b>821.54</b>	<b>702.42</b>
IX	<b>Profit / (Loss) for the period from continuing operations (VII-VIII)</b>		<b>2051.11</b>	<b>2132.32</b>
X	Profit/(loss) from discontinued operations		0.00	0.00
XI	Tax expense of discontinued operations		0.00	0.00
XII	Profit/(loss) from Discontinued operations (after tax X-XII)		0.00	0.00
XIII	<b>Profit/(loss) for the period (IX+XII)</b>		<b>2051.11</b>	<b>2132.32</b>
XIV	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss			
	(ii) Remeasurement profit / losses on defined benefit plans	28	-411.24	-36.97
XV	<b>Total Comprehensive Income for the period (XIII+XIV)</b>		<b>1639.87</b>	<b>2095.34</b>
XVI	Earnings per equity share (for continuing operation): Amount in ₹			
	(1) Basic	40	391.90	500.75
	(2) Diluted			
XVII	Earnings per equity share (for discontinued operation) Amount in ₹			
	(1) Basic		0.00	0.00
	(2) Diluted			
XVIII	Earnings per equity share (for discontinued & continuing operations) ₹			
	(1) Basic	40	391.90	500.75
	(2) Diluted			

See accompanying notes to the financial statements 1 to 51

In terms of our report of even date

For M/s J.S. Uberoi & Co,

Chartered Accountants

FRN No : 111107W

CA. Rajeshwar Mote

Partner

Membership No. 188997

UDIN No :- 22188997AWOCHN5601

For and on behalf of the Board of Directors

Ek Nath Dawale

IAS

Chairman

DIN NO. 06656860

Vinay Verma  
Company Secretary

Manish Yadav  
General Manager (Finance)

Akola - 29 Sep - 2022

Akola - 29 Sep - 2022



## MAHARASHTRA STATE SEEDS CORPORATION LIMITED



### Statement of Changes in Equity for the period ended 31st March 2022

(₹ in lakhs)

A. Equity Share Capital	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
<b>Balance as at 31st March, 2020</b>	418.45	0	418.45
<b>Balance as at 31st March, 2021</b>	418.45	0	418.45

### B. Other Equity

(₹ in lakhs)

Other Equity	Reserves and Surplus				Total
	Capital Reserve	Research Reserve	General Reserve	Retained Earnings	
<b>Balance as at 31st March, 2021</b>					
Balance at the beginning of the reporting period	14.30	1172.51	970.81	34727.36	<b>36884.98</b>
Changes in accounting policy or prior period errors	0.00	0.00	0.00	(57.59)	<b>(57.59)</b>
Restated balance at the beginning of the reporting period	14.30	1172.51	970.81	34669.77	<b>36827.39</b>
Total Comprehensive Income for the year	0.00	0.00	0.00	2095.34	<b>2095.34</b>
Dividends	0.00	0.00	0.00	(41.84)	<b>(41.84)</b>
Transfer to retained earnings	0.00	0.00	0.00	0.00	<b>0.00</b>
Transferred from Retained Earnings	0.00	41.91	52.38	(94.29)	<b>0.00</b>
CSR Expenses	0.00	0.00	0.00	0.00	<b>0.00</b>
Balance at the end of the reporting period	<b>14.30</b>	<b>1214.42</b>	<b>1023.19</b>	<b>36628.98</b>	<b>38880.89</b>
<b>Balance as at 31st March, 2021</b>					
Balance at the beginning of the reporting period	14.30	1214.42	1023.19	36628.98	<b>38880.89</b>
Changes in accounting policy or prior period errors	0.00	0.00	0.00	(3.81)	<b>(3.81)</b>
Restated balance at the beginning of the reporting period	14.30	1214.42	1023.19	36625.16	<b>38877.08</b>
Total Comprehensive Income for the year	0.00	0.00	0.00	1639.87	<b>1639.87</b>
Dividends	0.00	0.00	0.00	(41.84)	<b>(41.84)</b>
Transfer to retained earnings	0.00	0.00	0.00	0.00	<b>0.00</b>
Transferred from Retained Earnings	0.00	32.80	41.00	(73.79)	<b>0.00</b>
CSR Expenses	0.00	0.00	0.00	0.00	<b>0.00</b>
Balance at the end of the reporting period	<b>14.30</b>	<b>1247.22</b>	<b>1064.19</b>	<b>38149.39</b>	<b>40475.10</b>

In terms of our report of even date  
For M/s J.S. Uberoi & Co,  
Chartered Accountants  
FRN No : 111107W

For and on behalf of the Board of Directors

CA. Rajeshwar Mote  
Partner  
Membership No. 188997  
UDIN No :- 22188997AWOCHN5601

Ek Nath Dawale  
IAS  
Chairman  
DIN NO. 06656860

Vinay Verma  
Company Secretary

Manish Yadav  
General Manager (Finance)

Akola - 29 Sep - 2022

Akola - 29 Sep - 2022



# Maharashtra State Seeds Corporations Limited

## MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA Statement of Cash flow for the year ended 31st March 2022

Particulars		As at 31st March 2022		As at 31st March 2021	
<b>Cash Flow from Operating Activities</b>					
Net profit for the year			2872.65		2834.74
<b>Adjustments for :-</b>					
(a) Depreciation			435.46		525.42
(b) Interest Income			-1888.67		-2012.57
(c) Income Tax expenses			821.54		702.42
(c) Adjustments to Capital Grant			-261.64		-306.86
(d) Finance Cost			2.87		7.40
<b>Previous Year Adjustment</b>			-3.81		-57.59
<b>Profit sale of assets</b>			0.00		-0.01
<b>Lease Rent Written off</b>			2.07		2.07
			<b>-892.18</b>		<b>-1139.71</b>
<b>Operating Profit before changes in operating assets &amp; liabilities</b>	1		<b>1980.47</b>		<b>1695.03</b>
<b>Adjustment for:-</b>					
(a) Decrease / (Increase) in biological Assests			-12.00		1.00
(b) Decrease / (Increase) in Inventories			680.00		1491.00
(c) Decrease / (Increase) in Trade & Other Receivable			328.98		1181.94
(d) Decrease / (Increase) in Other Assets			1048.96		1695.71
(e) (Decrease) / Increase in trade payables, Other payables & Provisions			-5937.04		-740.21
(f) Effect of Remeasurement of Defined benefits Plan - OCI			-411.24		-36.97
	2		<b>-4302.34</b>		<b>3592.47</b>
<b>Cash generated from operation</b>	(1+2)		<b>-2321.87</b>		<b>5287.50</b>
Income Tax Paid			-953.51		-670.68
<b>CSR Expenses</b>			0.00		0.00
<b>Utilization of Grant</b>			0.00		0.00
			<b>-953.51</b>		<b>-670.68</b>
<b>Total Cash generated from Operating Activities</b>			<b>-3275.38</b>		<b>-4616.82</b>
<b>Cash Flow From Investing Activities</b>					
(a) Sale/Disposal of Property			0.00		0.00
(b) Purchase of Property, plant and equipments's & Other intangible assets			-83.76		-83.25
(c) Capital Work-in-Progress			0.00		0.00
(d) Interest Earned			1888.67		2012.57
<b>Net Cash used in Investing Activities</b>			<b>1804.92</b>		<b>1929.32</b>
<b>Cash Flow From Financing Activities</b>					
(a) Dividend Paid (including Tax on Dividend)			-41.84		-41.84
(b) Finance Cost			-2.87		-7.40
(c) Borrowing/(Repayment) of Loans			0.00		0.00
<b>Capital Grant</b>			0.00		0.00
<b>Net Cash generated from Financing Activities</b>			<b>-44.72</b>		<b>-49.25</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>			<b>-1515.18</b>		<b>6496.90</b>
<b>Opening Cash &amp; Cash Equivalents</b>			<b>42501.35</b>		<b>36004.46</b>
<b>Closing Cash &amp; Cash Equivalents</b>			<b>40986.17</b>		<b>42501.35</b>
<b>Reconciliation of Cash &amp; Cash Equivalents</b>			<b>-1515.18</b>		<b>6496.90</b>
<b>Cash and Cash Equivalent Comprises of</b>					
Cash on Hand			0.81		0.57
Balance with banks					
(a) Current accounts			19875.76		17778.85
(b) Fixed Deposite			21109.60		24721.94
<b>Cash and Cash Balances as per Balance Sheet</b>			<b>40986.17</b>		<b>42501.35</b>

**Notes:**

1. The Statement of Cash Flow has been prepared under the Indirect method as set out in Ind AS-7. In terms of our report of even date.

For M/s J.S. Uberoi & Co,  
Chartered Accountants  
FRN No : 111107W

CA. Rajeshwar Mote  
Partner  
Membership No. 188997  
UDIN No :- 22188997AWOCHN5601

Vinay Verma  
Company Secretary

Akola - 29 Sep - 2022

For and on behalf of the Board of Directors

Eknath Dawale  
IAS  
Chairman  
DIN NO. 06656860

Manish Yadav  
General Manager (Finance)

Akola - 29 Sep - 2022



# Maharashtra State Seeds Corporations Limited

## Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2022

### 1 CORPORATE INFORMATION:

Maharashtra State Seeds Corporation Limited (MSSC Ltd) is a company domiciled in India and incorporated under the provisions of then Companies Act, 1956. The registered office of the corporation is located at Mahabeej Bhavan, Krishinagar, Murtijapur Road, Akola, 444104 in Maharashtra. The operations have commenced from 28<sup>th</sup> April, 1976. Maharashtra State Seeds Corporation Limited has its head office at Akola and 27 Districts offices, 6 Regional offices and 23 Seed Processing plants in Maharashtra and also have 4 Out State Offices in India. The shares are held by Govt. of Maharashtra, NSC Ltd., Seeds Growers and Agriculture Universities.

The Corporation is headed by an Ex-officio Chairman, the Principle Secretary, IAS of the Department of Agriculture, Govt. of Maharashtra. The day to day management is executed by an independent Managing Director, IAS. The board of Directors comprises of representative of farmer shareholders, Government of Maharashtra and National Seeds Corporation Limited. MSSC Ltd is carrying on business of Seed production and distribution. The Brand image of MSSCL as a company and its products for their qualities are known, accepted and recalled through its apt name “Mahabeej” – Your faithful Seeds.

MSSCL plays key role in the implementation of various scheme of the Govt. of Maharashtra and Govt. of India. Like “National Mission on Oil seeds and Oil Palm” (NMOOP), National Food Security Mission (NFSM) Seed Village Scheme (SVS) and others schemes.

### 2 SIGNIFICANT ACCOUNTING POLICIES:

#### 2.1 Basis of preparation of Financial statement

##### a) Statement of Compliance:

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, and the relevant provisions of the Companies Act, 2013 ('the Act').

##### b) Basis of measurement

The financial statements of the Company are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) on the accrual basis of accounting and historical cost convention except for certain material items that have been measured at fair value as required by the relevant Ind AS and explained in the ensuing policies below.

##### c) Use of estimates, assumption and management judgments.

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets & liabilities at the date of the financial statement and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Management is of the view that the estimates used in the preparation of financial statements are prudent



# Maharashtra State Seeds Corporations Limited

and reasonable. Any revisions to the accounting estimates are recognized prospectively in the current and future periods.

## d) **Functional and presentation currency**

The financial statements are presented in Indian Rupee (INR), which is functional as well as presentation currency of Corporation.

- a) Transactions in foreign currency are recorded at the rate of exchange prevailing at the time of transactions are affected Exchange differences arising on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss.
- b) Monetary items denominated in foreign currency are converted into Indian rupees using the exchange rate prevailing at the date of the Balance Sheet and the resulting exchange difference is recognized in the Statement of Profit and Loss

## 2.2 Summary of Significant Accounting Policies

### I. **Cash Flow Statement**

The Cash flow statement is prepared in accordance with the indirect method prescribed in Indian Accounting Standard 7. As per Ind AS 7, Cash and cash equivalents comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### II. **Property, Plant and equipment**

1. Property, plant and equipment are stated at cost, less accumulated depreciation/amortization and impairment loss, if any.
2. Cost includes all direct costs attributable to the acquisition and installation of fixed assets, including taxes, duty, freight and incidental cost and expenses directly attributable to bringing the asset to its working condition for its intended use.
3. Premium paid on acquisition of leasehold land, is treated as cost.
4. Capital work-in-progress is carried at cost, comprising direct cost, related incidental expenses and interest on borrowing extent attributed to them.
5. All expenditure incurred during construction/implementation stage of the project as shown under the head Project and Pre-operative expenditure has been capitalized on pro-rate basis to the cost of various Fixed Assets on commissioning of the Project.
6. Cost of replacement, major inspection, repair of significant parts and borrowings costs for long-term construction projects are capitalized if the recognition criteria are met.
7. Upon sale of assets cost and accumulated depreciation are eliminated from the financial statements and the resultant gains or losses are recognized in the statement of profit and loss.

### III. **Intangible Assets Under Development**

An intangible Asset is recognized where it is probable that the future economic benefits attributable to the assets will flow to the Corporation and cost of the asset can be measured reliably. Intangible assets are stated at historical cost less accumulated amortization and impairment loss, if any.

### IV. **Provisioning / Write-off of assets**

The Management has done 100% provision on some Trade Receivable and Other Short-term Assets, where the probability of recovery was doubtful.

### V. **Revenue Recognition:**

As per section 128(1) of the Companies Act, 2013, the Company shall maintain books of Accounts on accrual basis and according to the double entry system of accounting. The Company shall maintain books of Accounts on accrual basis except the following for which cash system of accounting is followed:

- a. Gratuity and leave with wages payable to daily-wages workers.
- b. Re-grading, re-sampling and testing charges recovered from growers.
- c. Insurance claims received from the Insurance Company.



# Maharashtra State Seeds Corporations Limited

- d. Reimbursement of expenses from Government under various schemes.
- e. Service charges recovered on sale of grower's low grade/failed seed.
- f. Taxes of owned and hired properties.
- g. Certification charges & expenses paid to seeds certification agency

## VI. Lease

### I. As a Lessee

- a) The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is Initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any Initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease Incentives received.
- b) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use-asset or the end of the lease term. The estimated useful life of the right-of-use asset is determined on the same basis as those of property, plant and equipment. In Addition the right of use assets is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.
- c) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's Incremental borrowing rate.
- d) The lease liability is measured at amortized cost using the effective interest method, it is remeasured when there is a change In future lease payments from a change in an Index or rate. When the lease liability is remeasured in his way, a corresponding adjustment is made to the carrying amount of the right -of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.
- e) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Right of use Assets" separately on the face of the Balance sheet and lease liabilities in "other financial liabililes" in the Balance Sheet.
- f) Short term Lease and Leases of low value assets , The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term

### ii. As a Lessor

When the Company acts as a lessor, It determines at lease inception whether each lease is a finance lease or on operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards Incidental to the ownership of the underlying asset. If this Is the case, then the lease is finance lease, If not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognizes lease payments received under operating lease as Income on a straight-line basis over the lease term as part of "other Income".

## VII. Depreciation & Amortization Property, Plant and Equipment

- a) Depreciation on property, plant and equipment's is provided on Written down value method (WDV) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.
- b) Depreciation on assets purchased/sold during the year is charged on prorata basis as per Companies Act, 2013.
- c) The residual value of all assets, whose useful life has been exhausted as on 31.3.2014 following scheduled-II of the Companies Act, 2013 and the carrying amount is below 5% of the new cost, has been carried at carrying amount. In case of all other assets, the residual value is kept at 5% of the original cost of assets.



# Maharashtra State Seeds Corporations Limited

The estimated useful life of assets for current and comparative period of significant items of property, plant and equipments are as follows –

Particulars	Useful life
Office Building	60 years
Building Godowns	30 years
Plant and Machinery	15 years
Computers	3-6 years
Office Equipments	5 years
Furniture and Fixtures	10 years
Vehicles	8 years

- (d) Leasehold improvements are amortized over the lower of estimated useful life as computed under schedule-II and lease term from the year in which such improvements are capitalized.
- (e) Depreciation methods, useful lives and residual values are reviewed at each reporting date.
- (f) Premium on leasehold land, other than on perpetual lease, is amortized over the period of the lease.

## **VIII. Intangible Assets**

Intangible assets are amortized over their respective estimated useful lives on a straight-line basis from the date that they are available for use.

The estimated useful life of intangibles are as follows :

Intangible Assets	Useful Life	Internally generated or self-generated
Software	(1-5 years)	Acquired

Amortization methods, useful lives and residual values are reviewed at each reporting date.

## **(IX) Impairment of non-financial assets**

- a) In accordance with Ind AS-36 Impairment of Assets, the carrying amount of Corporation's assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment.
- b) An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.
- c) At each reporting date Corporation assesses the estimate amount of impairment loss. The impairment loss recognized in prior accounting period(s) is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit and Loss

## **(X) Inventories:**

- a) Stock of seeds, processing material, other material is taken into account on the basis of physical verification and as certified by the Management.

The stocks of Foundation seed, certified seed is valued at cost (calculated on season's weighted average basis) or net realizable value whichever is lower. Cost includes procurement, processing material and processing cost.

As the nature of the business of the Company is seasonal, the processing cost per qtl. applied for valuation is a average cost per qtl. of the earlier season.

Processing material is valued at weighted average cost excluding direct expenses and overheads.

- b) The closing stock of carry-over seeds, the validity period of which has expired, is either offered for revalidation or subsequently sold as non-seed, as the results are declared after 31st March, the expected certified seed is valued as per the policy (a) above. In respect of expected failed seed, non-seed, low grade the same is valued at net estimated realizable value.
- c) The valuation of fresh under process stock including result-awaited stock is done as under:





# Maharashtra State Seeds Corporations Limited

## i) In case of stock belonging to Company:

At procurement cost plus cost of gunny bags and cloth bags utilized for good seed and result awaited seed. Value of seeds failed subsequent to 31st March is not excluded from the value of stock.

## ii) In case of stock belonging to Growers:

At cost of gunny bags and cloth bags utilized for result awaited seed.

d) In case of revalidated seed stock, cost of reprocessing is not considered as a part of cost, reprocessing cost being treated as replacement cost.

## (XI) Biological Assets

1. Biological assets represent growing plants which are measured at the fair value less cost to sell at the end of each reporting period. Corporation classifies gain and losses from re-measuring biological assets to fair value for biological assets within cost of goods.
2. Rabi standing crops and inventory of nursery is valued at the fair value less cost of sale i.e. after making allowance for the expenses yet to be incurred to make the crop/nursery marketable and after providing for risks associated with the agricultural operations. The pre-Kharif is valued at cost when it approximates its fair value and recognized under the head biological asset.
3. The commercial trees grown on waste land/boundaries or otherwise including out lived plantation trees for which either the permission of appropriate authority for its disposal is not required or where it is required, such permission has been obtained for disposal, are valued on fair value of standing trees under the head Biological Assets. The Fair value for standing trees is based on rates fixed by forest department applied on girth in cubic meters.

### Disclosure relating to reconciliation of Biological Assets between beginning and end of current year.

Sr. No.	Particular	Amount (₹ in lakhs)
1.	Opening Balance	8.00
2.	Purchase	49.17
3.	Sales	37.17
4.	Cbsing stock	20.00

## (XII) Borrowing Cost

1. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale.
2. All other borrowing costs, as incurred, are charged to the Statement of Profit and Loss.

## (XIII) Governments Grants:

In accordance with the requirements of Ind AS 20 relating to accounting for government grant;

- a. Working Capital Grants received from the Government are recognized as income over the periods necessary to match them with related costs which they are intended to compensate, on a systematic basis.
- b. Grant received towards specific project are recognized in balance sheet as by setting up the grant as deferred income. The grant set up as deferred income is recognized in profit and loss on a systematic basis over the useful life of the asset.
- c. Grants in the nature of revenue are credited to Statement of Profit & Loss Account to the extent of utilized.

## (XIV) Employee Benefits:

### a. Short Term Employee Benefits

Short Term Employees Benefits are recognized as expenses at the un-discounted amount in the statement of Profit & Loss Account of the year in which the related service is rendered.





# Maharashtra State Seeds Corporations Limited

## b. Post Employment Benefits

### i. Provident Fund

The Company contributes monthly at a determined rate. These contributions are remitted to the Employees' Provident Fund Organization, India for this purpose and are charged to the statement of Profit and Loss Statement on accrual basis.

### ii. Gratuity

The Company provides for gratuity (a defined benefit retirement plan) to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an equivalent to 15 days salary payable for each completed year of service. Vesting occurs on completion of five years of service or on death while in employment. The company opened a policy with LIC for gratuity fund. LIC determine the Liability in respect of gratuity using the projected unit credit method with actuarial valuations as on the balance sheet date. The company contributes the amount to LIC to the extent to liability as determined and informed by LIC. The amount contributed to LIC is recognized / provided immediately in the statement of profit and loss account.

### iii. Leave Encashment

The company is having a policy with LIC for Leave Encashment. LIC determine the Liability in respect of Leave Encashment using the projected unit credit method with actuarial valuations as on the balance sheet date. The company contribute the amount to LIC to the extent to liability as determined and informed by LIC. The amount contributed to LIC is recognized / provided immediately in the statement of profit and loss account.

## (XV) Taxes

### Current income tax, Sales tax, GST etc.

- i) Tax expense for the year comprises of current income tax and deferred tax.
- ii) Current tax is measured at the amount expected to be paid to the tax authorities using the applicable tax rates.
- iii) The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Corporation operates and generates taxable income.
- iv) Current tax related to OCI items is recognized Other Comprehensive Income (OCI).
- v) In respect of sales tax, income tax, GST etc., the amount payable or receivable as per assessment order is accounted for in the year in which the said order is received and accepted by the company, irrespective of the year to which the order relates.
- vi) Set off/ input tax credit is claimed on the sales tax/GST on purchases. Difference between set off / input tax credit claimed and actual set off / input tax credit allowed is accounted for in the year in which the assessment order is received and accepted by the company.

### Deferred tax

In accordance with the Indian Accounting Standard (Ind-AS 12) "Income Taxes" issued

- i) Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- ii) Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- iii) The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.
- iv) Deferred tax related to OCI items are recognized in Other Comprehensive Income (OCI)



# Maharashtra State Seeds Corporations Limited

## (XVI) Earnings Per Share

1. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue and share split.
2. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluted potential equity shares.

## (XVII) Contingent Liabilities and contingent Assets

- (a) Contingent Liabilities are disclosed in either of the following cases-
  - (i) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation or
  - (ii) A reliable estimate of the present obligation cannot be made; or
  - (iii) A possible obligation, unless the probability of outflow of resource is remote
- (b) Contingent assets is disclosed where an inflow of economic benefits is probable.
- (c) Contingent Liability and Contingent Assets are reviewed at each Reporting date.
- (d) Contingent Liability is net of estimated provisions considering possible outflow on settlement.

## (XVIII) Dividend to equity holders

Dividend paid/payable is recognized in the year in which the related dividends are approved by shareholders or Board of Directors as appropriate.

## (XIX) Research & Development Expenses

**In compliance of Ind AS-38 “Intangible Assets”** “the revenue/capital expenditure incurred by the Company on account of research work carried out for development of new varieties is charged to Profit & Loss Account in the same year, in which it is incurred.

## (XX) Fair Value Measurement

- a) Company measures certain financial Instruments of fair value at each reporting date. Fair value Is the price that would be received to sell an asset or paid to transfer a liability In an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.
- b) The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable Inputs and minimizing the use of unobservable inputs.

# Maharashtra State Seeds Corporations Limited



## MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA

### PROPERTY, PLANT AND EQUIPMENTS (2021-22)

Assets	As At 1-Apr-21		Additions			Gross Block		Depreciation		Net Block	
	Own Funds	Grants	Grants	Withdrawal	Total 31-Mar-22	As At 1-Apr-21	For the year	Sales	Total 31-Mar-22	As At 31-Mar-22	As At 31-Mar-21
			Out of grants	Sales/Adj			IND AS Transaction				
<b>3 Property Plant and Equipment</b>											
Free Hold Land	335.52	0.00	0.00	0.00	335.52	0.00	0.00	0.00	0.00	335.52	335.52
Lease Hold Land	178.97	0.00	0.00	2.07	176.90	0.00	0.00	0.00	0.00	176.90	178.97
Buildings	5691.55	0.00	0.00	0.00	5691.55	3330.95	80.93	0.00	125.64	2154.03	2360.60
Plant & machinery	3597.91	5.21	0.00	0.00	3603.12	2850.81	8.10	0.00	125.10	619.11	747.10
Electric Installation	524.08	47.81	0.00	0.00	571.89	330.19	39.63	0.00	9.80	192.26	193.89
Furniture & Fixture	252.13	5.24	0.00	0.00	257.37	213.94	8.36	0.00	0.00	35.07	38.19
Office Equipments	131.49	0.29	0.00	0.25	131.54	106.06	10.30	0.09	0.00	15.27	25.44
Vehicles	122.48	0.00	0.00	0.00	122.48	105.14	4.09	0.00	1.03	12.21	17.34
Computers	318.37	23.41	0.00	0.69	341.09	303.79	10.53	0.65	0.07	27.36	14.58
<b>Total tangible assets</b>	<b>11152.50</b>	<b>81.95</b>	<b>0.00</b>	<b>3.01</b>	<b>11231.44</b>	<b>7240.87</b>	<b>161.94</b>	<b>0.74</b>	<b>261.64</b>	<b>3567.73</b>	<b>3911.63</b>
<b>5 Intangible Assets</b>											
Software Development	53.97	1.48	0.00	0.00	55.45	24.68	11.87	0.00	0.00	18.90	28.89
Software under Development	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
<b>Total intangible assets</b>	<b>53.97</b>	<b>1.48</b>	<b>0.00</b>	<b>0.00</b>	<b>55.45</b>	<b>24.68</b>	<b>11.87</b>	<b>0.00</b>	<b>0.00</b>	<b>18.90</b>	<b>29.29</b>
<b>4 Capital work-in-progress</b>											
Work-in-progress	0.00	1.27	0.00	0.00	1.27	0.00	0.00	0.00	0.00	1.27	0.00
<b>Total Fixed Assets</b>	<b>11206.47</b>	<b>84.70</b>	<b>0.00</b>	<b>3.01</b>	<b>11288.16</b>	<b>7265.55</b>	<b>173.82</b>	<b>0.74</b>	<b>261.64</b>	<b>3587.90</b>	<b>-</b>
Total Previous Year	11104.62	340.92	0.00	239.06	11206.47	6741.49	218.56	1.35	306.86	7265.56	3940.92

(₹ in lakhs)

## MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA



### NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakhs)

	As at 31st March 2022	As at 31st March 2021
<b>6 OTHER NON-CURRENT ASSETS</b> (Unsecured considered good unless and otherwise stated)		
Security and other deposits	35.26	34.60
Deposits with Govt. Authorities	223.82	210.21
Refund Receivable from tax authority	101.55	78.15
	<b>360.63</b>	<b>322.96</b>
<b>7 INVENTORIES.</b> [As valued and certified by the Management ,at cost or net realizable value whichever is lower unless and otherwise specified]		
Finished Goods	3330.00	5090.00
Unservicable Seeds	1855.00	860.00
Packing Material	355.00	270.00
	<b>5540.00</b>	<b>6220.00</b>
<b>7.1 Finished Goods</b>		
Foundation ,Breeder Seed	90.00	100.00
Certified ,Truthful & Raw-Seed	3240.00	4990.00
	<b>3330.00</b>	<b>5090.00</b>
<b>7.2 Unservicable Seeds</b>		
Low Grade , Fail Seed & Non Seed	1855.00	860.00
	<b>1855.00</b>	<b>860.00</b>
<b>7.3 Processing ,Packing Materials</b>	<b>355.00</b>	<b>270.00</b>
<b>8 BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS</b>	<b>20.00</b>	<b>8.00</b>
<b>9 TRADE RECEIVABLES</b>		
Unsecured		
Receivables outstanding for a period		
Considered Good	379.76	686.30
Considered Doubtful	342.16	342.16
	<b>721.92</b>	<b>1028.46</b>
<b>Others</b>		
Considered Good	18.54	40.99
Considered Doubtful	2.32	2.32
	<b>20.86</b>	<b>43.31</b>
	<b>742.78</b>	<b>1071.76</b>
Less : Provision for Doubtful Debts	344.48	344.48
	<b>398.30</b>	<b>727.29</b>

## MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA



### NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakhs)

	As at 31st March 2022	As at 31st March 2021
<b>10 CASH &amp; CASH EQUIVALENTS</b>		
Cash on Hand	0.81	0.57
Current Account balances with bank	2775.76	1868.85
Fixed deposit (With Maturity Less than 3 months)	17100.00	15910.00
	<b>19876.56</b>	<b>17779.41</b>
<b>11 BANK BALANCES OTHER THAN ABOVE</b>		
In Fixed Deposit Account (Maturity between 3 months to 1 years)	21,090.63	24,700.00
In Dividend accounts pending encashment of warrants	18.97	21.94
In Fixed deposits (As Margin Money against bank Guarantees)	10.61	10.61
	<b>21120.22</b>	<b>24732.55</b>
<b>11.1 OTHER FINANCIAL ASSETS</b>		
Interest accrued but not due on F.D.R.	421.44	569.02
<b>12 CURRENT TAX ASSETS</b>	<b>997.82</b>	<b>757.76</b>
<b>13 OTHER CURRENT ASSETS</b> (Unsecured considered good unless and otherwise stated)		
<b>13.1 Advance to Customers</b>		
Considered Good	17195.46	18805.00
Considered Doubtful	505.03	505.03
<b>13.2 Advances to Employees</b>		
Considered Good	102.09	281.88
<b>13.3 Advances to Others</b>		
Considered Good	0.00	0.00
Considered Doubtful	3.00	3.00
	<b>17805.58</b>	<b>19594.91</b>
Less : Provision for Doubtful Advances	508.03	508.03
	<b>17297.55</b>	<b>19086.88</b>
<b>13.4 Other Current Assets.</b>		
Prepaid Expenses	69.92	41.19
	<b>69.92</b>	<b>41.19</b>
	<b>17367.47</b>	<b>19128.06</b>

## MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA



### NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakhs)

	As at 31st March 2022	As at 31st March 2021
<b>14 EQUITY SHARE CAPITAL</b>		
<b>AUTHORISED :</b>		
10,00,000 Equity Share of Rs.100/- each	1000.00	1000.00
	<b>1000.00</b>	<b>1000.00</b>
<b>ISSUED :</b>		
5,00,000 Equity Shares of Rs.100/- each ( Previous Year 5,00,000 Equity Shares)	500.00	500.00
	<b>500.00</b>	<b>500.00</b>
<b>SUBSCRIBED &amp; PAID UP :</b>		
4,18,445 Equity Shares of Rs.100/- each fully paid up (Previous year 4,18,445 Equity Shares.)	418.45	418.45
	<b>418.45</b>	<b>418.45</b>

#### Note 1 A Movement no. of Shares & share capital

	No.of Shares*	2020-21	2019-20
Shares as on April-1	418445	418.45	418.45
Shares issued during the year	-	-	-
Shares bought back during the year	-	-	-
<b>Shares as on March 31</b>	<b>418445</b>	<b>418.45</b>	<b>418.45</b>

#### Note 1 B List of Shareholders holding more than 5 % of Shares

		As at Mar 31 2021 No.of Shares	As at Mar 31 2020 No.of Shares
	<b>% of Holding *</b>		
Government of Maharashtra	48.99 %	205000	205000
National Seeds Corporation	35.44 %	148330	148330

\* Note :- There is no changes in Shareholdings

#### **Terms/Rights attached to Equity Shares**

The Company has one class of equity shares having a par value of ₹ 100 per share. Each shareholder is eligible for one vote per share held. The dividend proposed / to be proposed by the Board of Directors is subject to 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.

## MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA



### NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakhs)

	As at 31st March 2022	As at 31st March 2021
<b>15 OTHER EQUITY</b>		
<b>a) Surplus in Statement of Profit and Loss</b>		
Balance at the beginning of the year	36628.98	34727.36
Net Profit during the year	1639.87	2095.34
Prior Period Adjustment for Current Year NET	-3.81	-57.59
Transferred to General Reserve	-41.00	-52.38
Transferred to Reserch Reserve	-32.80	-41.91
Dividend & Distribution Tax	-41.84	-41.84
	(a) 38149.39	36628.98
<b>b) General Reserve</b>		
Balance at the beginning of the year	1,023.19	970.81
Add: Addition during the year	41.00	52.38
	(b) 1,064.19	1,023.19
<b>c) Research Reserve</b>		
Balance at the beginning of the year	1214.42	1,172.51
Add: Addition during the year	32.80	41.91
	(c) 1247.22	1,214.42
<b>d) Capital Reserve</b>		
Balance at the beginning of the year	14.30	14.30
Add: Addition during the year	0.00	0.00
	(d) 14.30	14.30
Balance at the end of the year (a+b+c+d)	40475.10	38880.89



MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA					
NOTES FORMING PART OF FINANCIAL STATEMENTS					
16. CAPITAL GRANTS <span style="float: right;">(₹ in lakhs)</span>					
	As at 1st April 2021	Addition	With- drawn	As at 31st March 2022	As at 31st March 2021
Working/Capital Grants under NSP-III	806.03	0.00	0.00	<b>806.03</b>	806.03
Seed Bank: Revolving Fund	64.33	0.00	0.00	<b>64.33</b>	64.33
Seed Bank Revolving Fund : NSR	90.82	0.00	0.00	<b>90.82</b>	90.82
Cotton Delinting Plant	101.15	0.00	0.00	<b>101.15</b>	101.15
Strengthening of Processing & Storage facility	25.00	0.00	0.00	<b>25.00</b>	25.00
Seed Bank: Construction of Godown	8.41	0.00	0.00	<b>8.41</b>	8.41
RKVY Grant (Solar Power)	0.00	0.00	0.00	<b>0.00</b>	0.00
Grant: Strengthening of seed quality control lab	0.00	0.00	0.00	<b>0.00</b>	0.00
Capital Grant for Fixed Assets IND AS	2053.94	0.00	261.64	<b>1792.31</b>	2053.94
<b>TOTAL :</b>	<b>3149.68</b>	<b>0.00</b>	<b>261.64</b>	<b>2888.05</b>	<b>3149.68</b>
<b>17 REVOLVING FUND FROM STATE GOVERNMENT</b>					
Revolving fund Loans from State Govt.	500.00	0.00	0.00	<b>500.00</b>	500.00
<b>GRAND TOTAL</b>	<b>500.00</b>	<b>0.00</b>	<b>0.00</b>	<b>500.00</b>	<b>500.00</b>

## MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA



### NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakhs)

	As at 31st March 2022	As at 31st March 2021
<b>18 <u>BORROWINGS</u></b>		
Loan from Banks	0.00	0.00
	<b>0.00</b>	<b>0.00</b>
<b>19 <u>TRADE PAYABLES</u></b>		
<u>MSME</u>		
For Supplies & Expenses due to MSME	208.59	212.07
<u>Others</u>		
For Seeds Due to others	5281.63	7901.07
For Supplies & Expenses	1585.80	1865.10
	<b>7076.02</b>	<b>9978.23</b>
<b>20 <u>OTHER CURRENT LIABILITIES</u></b>		
Advance Received from Customers	10631.67	12584.99
Unclaimed dividend	18.97	21.94
Trade / Security Deposits	2334.85	2342.44
Employees accounts	96.17	114.16
Government Accounts	10.49	10.49
Statutory remittances	46.88	39.38
For Others	3767.02	5379.54
	<b>16906.05</b>	<b>20492.93</b>
<b>21 <u>PROVISIONS</u></b>		
<b>Provision for Employee Benefits</b>		
Group Gratuity	0.00	0.00
Leave Encasement	583.24	30.43
	<b>583.24</b>	<b>30.43</b>
<b>22 <u>CURRENT TAX LIABILITIES (Net)</u></b>	<b>722.99</b>	<b>713.45</b>
	<b>722.99</b>	<b>713.45</b>

## MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA



### NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakhs)

	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>23 REVENUE FROM OPERATIONS</b>		
<b>a. Sale of Products</b>		
Sale of Goods	41386.26	43249.43
Sale of Processing Material	62.81	49.37
<b>b. Other Operating Revenues</b>	2523.27	1376.79
	<b>43972.35</b>	<b>44675.59</b>
<b>23.1 Sale of goods</b>		
Foundation ,Breeder Seed	4870.13	4874.99
Certified ,Truthful Seed	34635.86	36887.27
Low-Grade,Fail Seed & Non-Seed etc.	1735.71	1333.18
Nursery ,T.C Plants & Landscaping	144.56	153.99
	41386.26	43249.43
<b>23.2 Sale of processing material</b>		
Processing Materials	30.64	10.21
Old Processing Material	32.17	39.16
	62.81	49.37
<b>23.3 Other operating revenues</b>		
Reimbursement of Expenses	2394.34	1187.98
Sales Return & Processing Charges	91.71	168.00
Liabilities in respect of earlier years written back (net)	37.22	20.81
	2523.27	1376.79
<b>24 OTHER INCOME</b>		
Interest	1888.67	2012.57
[Tax Deducted at Source Rs191.87 (Previous Year Rs.152.30)]		
<b>Other non operating income</b>		
Miscellaneous Receipts	235.57	138.79
Profit on sale of Assets	0.00	0.01
Capital Grant Income Recognition A/C	261.64	306.86
	<b>2385.88</b>	<b>2458.22</b>

## MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA



### NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakhs)

	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>25 COST OF MATERIALS CONSUMED</b>		
Opening Stock	270.00	300.00
Add: Purchases	1284.06	997.88
	1554.06	1297.88
Less: Closing Stock	355.00	270.00
	<b>1199.06</b>	<b>1027.88</b>
<b>26 PURCHASES OF STOCK-IN-TRADE</b>		
Foundation Seed	2707.93	2808.24
Certified ,Truthful & Raw-Seed	28461.63	28756.56
Nursery/T.C Plants & Landscaping	49.17	49.89
	<b>31218.74</b>	<b>31614.69</b>
<b>27 CHANGES IN INVENTORIES OF FINISHED GOODS STOCK-IN -TRADE AND WORK-IN-PROGRESS</b>		
<b>Opening Stock</b>		
Finished Goods & Stock in Trade	5958.00	7420.00
<b>Closing Stock</b>		
Finished Goods & Stock in Trade	5205.00	5958.00
Increase/(Decrease) in stock	<b>753.00</b>	<b>1462.00</b>
<b>27.1 Opening Stock</b>		
Foundation ,Breeder Seed	100.00	28.00
Certified ,Truthful & Raw-Seed	4990.00	6777.00
Low-grade,Fail Seed & Non Seed	860.00	606.00
Biological Asset	8.00	9.00
	<b>5958.00</b>	<b>7420.00</b>
<b>27.2 Closing Stock</b>		
Foundation ,Breeder Seed	90.00	100.00
Certified ,Truthful & Raw-Seed	3240.00	4990.00
Low-grade,Fail Seed & Non Seed	1855.00	860.00
Biological Asset	20.00	8.00
	<b>5205.00</b>	<b>5958.00</b>



## MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA



### NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakhs)

	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>28 EMPLOYEES BENEFITS EXPENSE</b>		
Salaries , Allowances & Other benefits	4200.75	3896.46
Leave Encashment	785.87	66.44
Measurement of Employee Benefit as per IND AS	-411.24	-36.97
Contribution to Providend Fund & Other fund	345.04	321.28
Staff Welfare Expenses	3.26	4.97
Gratuity	375.57	279.83
	<b>5299.24</b>	<b>4532.02</b>
<b>29 FINANCIAL COSTS</b>		
Interest on loan	0.00	0.00
Bank Charges & Commission	2.87	7.40
	<b>2.87</b>	<b>7.40</b>

## MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA



### NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakhs)

	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>30 OTHER EXPENSES</b>		
a) <b>PROCESSING &amp; OTHER EXPENSES</b>		
Handling	178.10	205.16
Watch & Ward Expenses	415.90	427.55
Bonus to Workers	22.33	25.76
Processing Charges to Contractors	310.07	373.04
Electricity & Power	123.38	150.45
Fuel ,Oil & Lubricants	28.51	29.92
Insurance of Seed	35.67	49.37
Wages	454.01	472.18
Contribution to Provident Fund	36.39	38.85
Certification Expenses	725.72	705.28
Transportation & Octroi	147.45	143.78
Rent of Plants & Godowns	70.81	91.38
Miscellaneous Expenses	130.86	152.82
Repairs & Maint. : Plant & Machinery	5.84	12.36
	(a) <b>2685.03</b>	<b>2877.89</b>
b) <b>ADMINISTRATION EXPENSES</b>		
Recruitment & Training Expenses	0.15	0.00
Vehicle Running Charges	12.00	6.31
Printing & Stationery	39.55	35.23
Advertisement (General)	27.37	13.88
Lease Rent	2.07	2.07
Rent	27.19	29.36
Rates & Taxes	50.89	52.18
CSR Expenses	70.22	71.61
<b>Payment to Auditors</b>		
Audit Fees	3.77	2.57
Tax Audit Fee	0.25	0.25
Out of Pocket Expenses	0.32	0.18
Director Sitting Fees	0.10	0.07
Travelling & Conveyance : Staff	96.32	75.68
Travelling & Conveyance : Directors	6.24	1.87
Insurance	19.22	17.26
Postage,Telegram & Telephone	29.08	39.20
<b>Repairs &amp; Maintenance to</b>		
Building	56.44	70.14
Vehicle	4.85	8.28
Other Assets	81.83	76.35
Office & Other Expenses	226.82	195.77
	(b) <b>754.68</b>	<b>698.25</b>

## MAHARASHTRA STATE SEEDS CORPORATION LIMITED AKOLA



### NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lakhs)

	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>c) SELLING &amp; DISTRIBUTION EXPENSES</b>		
Transportation ,Octroi & Handling	707.10	715.73
Godown Rent & Storage Charges	44.70	39.23
Advertisement & Publicity	195.82	71.43
Crop Compensation	69.08	431.71
Interest to Others	15.16	11.28
C & F Commission	0.00	0.00
Bad Debts	0.00	84.00
(c)	<b>1031.86</b>	<b>1353.37</b>
<b>d) RESEARCH &amp; DEVELOPMENT EXPENSES</b>		
QCL Expenses	26.85	50.49
Research & Development Expenses	81.18	149.67
(d)	<b>108.03</b>	<b>200.16</b>
<b>Total Other Expenses ( a+b+c+d)</b>	<b>4577.21</b>	<b>5129.66</b>
Prior Period items ( Net)	3.81	57.59
	<b>3.81</b>	<b>57.59</b>





# Maharashtra State Seeds Corporations Limited

## 31. CONTINGENT LIABILITIES:

- a) Claims against the Company not acknowledged as debts -
- Sales Tax for the financial year 2008-09 for Madhya Pradesh ₹ 12.78 Lakhs for which the appeal is pending with Appellate Authority [Previous Year ₹ 12.78 Lakhs (gross) MP & MS].
  - Various cases lodged against the Company by contractors, growers and customers, ₹ 574.89 Lakhs (Previous Year ₹ 530.03 Lakhs)
  - Cases filed by laborers and employees against the Company, amount not ascertainable.
  - Agriculture Produce Market Committee fees on sale of low grade, failed seed and non-seed, amount not ascertainable.
  - Interest on Revolving Fund Loan, communication awaited from the State Government., amount not ascertainable hence not provided.
  - Application filed by one organizer of Madhya Pradesh with the arbitrator and the proceedings is going on.
  - Rates & Taxes ₹ 9.86 Lakhs (Previous Year ₹ 75.47 Lakhs).
32. Estimated balance amount of contract remaining to be executed on Capital Account ₹ 139.68 Lakhs (Previous year ₹ 55.31 Lakhs).
33. On the basis of information available with the Company regarding the status of suppliers, there were no payments exceeding ₹ One lakh. overdue for a period of 30 days and remaining unpaid to any small scale and/or Ancillary Industrial Suppliers on account of principal and/or interest as at the close of the year.

## Disclosures relating to micro, small and medium enterprises [MSME]

( ₹ in Lakhs)

Sr No	Particular	As at 31.03.2022	As at 31.03.2021
1	Principal amount remaining unpaid to MSMEs	208.59	212.07
2	Interest due on the above, remaining unpaid	Nil	Nil
3	Interest paid in terms of section 16 of MSME Development Act [MSMEDA] along with payments made beyond the appointed day during the year	Nil	Nil
4	Interest due and payable for delay in making payment (paid but beyond the appointed day) but without adding the interest specified under MSMEDA	Nil	Nil
5	Interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
6	Further interest remaining due and payable in succeeding year (Until such date by which the interest dues as above are actually paid to the small enterprises), for the purpose of disallowance as a deductible expenditure under section 23 of MSMEDA	Nil	Nil



## Maharashtra State Seeds Corporations Limited

34. As per Section 135 (1) of the Companies Act, 2013, during the year the Company has formed a CSR Committee. The area for CSR activities are as per Schedule VII of the Companies Act, 2013. Further as per section 135 (5) of the Companies Act, 2013, the Company was required to spend, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility. During the Year, the Company has spent ₹ 67.85 Lakhs on CSR activities.

**35. Employee benefit expenses include remuneration to the Managing Director as under** (₹ in Lakhs)

	2021-22	2020-21
<b>i) Salary &amp; Allowances</b>	17.73	14.89
<b>ii) Leave Salary Contribution</b>	-	-
<b>TOTAL</b>	<b>17.73</b>	<b>14.89</b>

36. With respect to balances of Trade receivable & Trade payable and Advances/deposits received from the customers as per books of Accounts, Confirmations of balances are awaited and adjustments if any will be required to be made in the books on receipt of confirmations.

37. Previous year's figures have been re-arranged/re-grouped wherever necessary, to confirm to this year's classification and are given in nearest of Rupee.

38. The company has taken lease hold land MIDC/Government at 15 locations for 99 years lease and accounted proportionate lease rent of ₹ 2.07 Lakhs in profit and loss account.

39. Compliances with Indian Accounting Standards.

### I. Employees Benefits:

The details of employee benefits are as given below:

#### Provident Fund:

Retirement benefits in the form of Provident Fund are defined contribution schemes and the contributions are charged to the Statement of Profit & Loss Account of the year when the contributions to the respective funds are due.

#### Gratuity:

The company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service depending upon the date of joining. The same is payable on death, separation from service, or retirement, whichever is earlier. The benefit vests after five years of continuous service or on death.



# Maharashtra State Seeds Corporations Limited

The following Table sets out the status of Gratuity Scheme Plans as at 31 March 2022.

(₹ in Lakhs)

Particulars	GRATUITY SCHEME	
	31-03-2022	31-03-2021
<b>1.Assumption</b>		
Discount Rate	7.00%	7.00%
Salary Escalation	10.00%	10.00%
<b>2.Table Showing changes in present value of Obligation</b>		
Present value of obligations as at beginning of year	2362.35	2258.81
Interest cost	165.36	163.76
Current Service Cost	124.84	120.78
Benefits Paid	-439.88	-298.82
Actuarial (gain)/ loss on obligations	299.88	117.82
Present value of obligations as at end of year	2512.56	2362.35
<b>3.Table showing changes in the fair value of plan assets</b>		
Fair value of plan assets at beginning of year	2689.88	2281.09
Expected return on plan assets	183.47	172.37
Contributions	370.18	535.23
Benefits Paid	-439.88	-298.82
Actuarial gain/(loss) on Plan assets	NIL	NIL
Fair value of plan assets at the end of year	2803.64	2689.88
<b>4.Table showing fair value of plan assets</b>		
Fair value of plan assets at beginning of year	2689.88	2281.09
Actual return on plan assets	183.47	172.37
Contributions	370.18	535.23
Benefits Paid	- 439.88	- 298.82
Fair value of plan assets at the end of year	2803.64	2689.88
Funded status	291.08	327.52
Excess of Actual over estimated return on plan assets .(Actual rate of return = Estimated rate of return as ARD falls on ARD 3 March)	NIL	NIL
<b>5.Actuarial Gain/Loss recognized</b>		
Actuarial (gain)/ loss on obligations	- 299.88	-117.82
Actuarial (gain)/ loss for the year - plan assets	NIL	NIL
Actuarial (gain)/ loss on obligations	299.88	117.82
Actuarial (gain)/ loss recognized in the year	299.88	117.82



# Maharashtra State Seeds Corporations Limited

(₹ in Lakhs)

Particulars	GRATUITY SCHEME	
	31-03-2022	31-03-2021
<b>6.The amounts to be recognized in the balance sheet and statements of Profit and Loss</b>		
Present value of obligations as at the end of year	2512.56	2362.35
Fair value of plan assets as at the end of the year	2803.64	2689.88
Funded status	291.08	327.52
Net asset/(liability) recognized in balance sheet	291.08	327.52
<b>7.Expenses Recognized in statement of Profit and loss.</b>		
Current Service cost	124.84	120.77
Interest Cost	165.36	163.76
Expected return on plan assets	183.47	172.37
Net Actuarial (gain)/ loss recognized in the year	299.88	117.82
Expenses recognised in statement of Profit and loss	406.62	229.99

## Leave Encashment

The following Table sets out the status of Leave Encashment as at 31 March 2022.

(₹ in Lakhs)

Particulars	LEAVE ENCASHMENT SCHEME	
	31-03-2022	31-03-2021
<b>1.Assumption</b>		
Discount Rate	7.00%	7.00%
Salary Escalation	10.00%	9.00%
<b>2.Table Showing changes in present value of Obligation</b>		
Present value of obligations as at beginning of year	1560.93	1568.11
Interest cost	109.26	113.30
Current Service Cost	14.27	14.66
Benefits Paid	-237.46	-169.06
Actuarial (gain)/ loss on obligations	344.04	33.32
Present value of obligations as at end of year	1791.04	1560.93
<b>3.Table showing changes in the fair value of plan assets</b>		
Fair value of plan assets at beginning of year	1698.36	1697.03
Expected return on plan assets	124.01	118.00
Contributions	231.93	51.51
Benefits Paid	-237.46	-168.18
Actuarial gain/(loss) on Plan assets	NIL	NIL
Fair value of plan assets at the end of year	1816.84	1698.36



# Maharashtra State Seeds Corporations Limited

(₹ in Lakhs)

Particulars	LEAVE ENCASHMENT SCHEME	
	31-03-2022	31-03-2021
<b>4. Table showing fair value of plan assets</b>		
Fair value of plan assets at beginning of year	1698.36	1697.03
Actual return on plan assets	124.01	118.00
Contributions	231.93	51.51
Benefits Paid	-237.46	-168.18
Fair value of plan assets at the end of year	1816.84	1698.36
Funded status	25.79	137.13
Excess of Actual over estimated return on plan assets	NIL	NIL
(Actual rate of return = Estimated rate of return as ARD falls on ARD 31 March)		
<b>5. Actuarial Gain/Loss recognized</b>		
Actuarial (gain)/ loss on obligations	-344.04	-33.32
Actuarial (gain)/ loss for the year - plan assets	NIL	NIL
Actuarial (gain)/ loss on obligations	344.04	33.32
Actuarial (gain)/ loss recognized in the year	344.04	33.32
<b>6. The amounts to be recognized in the balance sheet and statements of Profit and Loss</b>		
Present value of obligations as at the end of year	1791.04	1560.34
Fair value of plan assets as at the end of the year	1816.84	1697.48
Funded status	25.79	137.13
Net asset/(liability) recognized in balance sheet	25.79	137.13
<b>7. Expenses Recognized in statement of Profit and loss</b>		
Current Service cost	14.27	14.66
Interest Cost	109.26	113.30
Expected return on plan assets	124.01	-118.00
Net Actuarial (gain)/ loss recognized in the year	33.04	33.32
Expenses recognised in statement of Profit and loss	343.57	43.29

#### 40. Earnings per Share is computed as under :-

PARTICULARS	31/03/20 22	31/03/ 2021
Basic Earnings per share has been computed as under		
Net Profit attributable to Equity shareholders (₹ in Lakhs)	1639.87	2095.34
Weighted number of equity shares outstanding	418445	418445
Basic Earnings per share in ( Face value ₹ 100/- Per share)₹	391.90	500.75

The Company does not have any potentially dilutive equity as at Balance Sheet date.

#### 41. Deferred Tax Liability / Asset

The position of deferred tax assets and liabilities computed in accordance with the requirement of Ind AS -12 on "Accounting for Taxes on Income" by the Institute of Chartered Accountants of India is as stated below:

(₹ in Lakhs)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Assets	Liability	Assets	Liability
Opening Balance as per Balance Sheet		21.92	-	32.94
Remeasurement of Loss of defined benefit plan IND AS 31/03/2022 ₹ 103.50 Lakhs.		103.50	-	9.30
Depreciation as per Companies Act ₹173.81 Lakhs Depreciation as per IT Act ₹178.56 Lakhs Diff. Of Dep. ₹ 4.74 Lakhs.		1.19	13.29	-
Bonus payable and other item ₹ 24.39 Lakhs.	6.14		7.03	-
Total	6.14	104.69	20.32	9.30
Net Closing Liability	-	120.47	-	21.92

#### 42. Segment Reporting

The Corporation's business activity falls within a single primary business segment viz; seeds and operates in single geographical segment and therefore there are no separate reportable segments as per the IND AS - 108.

#### 43. Related party disclosures

##### a. Relationship:

##### Key Management Personnel & Relatives :

1. Shri Rahul Rekhawar, IAS	-	Managing Director
2. Shri Ruchesh Jaivanshi, IAS	-	Managing Director
3. Shri Vinay Verma	-	Company Secretary
4. Shri V.T. Deshmukh	-	Director
5. Shri B.V. Deshmukh	-	Son of Shri V.T Deshmukh
6. Mrs N.V. Deshmukh	-	Wife of Shri V.T Deshmukh
7. Shri H.V. Deshmukh	-	Son of Shri V.T Deshmukh
8. Shri D.V. Deshmukh	-	Son of Shri V.T Deshmukh
9. Mrs S.B. Deshmukh	-	Daughter in-law of Shri V.T Deshmukh
10. Mrs P.D. Deshmukh	-	Daughter in-law of Shri V.T Deshmukh

# Maharashtra State Seeds Corporations Limited

b. Transactions during the year with related parties in normal course of business:

Sr.No	Name	Rupees (₹ in Lakhs)	Particulars
1.	Shri RahulRekhawar,IAS	6.21	Remuneration
2.	Shri Ruchesh Jaivanshi,IAS	11.52	Remuneration
3.	Shri Vinay Verma. (CS)	14.17	Remuneration
4.	Reimbursement of travelling expenses	6.23	Travelling expenses
5.	Shri V.T. Deshmukh	0.095	Sitting Fee
		1.87	Seed purchase
6.	Shri B.V. Deshmukh	2.77	Seed purchase
7.	Mrs N.V. Deshmukh	1.12	Seed purchase
8.	Shri D.V. Deshmukh	2.11	Seed Purchase
9.	Shri H.V. Deshmukh	2.81	Seed Purchase
10.	Mrs S.B.Deshmukh	1.54	Seed Purchase
11.	Mrs P.D.Deshmukh	1.84	Seed Purchase
12.	National State Seeds Corporation Ltd	41.69	Seed Purchase

#### 44. Details of Purchases, Sales & Stock

	Details	2021-22		2020-21	
		Quantity (Qtls)	Value (₹ in Lakhs)	Quantity (Qtls)	Value (₹ in Lakhs)
a)	<b>Foundation Seed :</b>				
	Opening Stock	604	100.00	495	28.00
	Purchases	49470	2707.93	55454	2808.24
	Sales	61463	4870.13	69485	4874.99
	Closing Stock	1,964	90.00	604	100.00
b)	<b>Certified &amp; Truthful Seed :</b>				
	Opening Stock	99833	4990.00	129971	6777.00
	Purchases	514505	28461.63	656381	28756.56
	Sales	473170	34635.86	559835	36887.27
	Closing Stock	54091	3240.00	99833	4990.00

**NOTES:** Closing stock excludes 73724 quintals (Previous Year 112543 quintals) on account of non seed, low grade failed seeds, processing losses and other shortages.

#### 45. Disclosure on Prior period

1. Previous year transportation paid amount ₹ in 1.69 Lakhs & Purchase of Seeds Rs 0.43 lakhs



# Maharashtra State Seeds Corporations Limited

## 46. Trade Payable ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment 31.03.2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	208.59	-	-	-	208.59
(ii)Others	3237.687	56.84	266.97	315.13	3,876.63
(iii)Disputed dues - MSME	-	-	-	-	-
(iv)Disputed dues -Others	-	-	-	-	-
Accrued Expenses	-	-	-	-	2990.80
<b>Total Payable</b>					<b>7076.02</b>

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment 31.03.2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	212.07				212.07
(ii)Others	5876.45	385.47	144.39	320.68	6726.99
(iii)Disputed dues - MSME	-	-	-	-	-
(iv)Disputed dues -Others	-	-	-	-	-
Accrued Expenses	-	-	-	-	3039.17
<b>Total Payable</b>					<b>9978.23</b>

## 47. Trade Receivables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment 31.03.2022.					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
(i)Undisputed Trade Receivables – considered good	1,350.51	219.96	162.18	117.87	0.20	1,850.71
(ii)Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	314.07	314.07
(iii)Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv)Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v)Disputed Trade Receivable – which have significant increase in credit risk	-	-	-	-	146.18	146.18
(iv)Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	-	-	-	-	-	2,310.97
Less : Credit of Receivable	-	-	-	-	-	1,568.19
Less : Provision for Doubtful Debts	-	-	-	-	-	344.48
<b>Total Receivable</b>						<b>398.30</b>



(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment 31.03.2021.					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
(i)Undisputed Trade Receivables – considered good	2,682.28	124.62	144.15	76.60	0.20	3,027.85
(ii)Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	323.74	323.74
(iii)Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv)Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v)Disputed Trade Receivable – which have significant increase in credit risk	-	-	-	-	126.22	126.22
(iv)Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	-	-	-	-	-	3,477.82
Less : Credit of Receivable	-	-	-	-	-	2,406.06
Less : Provision for Doubtful Debts	-	-	-	-	-	344.48
Total Receivable						727.29

## 49. Capital Workin Progress (Aging)

(₹ in Lakhs)

CWIP	Amount in CWIP for a period of 31.03.2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.27	0.00	0.00	0.00	1.27
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00

## 50. Key Ratios

Sr. No.	Name Of Ratio	31.03.2022	31.03.2021	Variance in %	Remark
1.	Current Ratio (Times)	2.60	2.24	16.06	
2.	Debt-Equity Ratio (%)	1.22	1.27	-3.09	
3.	Return on Equity Ratio (%)	4.01	5.33	24.76	Note -1
4.	Inventory Turnover Ratio (Times)	5.42	4.75	14.14	
5.	Trade Receivable Turnover Ratio (Times)	73.65	32.85	124.21	Note -2
6.	Trade Payable Turnover Ratio (Times)	3.66	3.01	21.55	
7.	Net Capital Turnover Ratio (Times)	1.09	1.14	-3.9	
8.	Net Profit Ratio (%)	3.73	4.69	-20.49	
9.	Return On Capital Employed (%)	6.47	6.60	-1.93	

Note -1 Variance is due to decrease in profits during the year ended March 31, 2022 as compared to the year ended March 31, 2021 .

Note -2 Trade receivable Turnover ratio increase during the year due to less seeds provided to dealers against Booking.



# Maharashtra State Seeds Corporations Limited

## 51. Impact of Covid-19 (Global Pandemic)

The management has considered internal and certain external sources of information including economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, loans and advances and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

As of today, all production facilities in various parts of India remains in operation, following enhanced internal safety guidelines. During this period, the Company continued sales of their products and does not expect any material adverse impact at this point of time. Considering the liquidity position as at March 31, 2022 and expectation of cash generation from operations, the Company believes that it has ability to service debt and other financing arrangements during the current financial year.

In terms of our report of even date

For and on behalf of the Board of Directors

**For M/s J. S. Uberoi & Co,  
Chartered Accountants  
FRN No. 111107W**

**CA. Rajeshwar Mote  
Partner  
Membership No. 188997  
UDIN No :- 22188997AWOCHN5601**

**Ek Nath Dawale  
IAS  
Chairman  
DIN NO. 06656860**

**Vinay Verma  
Company Secretary**

**Manish Yadav  
General Manager (Finance)**

**Akola - 29 Sep - 2022**

**Akola - 29 Sep - 2022**



# Maharashtra State Seeds Corporations Limited

## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MAHARASHTRA STATE SEEDS CORPORATION LIMITED FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022.

The preparation of financial statements of **Maharashtra State Seeds corporation Limited, Akola** for the year ended **31<sup>st</sup> March, 2022** in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated **29<sup>th</sup> September, 2022**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Maharashtra State Seeds Corporation Limited, Akola** for the year ended 31<sup>st</sup> march, 2022 under section 143 (6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and Company personnel and a selective examination of some of accounting records.

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

### A. COMMENTS ON PROFITABILITY

#### Expenses

#### Other Expenses (Note no. 30): Rs 4579.61 lakh

1. The amount has been derived after netting off Rs 5.25 lakh being the subscription received from the farmers for 'MAHABEEJ Warta' and Rs 47.34 lakh being dealers' contribution received for diary (at the rate Rs 100 each for 25,500 diaries) and calendar (at the rate of Rs. 12 each for 1,82,000 calendars) for the year 2021-22. Due to netting off the expenses, the Other Expenses and Other Income are understated by Rs 52.59 lakh.
2. The above does not include Rs 56.50 lakh being credit loss on financial assets not accounted for during the year. As per Ind AS 109 *Financial Instruments*, the credit risk on the financial assets is considered to have increased significantly since initial recognition. Audit observed that the Company's Trade receivables included Rs 56.50 lakh which were outstanding from private dealers for more than three years. The same should have been fully expenses out as credit loss during the year, to comply with Ind AS 109 *Financial Instruments*. Not doing the same has resulted in understatement of Other Expenses and overstatement of Trade Receivables by Rs 56.50 lakh.

### B. Comments on financial position

#### Equity and Liabilities

#### 2. Current Liabilities

#### (b) Other current Liabilities (Note No. 20): Rs 16906.05 lakh

3 The above does not include Rs 59.90 lakh, being the amount of annual lease rent not paid by the Company. The Government of Maharashtra allotted (vide G.R. of 11-02-1993) the Company, two acres of land at Akola for a lease period of thirty years, for construction of its headquarters. As per the conditions of the said G.R., the



# Maharashtra State Seeds Corporations Limited

company was liable to pay an annual lease rent at the rate of 15 percent of the market value of the allotted land, which worked out of Rs 2,83,955 per year. Accordingly, the Company was liable to pay Rs. \*78.76 lakh towards annual lease rent as on March 2022. However the company has paid only R 18.89 lakh towards the same leading to the understatement of Other Current Liabilities by Rs 59.90 lakh and overstatement of Reserves and Surplus to that extent.

\*Annual lease rent =Rs 2,83,955. Annual lease rent from 06-07-1994 (date of handing over of the land to the Company) to 05-07-2021 = Rs 76,66,785. Annual lease rent for the period 06-07-2021 to 31-03-2022 = Rs 2,09,271. Total annual lease rent payable as on March 2022 = Rs 76,66,785+Rs 2,09,271=Rs 78,76,056

## C. COMMENTS ON DISCLOSURE

4. According to Ind AS 109 Financial Instruments, the company is required to formulate an accounting policy and provide complete disclosure regarding the initiate measurement, subsequent measurement, recognition, de-recognition and fair valuation of financial assets and financial liabilities and provision of expected credit basis (ECL) on the financial assets inter alia. However, the Company has not formulated and accounting policy for the same since adoption (2017-18) of Ind AS. The disclosure under Significant Accounting Policies is thus deficient to the extent that it does not include an accounting policy for compliance with Ind AS 109 Financial Instrument.
5. The Company has discloser under Note No. 34 of Significant Accounting Policies that it has spent Rs 67.85 lakh on corporate Social Responsibility (CSR) activities as per Section 135 (1) of the Companies Act, 2013 (the Act). It was observed that, as on March 2022, the Company has spent only Rs. 17.85 lakh towards on CSR activities and earmarked Rs. 50 lakh for undertaking CSR activities in the following year. This was not in consonance with rule 2(1)(i) of the Company (CSR Policy) Rules, 2014 Thus, as per Section 135 (5) of the Act, the Company was liable to transfer the unspent amount of Rs. 50 lakh to any fund included in Schedule VII of the Act. The Company has not done the same the company's disclosure was thus incorrect to this extent.

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

**(P.V. Hari Krishna)**  
**Accountant General (Audit)-I**

**Place: Mumbai**  
**Date: 30.11.2022**



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