

वार्षिक अहवाल सन २०१३-१४

व

३१ मार्च २०१४ अखेरचा

ताळेबंद - नफा तोटा पत्रक

महाराष्ट्र भूविकास

महामंडळ मर्यादित



महाराष्ट्र शासन - जलसंपदा विभाग
पाटबंधारे संशोधन व विकास संचालनालय
८, मोलेदिनापथ, पुणे - ४११ ००१

महाराष्ट्र भूविकास महामंडळ, मर्यादित पुणे.

सन २०१३-१४ मधील घडामोडींचा गोषवारा

महामंडळाचा सन २०१३-१४ चा वार्षिक घडामोडींचा अहवाल व ३१ मार्च २०१४ अखेरचा हिशेब तपासणी झालेला ताळेबंद पुढीलप्रमाणे सादर करण्यात येत आहे.

१. आर्थिक गोषवारा :-

अ.क्र.	तपशील	३१ मार्च २०१४ अखेर (रुपये)
अ	चालू वर्षाचा तोटा	५१७.८९
	वजा	
१	चालू वर्षाचा घसारा	निरंक
२	करासाठी तरतूद	निरंक
	चालू वर्षाचा तोटा	५१७.८९
ब	पूर्वीच्या वर्षासाठी असलेला तोटा	२०,००,७०,९८२.५५
क	चालू वर्षाचा ताळेबंदात दर्शविलेला तोटा	२०,००,७१,५००.४४

२. आर्थिक परिस्थिती :-

भूविकास महामंडळाचे एकूण भागभांडवल रु. ४,००,००,००० (चार कोटी) असून त्यामध्ये राज्य शासनाचे रु. ३,००,००,००० (तीन कोटी) व केंद्र शासनाचे रु. १,००,००,००० (एक कोटी) आहेत. महामंडळास वर्षानुवर्षे येणा-या तोट्यामुळे (भूविकास भाग २ ची शेतक-यांकडील वसुली अत्यल्प होत असल्यामुळे) हे महामंडळ शासन निर्णय क्र. एमएलडी १००२ / (१०२/२००२) / लाक्षेवि (आस्था), दि. २८/०१/२००४ अन्वये बंद करण्याचा निर्णय महाराष्ट्र शासनाने घेतला.

३. हिशेब तपासनासाठी नेमणूक :-

कंपनी कायदे मंडळ, नवी दिल्ली यांच्या कंपनी कायदा १९५६ च्या कलम ६१९ (२) मधील तरतूदीनुसार २०१३-१४ या वर्षासाठी मे. ए. डी. जुन्नरकर आणि कंपनी पुणे, सनदी लेखापाल यांची वैधानिक लेखापरिक्षक म्हणून नेमणूक केलेली आहे.

४. कर्मचारी वर्ग :-

महामंडळातील ३२ कर्मचा-यांना दि. ३१/०३/२००३ अखेर स्वेच्छानिवृत्ती देण्यात आली आहे. महामंडळाच्या भागभांडवलातून त्यांना सानुग्रह भरपाईही देण्यात आली आहे. त्यामुळे ३१/०३/२०१४ रोजी महामंडळाच्या हजेरीपटावर एकही कर्मचारी नाही.

महाराष्ट्र भूविकास महामंडळ, कर्मचारी संघटनेमार्फत कर्मचा-यांच्या पुनर्नियुक्ती विषयी औद्योगिक न्यायालय, पुणे येथील दावा क्र. ३१५/२००३ बाबत सदर न्यायालयाने दिलेल्या निकालाविरोधात महाराष्ट्र शासन जलसंपदा विभाग व महामंडळातर्फे दाखल केलेल्या रिट याचिका क्र. ५६८४/२०११ वर उच्च न्यायालय मुंबई यांनी दि. २५/०७/२०११ रोजी स्थगिती आदेश दिलेले आहेत.

५. महामंडळ बंद करण्याची कार्यवाही :-

महामंडळ बंद करण्याच्या कार्यवाहीसाठीच्या निर्गमित करण्यात आलेल्या शासन आदेशानुसार महामंडळ बंदची कार्यवाही लवकरात लवकर पूर्ण करण्याच्या दृष्टीने आवश्यक ती कार्यवाही चालू आहे.

अ) शेतक-यांकडील कर्जवसुलीबाबत -

महाराष्ट्र भूविकास महामंडळ बंद करण्याच्या शासन निर्णयानुसार शेतक-यांकडून भूविकास भाग २ कर्जाची वसुली होण्यासाठी सदर कर्जाचा बोजा शेतक-यांच्या ७/१२ रेकॉर्ड्सवर महामंडळाचे नावे चढविण्यात आला आहे. सदरची कर्जवसुली संबंधीत लाभक्षेत्र विकास प्राधिकरणांमार्फत करण्यात येत आहे.

ब) बँकांकडील कर्ज परतफेडीबाबत :-

महामंडळ तोट्यात गेल्याने बँकांकडून घेतलेल्या कर्जाच्या परतफेडीसाठी शासनाने महामंडळास रु. २६.७७ कोटी कर्ज दिले. तथापि अत्यल्प वसुलीमुळे या कर्जाची परतफेड करणे महामंडळाला शक्य झाले नाही. या कर्जावरील व्याज माफ करण्याचा तसेच शेतक-यांकडून भूविकास भाग २ च्या कर्जाबाबत करण्यात येणा-या वसुलीतून सदर रु. २६.७७ कोटी कर्जाचे समायोजन करण्यात यावे असा निर्णय दि.२८.१.२०१४ च्या शासन निर्णयानुसार घेण्यात आला.

६. भारताचे नियंत्रक व महालेखापरिक्षक यांनी पाठविलेल्या शे-यांबाबत :-

कंट्रोलर अँड ऑडिटर जनरल ऑफ इंडिया यांनी कलम १९५६ कलम ६१९ (४) अन्वये केलेल्या लेखातपासणी बाबत शिरे महामंडळास प्राप्त झालेले आहेत. लेखा तपासणीचा गोषवारा (३१ मार्च २०१४ पर्यंतचा) हे सहपत्र म्हणून येथे जोडले असून तो अहवालाचाच एक भाग आहे.

७. अहवालाच्या विलंबाबाबतची कारणे :-

१. महालेखापरिक्षक, नवी दिल्ली यांनी दि. ११/१२/२०१३ रोजी मे. ए. डी. जुन्नरकर आणि कं. पुणे यांची महामंडळाचे सन २०१२-१३, २०१३-१४ चे लेख्यांचे वैधानिक लेखापरिक्षण करण्यासाठी नियुक्ती केली.
२. मे. ए. डी. जुन्नरकर आणि कं. पुणे यांचे कडून महामंडळाचे सन २०१३-१४ चे लेख्यांबाबतचा प्रारूप लेखापरिक्षण अहवाल महामंडळास जून २०१४ मध्ये प्राप्त झाला.
३. संचालक मंडळाने दि. १/११/२०१४ रोजी झालेल्या बैठकीत प्रारूप लेखापरिक्षण अहवालास मान्यता दिली.
४. मे. ए. डी. जुन्नरकर आणि कं. पुणे यांचे कडून प्राप्त झालेले सन २०१२-१३ चे लेखापरिक्षण केलेले लेखे व अंतिम अहवाल दि. ३०/०६/२०१४ रोजी महालेखापरिक्षक मुंबई यांना त्यांचे अभिप्रायासाठी सादर केले आहे.
५. सन २०१३-१४ चे महालेखापरिक्षक मुंबई यांचे सदर लेख्यावरील शिरे दि. १६/०९/२०१४ रोजी प्राप्त झालेले आहेत.
६. सन २०१३-१४ चे लेखे व महालेखापरिक्षक यांचे लेखातपासणी बाबतचे शिरे दि. १/११/२०१४ चे संचालक मंडळाचे बैठकीत स्विकृत करण्यात आली.
७. महाराष्ट्र शासन, जलसंपदा विभाग, मुंबई यांचेकडे सदर वार्षिक अहवाल दि. ११/११/२०१४ रोजी मंजूरीसाठी सादर करण्यात आला.
८. दि. १/०४/२००४ पासून महाराष्ट्र भूविकास महामंडळाकडे कोणताही कर्मचारी वर्ग नसल्याने विविध वैधानिक बाबींची पूर्तता करण्याबाबत अडचणी निर्माण होतात.
९. महाराष्ट्र भूविकास महामंडळ पुणे हे २००४ पासून बंद झालेले आहे. महामंडळाकडे स्वतःचा कोणताही आर्थिक स्त्रोत नाही. त्यामुळे विषयांकीत अहवाल फक्त पुस्तक स्वरूपात सादर करण्यात आला आहे.

Maharashtra Land Development Corporation (MLDC)

Abstract of Events in the year 2013-14

The Abstract of Events for the year 2013-14 & the balance sheet for the accounts up to 31/03/2014 of the MLDC is submitted as below :-

1. Financial Results :

Sr. No.	Particulars	As at 31/03/2014 (Rs.)
A	Loss for the year	517.89
	Less	
	i) Depreciation for the year	NIL
	ii) Provision for taxation	NIL
	Loss for the year	517.89
B	Accumulated loss of earlier year	20,00,70,982.55
C	Net loss carried to balance sheet	20,00,71,500.44

2. Financial Position :

The authorized and subscribed as well as fully paid share capital of the Corporation at the end of financial year was Rs. 4.0 Crores. Out of which, share capital of Rs. 3.0 Crores is held by Govt. of Maharashtra & Rs. 1.0 Crores is held by Govt. of India.

Govt. of Maharashtra has decided to wind up the Corporation due to losses occurred from some last years (Due to short recovery of the loans given to the farmers for land development works) and hence as per Government Resolution (Marathi) no. vide G.R. No. MLD-1002 / (102/2002) / CAD(Est) dated 28/01/2004 the corporation has stopped its activities.

3. Appointment of Auditors :

As per the provisions in the company law 1956 clause 619(2) of Company Law Board, M/S. A. D. Junnarkar & Co. Pune, Chartered Accountant has been appointed as a Statutory Auditors for year 2013-14.

4. Employee Staff :

As per the Government Resolution dated 28/01/2004, the voluntary retirement to the 32 employees working in the Maharashtra Land Development Corporation, Pune has been given on 31/03/2003 with compensation from corporation's capital. Hence there is no any employee working in the MLDC as on 31/03/2014. Maharashtra Bhuvikas Mahamandal Karmachari Sanghatana, Krishi Bhavan, Shivajinagar, Pune had filed a complaint against Corporation in the industrial court, Pune. (Complaint (ULP) No. 315 of 2003). The judgment of this case is given in October 2010 by industrial court, Pune. However against this judgment, the Corporation & the GoM, WRD, Mantralaya, Mumbai filed the Writ Petition (No. 5684/11) in the high court Mumbai & the court has given stay order dtd. 25/07/2011 on the judgment given by the industrial court, Pune.

5. Closure of Corporation :

As per the Government order for closure of Maharashtra Land Development Corporation, necessary action is being taken to delete the name of corporation from Registrar of Companies & to complete the closure process as per the provisions of company act clause No. 560.

A) Recovery of the loans from farmers –

Pursuant to the Government Resolution referred to in Para 7.0, the balance amount of loan taken against Land Development part II is transferred on the records of 7/12 of the concerned farmers, on the name of corporation. The recovery of these loans is being done by the concerned Command Area Development authorities.

B) Repayment of the bank loans –

As the corporation was going in loss, Govt. has given the loan of Rs. 26.77 Crores for repayment of the loans taken from the banks / finance companies. However due to short recovery, it is not possible to the corporation to repay this loan. Hence it is decided by the Govt. vide G.R. dtd 28/01/2004, to waive the interest on this loan & to adjust the amount of loan i.e. Rs. 26.77 Crores from the recovery of the loans given to the farmers for Land Development part II works.

6. Comments of Comptroller & Auditor General of India :

The Nil comments of Comptroller & Auditor General of India, New Delhi under section 619(4) of the Companies Ct 1956 and the review of accounts for the year ended 31st March 2014 is appended as annex and forms part of this report.

7. Reasons for delay in submission of the report :

- a. Comptroller & Auditor General of India, New Delhi appointed M/S. A. D. Junnarkar & Co. Pune, Chartered Accountant as a Statutory Auditor of the Corporation for the year 2012-13 and 2013-14 on 11.12.2013.
- b. The audited accounts were received from A. D. Junnarkar & Co. Pune, Statutory Auditors, in June 2014.
- c. Board of Directors, MLDC were given approval to this accounts in the Board's Meeting held on 1/11/2014.
- d. The Audited Accounts & Auditor's report received from M/S. A. D. Junnarkar & Co. Pune, Chartered Accountant was submitted to CAG on 30/06/2014 for offering their comments.
- e. Comments of Comptroller & Auditor General of India, New Delhi under section 619(4) of the Company's Act 1956 are received on 16/09/2014.
- f. The accounts for the year 2013-14 along with the report of Comments of Comptroller & Auditor General of India are adopted in the AGM of corporation on 1/11/2014.
- g. This annual report is submitted to the GoM, Water Resources Department, Mumbai on 11/11/2014 for approval.
- h. There is no staff for the MLDC since 1/04/2004, therefore it is difficult to Co-ordinate various such statutory activities.
- i. MLDC, Pune has been winded up by GoM, WRD since 2004. Since this Corporation has no financial resources of its own for routine functioning, Annual Reports / Accounts are presented in the form of Book only.

A. D. Junnarkar & Co.

Chartered Accountants

"Santosh" 4/A Sena Datta Peth, Opp. Rajendra Nagar, Pune 411 030. Phone : 24533285

MAHARASHTRA LAND DEVELOPMENT CORPORATION LIMITED

FOR THE YEAR ENDED 31ST MARCH, 2014

DIRECTIONS AS ISSUED BY THE COMPTROLLER & AUDITOR GENERAL OF INDIA
UNDER SECTION 619 (3) (a) OF THE COMPANIES ACT, 1956.

Sr.No	Questions	Auditors' Comments
I.	CORPORATE GOVERNANCE & AUDIT COMMITTEE:	
1.	Whether the Company has been listed on the stock exchanges? If yes, the names of the stock exchanges may please be indicated? If so, whether the provisions of listing agreement of SEBI are being followed by the Company?	No the Company is not listed on any Stock Exchange.
2.	Whether the Company has 50% independent directors on their Board as required under SEBI guidelines?	Since the Company is not listed hence such guidelines are not applicable.
3.	Indicate whether the Company has formed an Audit Committee in compliance with Section 292A of the Companies Act, 1956. If not then indicate the extent of non-compliance.	The provisions of Section 292A of the Companies Act, 1956 are not applicable.
4.	Whether Audit Committee has discussed the qualifications made in the Auditors report as well as important comments, audit paras of Government Audit and has given recommendations for taking, appropriate corrective action in the next year's accounts.	Not Applicable as No Audit committee is in existence.
5.	Whether the Audit Committee has examined the replies to paragraphs, mini reviews, sectoral reviews, comprehensive appraisals, etc included in various Audit reports of the C& AG before their submission to Government Audit / Committee on Public Undertakings.	Not Applicable.
6.	Whether the Audit Committee has reviewed and discussed with the Management, and the internal and external auditors, the adequacy and effectiveness of the accounting and financial controls, including the Company's financial and risk management policies?	Not Applicable.
7.	Whether the BOD has reported in the Director's Report to the shareholders compliance to their responsibility statement under section 217(2AA) of the Companies Act, 1956.	Yes
8.	Whether CEO/CFO certificate has been obtained in terms of listing agreement?	Not Applicable



II. BUSINESS RISK:		
1.	Any new Statutory or Regulatory requirement or change in Govt. Policy that could impair the financial stability or profitability of the entity.	The Company has stopped its business Production activities as per the decision of Government of Maharashtra.
2.	Unusually rapid growth if any, especially compared with that of other companies in the same Industry.	Not Applicable
3.	The process used for identification of business risks and steps taken to mitigate it by the Management	Not Applicable
4.	Unrealistically aggressive sales or profitability incentive programs, if any.	Not Applicable
5.	The system of making a business plan, short term/long term & reviews of the same vis-à-vis the actual?	Not Applicable
6.	The capital expenditure/capital invested not put to use.	Not Applicable
7.	The cost benefits analysis of major capital expenditure/ expansion including IRR and pay back period.	Not Applicable
8.	The existence of Macro, Sector and Operation threats that could drive fundamental changes in business model. Indicate in brief.	Not Applicable
III. DISINVESTMENT (IF APPLICABLE)		
1.	What is the mode of disinvestment (i.e. Trade sale, Management & Employees Buy Out, Mass privatization, Public auction, Flotation, Liquidation, Private placement).	Not Applicable
2.	What is the present stage of disinvestment process?	Not Applicable
3(a)	If the company has been selected for disinvestment, please report: Has the company accounted for all its assets (including intangible assets), liabilities, income, and expenditure as per the requirement of relevant Accounting Standards and nothing is left out of books?	Not Applicable
3(b)	Whether the assets of the company, especially land, valued at nominal cost has been revalued keeping in view the fair market rate for consideration of the net worth of the Company for the purpose of sale?	Not Applicable
3(c)	Whether the committed reserves and general reserves created over the years are disclosed distinctly? If utilization of general reserves is substantial, specify the conditions of utilization and whether these conditions are covered under the byelaws/articles of the Company and provisions of the Companies Act, 1956?	Not Applicable



3(d)	Whether any investment was made by the Company during the process of Disinvestment? If so, whether such investments were in the interests of the company or did they have the effect of extending undue advantage to the Bidders?	Not Applicable.
IV	PRODUCTIVITY:	
	Physically parameters to indicate level of performance of the Company. The productivity of 3 months (Man, Machine & Material) may be indicated for the last three years.	Not Applicable as the production activity of all units of the Company has been stopped.
V.	SYSTEM OF ACCOUNTS & FINANCIAL CONTROL:	
1.	Whether the allocation of duties and responsibilities including the delegation of powers at various levels of management is fair/proper/justifiable and the same have been adequately defined?	Presently the work of post closure activities is carried out by Government through DIRD. Major financial powers are exercised by Managing Director.
2.	Examine the systems of accounts & financial Control being, followed by the Company and give your views as regards their deficiencies along with suggestions for remedial measures:	The Company has stopped its operations and NO BOOKS of ACCOUNTS were maintained.
3	Please report which of the accounting policies adopted by the Company are not in conformity with the accounting policies applicable to the industry/companies in the same sector, particularly the Government Companies. What is the impact of such policies on the accounts?	Since NO ACCOUNTS are maintained by the Company, NO ACCOUNTING POLICY is followed by it.
4	Notes to Accounts, qualifications in Auditor's Report and comments of the C& AG may be reviewed for the last 3 years and state whether the management has taken rectificatory action?	The management has not taken any remedial action on earlier audit report relating to recovery of farmer's advances.
5	Whether the Company has a clear credit policy, policy for providing for doubtful debts/ write offs and liquidated damages? Analyse the reasons such as non-completion of performance tests, litigation, retention sale, etc for significant sundry debtors.	No such policy is in existence.
6.	Please report whether the system of giving discount to promote sales is fair? Whether the instructions for allowing discount are issued in writing and communicated properly to sales outlets.	Not Applicable as no sales are effected during the year.
7.	Examine and indicate whether the company has a system of monitoring the timely recovery of outstanding dues? Highlight the significant instances of failure of the systems, if any.	The Company has no system for recovery of its outstanding dues.



8.	What is the system of obtaining confirmation of balances from debtors/ creditors and other parties? Indicate separately the amount of balances remained unconfirmed from Government Departments/PSUs and Private parties and their percentage to total amount under each head.	The Company is not following any system of confirming balances from debtors/creditors and other parties.
9.	Please report whether there are any cases of waiver of debts/ loans/ interest etc. if yes, the reasons therefore and the amount involved.	No such cases were noticed by us during audit.
10.	Is there an adequate system of timely lodging of claims with outside parties? Whether the claims are properly monitored?	There is adequate system of timely lodging of claims with outside parties.
11.	Whether the credit obtained (including overdrafts) is monitored regularly and the terms of loans are not such that they have a negative impact on the earnings of the company, Examine the systems of effective utilization of loans & the systems of obtain statutory benefits.	No
12.	Examine and comment upon the reasonableness of assumptions made by the Actuary in providing for employee benefits as per Accounting Standard 15.	Not Applicable. All full time employees are relieved under Voluntary Retirement Scheme.
13.	Whether any incidence involving improper use or wastage of funds was noticed	Not applicable as activities have been stopped.
14.	Whether work flow and document flow is in place to ensure proper controls and systems commensurate with the delegation of work?	Not applicable as activities have been stopped.
VI	FRAUD / RISK:	
1.	Whether the company has an effective and delineated fraud policy consistent with regulatory requirements as well as the entity's business needs?	No such policy.
2.	Whether the Directors have taken proper and sufficient care for preventing, and detecting frauds and other irregularities?	The Management has taken adequate care for preventing and detecting frauds and other irregularities.
3.	Whether the Company has formulated 'code of conduct' for senior management?	No
4.	How the company has dealt with reported frauds and what are the remedial measures taken for preventing recurrence?	No such cases noticed by us during the course of audit.
5.	Whether legal / expert opinion in suspicious cases has been obtained and action taken accordingly.	No such cases noticed by us during the course of audit.
6.	Are there any cases of violation of delegated Financial Powers during the period under report, which warrants "in-depth audit"? If yes please give a list of such cases.	Not applicable
7.	Does the Company have separate Vigilance Department / Wing? To what extent is it effective in its duty and whether its report is submitted to the Board?	No separate vigilance department /wing is created in the Company.



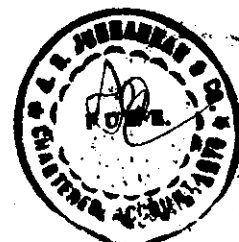
8.	Whether the Management has designed and put in place an adequate Prevention and Detection Controls to prevent, reduce and discover the fraud and other irregularities?	Yes.
9.	Whether the Company has 'whistle blowing' policy?	As per Information provided to us, there is no specific whistle blowing' policy.
10.	Whether the fraud policy has been periodically reviewed and evaluated to determine whether it was designed and implemented to achieve optimal effectiveness?	No.
VII. ASSETS (INCLUDING INVENTORY):		
1.	What is the position regarding maintenance of records such as fixed assets register, etc.?	The property and assets registers have been maintained by the Company upto date and the same are duly reconciled with the financial books.
2.	Whether the company has prescribed the following in regard to the management of stores: a) Maximum and minimum limits of stores and spares etc. b) Economic order quantity for procurement of stores.	Not Applicable. Since the production activity has been stopped.
3.	Have the dates of installation and commissioning of plant and machinery been clearly fixed by the authority under delegated power of the Board?	Not Applicable. Since the production activity has been stopped.
4.	Whether capitalization of assets done on due dates & revenues expenditure, direct or indirect, charged or not?	Not Applicable. Since the production activity has been stopped.
5.	Whether ABC analysis has been adopted to control the inventory? If not, impact on inventory may be analysed.	In view of closure of production activity, no ABC analysis is adopted for control of inventory.
6.	Whether regulations made for the purpose of control over stores, including stock taking and valuation of stock, stores and work-in progress at the end of the financial year are adequate and duly enforced?	No inventory and hence not applicable.
7.	Does the work in progress contain any item, which has remained under work in progress, for an unduly long time? Attach a list of such items indicating amount, period of pendency and reasons.	In view of closure of production activity, no work in progress at the end of the year.
8.	Examine and comment on the system of physical verification, valuation, treatment of non moving and slow moving items, their disposal and abnormal excess and shortages in respect of closing stock items.	There is no inventory of stores, spares, raw material and finished goods and hence not applicable.
9.	Examine and comment on the system of valuation of fixed assets, survey off procedure and provision for assets and specific capital spares surveyed off.	There are No Fixed assets except Computer with depreciated value of Rs.776.84



10.	List out the surplus / obsolete / no-moving items of stores, raw material, finished goods lying unused at the end of last 3 years.	There is no inventory of stores, spares, raw material and finished goods and hence not applicable.
11.	Whether proper records are maintained for inventories lying with third parties and assets received as gift from Govt. or other authorities?	No inventory and hence not applicable.
12.	Are there any lapses in the internal control system right from ordering till the consumption of stores? If yes, the same may be highlighted.	N.A
13.	List the assets and Plant & Machinery items, which have not been in use over a considerable period of time (say 5 years) and the reasons therefore.	All Plant & Machinery of all units have been disposed off except Computer.
14.	Whether there are instances of huge losses incurred due to sale of goods at prices lower than the prevailing marked prices, citing poor quality as a reason, immediately subsequent to the balance sheet date?	During the year, no sales are effected.
15.	Whether the norms for storage losses have been fixed? What is basis on which storage losses are regularized? Indicate the abnormal storage losses suffered during the year under audit and amount realized there against.	Not Applicable as there are no stock of stores and spares at the year end.
16.	Demurrage / Wharfage incurred during the year and reasons therefore.	NIL
17.	Whether the company has conducted physical verification of Fixed Assets during the year and a formal report is being prepared for the same?	Not Applicable
18.	Whether there is a policy to review and implement impairment of assets?	No
VIII	INVESTMENT:	
1.	Whether the company has laid down an investment policy duly approved by the competent Authority? If yes, please indicate the following:	The unit has not made any investment during the year.
a.	Is it in accordance with the provisions of Section 292 of the Companies Act, 1956 and other laws, rules and regulations, Government directives applicable to the company?	N.A
b.	Whether the investments made were judicious and in accordance with the investment policy?	N.A
c.	Were the investments made by the company in its best interest?	N.A
d.	Is the shortfall in market value of the current investment and permanent diminution in the value of long- term investments reflected in the books? If not, describe the failure.	N.A
2.	Whether the deposits with banks/financial institutions and other have been in accordance with laws, rules, regulations, etc. as applicable.	N.A



3.	Whether there has been grant of large loans to or placement of deposits with other PSUs or enterprises not related with the business of the Company.	N.A
4.	Whether the company has significant investment in an industry or product line noted for rapid change?	N.A
5.	Whether the investments made in the subsidiaries have been valued properly keeping in view the financial position of the subsidiary? If not, extent of diminution in the value of investment.	N.A
6	Whether any surplus funds are invested? Is there any effect on availability of funds for working capital because of investments leading to borrowings at higher rates?	The Company is having accumulated losses and there are no surplus funds.
7	How often market value is reviewed and whether profits are made on sale of investments	N.A
IX	LIABILITIES AND LOANS:	
1.	Give the total amount of loans (including interest, penal interest, and commitment charges separately) where defaults were made in repayment as at the end of the accounting period.	Refer note 4: Non Current Liabilities. Entire Government Loan of Rs 468,894.139 (in thousands) as at 31 March 2014 and Rs 468,894.139 (in thousands) as at 31 March 2013 has been classified under Non Current Liabilities as stipulated repayment period is over and entire outstanding loan amount is overdue. Refer Note 5: Other Liabilities Interest accrued and not due of Rs. 23,967.632 at 31 March 2014 (in thousands) and Rs.23,967.632 (in thousands) as at 31 March 2013
At 2.	Whether guarantee fee payable to the Govt. of India as per terms of loan agreement had been accounted for properly?	Not Applicable.
3.	Whether any part or whole of the Loans from Government and / or interest accrued thereon have been either converted into equity or waived by the Govt. if so, its impact on the financial position of the Company.	During the year, no such conversion or waiver of interest is sanctioned by Government of Maharashtra.
4.	Are the terms of the loan agreements such that they make the entity especially vulnerable to changes in the interest rates?	No
5.	Check the loan profile of the Company to find out whether the high cost debts were swapped with low cost market borrowings:	No
6.	Whether there has been receipt of large loans from other PSUs or enterprises not related with the business of the Company.	No



7	Whether any study was conducted to avail any other instruments or derivatives instead of high cost loans?	No
X.	AWARD & EXECUTION OF CONTRACTS:	
1.	Whether Company has devised a proper system of tendering for awarding of various contracts?	Not Applicable as there is no production activity.
2.	Whether the Company has an efficient system for monitoring and adjusting advances to contractors/suppliers.	The Company has stopped the production activity of all unit mills hence question of making advance payment to suppliers does not arise.
3.	Whether the Company has settled all the issue viz. Performance Guarantee (PG) Tests, recovery of Liquidity Damages (LDs), final payments etc., soon after the commissioning of the project? Are there any cases of inordinate delay without sufficient justification?	Not Applicable.
4	Whether there are any disputes/claims unsettled for a long time?	Suit no. 59/93 (K.M. Wagh and others)
5	What is the procedure followed by the Company for purchasing proprietary items? What is the procedure for ascertaining the authenticity of the propriety items certificate given by an official based on which tendering is not resorted to and goods are purchased from a particular supplier	Since there is no production activities the Purchases made are of petty nature of pertains to office stationery and other items.
XI	COSTING SYSTEM:	
1.	What is the costing policy being followed by the Company if the same has not been prescribed by the Government under the Companies Act, 1956.	Since the units of the Company have stopped the production activity, the mills are exempted from the Cost Audit.
2.	Are the cost accounts being reconciled with financial accounts?	Same as point 1.
3.	Whether the company is computing, the cost of major operations, jobs, products, processes and services regularly? If not, describe the failures.	Since the unit of the Company has stopped the production activity, the question of computing the cost of major operations does not arise.
4.	Whether the Company has an effective system for identification of idle labour hours and idle machine-hours?	In the view of the above, same is not applicable.
5.	Was cost Audit ordered in the case of the Company? If so, highlight the major deficiencies pointed out in the latest cost audit report.	All the units of the Company are exempted from cost audit order for the year.
6.	Examine the accounting treatment of rejects and scraps for determination of cost of production. State the impact of bye products and joint products in determining costs.	Not Applicable. Since the unit of the Company has stopped the production activity.
7	Whether there is any system to evaluate the abnormal losses and taking remedial measures to control such losses?	Not Applicable



8	What is the method being followed by the company to charge overheads? How is the overhead rate being arrived at? In case of cost plus contracts, are the overheads being recovered completely or not	Not Applicable
XII.	INTERNAL AUDIT SYSTEM:	
1.	Whether the Company is having Internal Audit section manned by staff of their own or whether the Company has hired the services of CAs as internal Auditors? Give your comments on the Internal Audit system stating, whether its reporting status, scope of work, level of competence, etc. are adequate? If not, describe the shortcomings thereof, is there an adequate compliance mechanism on internal audit observations?	Since activities have been stopped, no Internal Audit is carried on.
2.	Whether internal audit standards / manual / guidelines have been prescribed and they are in practice.	Not Applicable
3.	Whether the internal audit is accountable to the Audit Committee?	Not Applicable
4	Whether Internal Audit Reports were discussed by Audit Committee?	Not Applicable
5	Whether internal audit is independent and reports directly to the Chairman/Head of the Company	Not Applicable
6	If internal audit is outsourced then whether the selection process is fair and transparent	Not Applicable
7	Whether entities which are not under the jurisdiction of the professional institute are being given the work of internal audit	Not Applicable
8	Does the Internal Audit report contain any serious irregularity which needs immediate attention of management/Government	Not Applicable
9	What is the total impact of all shortcomings/deficiencies pointed out in the latest Internal Audit Report and pending for compliance as on date	Not Applicable
10	Whether mistakes/shortcomings pointed out in the latest report is of the same kind/type as pointed out in earlier reports	Not Applicable
XIII	HRD:	
1.	Is there high turnover of senior management, legal counsel, professional advisors or board members and other key personnel? If so, what are the causes for the high turnover rate of key personnel?	The Corporation has relieved all the employees. Presently the work of post closure activities is carried out by the Consultants appointed by the Company.
2.	Whether cost of employee turnover has been analysed and corrective steps taken to reduce it?	Not Applicable. All the employees are relieved under Voluntary Retirement Scheme.

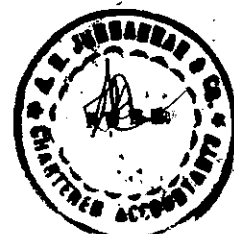


3.	Specify the VRS Policy evolved / adopted by the Company. Whether the policy has been implemented correctly? Whether the purpose of the VRS has been achieved by reduction of manpower? List out the shortcomings, if any, noticed.	As per the directions of the Government of Maharashtra, during the earlier years the Corporation closed all the Units and relieved all the employees by paying the compensation.
4.	Is there significant, prolonged understaffing of a particular department?	Not Applicable
XIV	LEGAL / ARBITRATION CASES:	
1.	Number of pending legal / arbitration cases indicating the age-wise analysis and reasons for their pendency.	Suit no. 59/93 (K.M. Wagh and others)
2.	Details of new cases and cases settled during the year	Not Applicable
3.	Whether any norms / procedures exist / proposed to be laid down for large legal expenses (foreign and local) incurred / to be incurred.	The fees are fixed case to case basis by considering financial stakes involved as also its impact on similar other pending cases.
4.	Whether Contingent Liabilities disclosed by the Company adequately cover the court cases / arbitration cases pending against the Company?	Refer point G: Claims & Liabilities given under note of notes to financial accounts.
5.	Is there any system to ensure proper documentation (like maintaining minutes of the meetings, foreseeing contingencies, foreign exchange fluctuations etc.) before Agreement with foreign parties as well as Indian parties	Not Applicable
XV	EDP AUDIT:	
1.	Whether the organization has an approved IT strategy or Plan?	No
2.	If the auditee has computerized its operations or part of its, assess and report, how much of the data in the company is in electronic format, which of the major areas such as Financial Accounting, Sales Accounting, Personnel information, Payroll, Materials / Inventory Management, etc. have been computerized.	Not Applicable
3.	Indicate how this impacts on your work of auditing the Accounts and whether your audit is through or around the computer.	Not Applicable
4.	Has the Company evolved proper security policy for Software / Hardware?	Not Applicable
5.	Identify the areas in which the auditor is of the view that the built-in-checks and validations in the computer environment are not adequate or were not being exercised with proper authority?	Not Applicable
6.	Comment on any problem faced in extracting information from computer filed due to lack of backup of past records or due to record corruption. Is there a document retention policy?	Not Applicable
7.	Whether any software is unutilized or underutilized due to lack of trained staff or any proper operating manual/documentation etc?	No



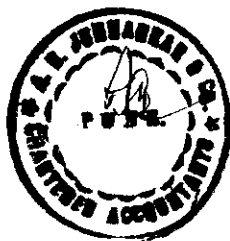
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8.	Commencement whether the entity is able to take full advantage for the software or there are some reports that can be prepared using the software but are not being prepared due to lack of trained staff or any proper operating manual.	Not Applicable
9.	Please report on the existence of a system of proper documentation of software programs.	Not Applicable
10.	Comment whether changes made in software have the approval of management and the lead time given to staff to get accustomed to it before making it fully operational.	Not Applicable
11.	Whether the Board is briefed regularly about the new IT Strategy, if any, proposed to be incorporated for the Company as a whole, for which large funds are sanctioned, this is particularly relevant to organization where the entire IT activity is to be made online in due course.	Not Applicable.
12.	Whether the system department is responsible for both hiring / buying EDP equipment Hardware and Software and also certifying their "Usability" before final payment (both functions should be separate with the user departments involved in the later.	Not Applicable.
13.	Whether the company has detailed/comprehensive list of all reports/statements which can be generated by the system in use?	No
14.	Whether there is an effective IT Steering Committee	No
15.	Whether there exists effective disaster recovery plan for EDP Department which is periodically reviewed and evaluated	Not Applicable
16.	Whether any of the findings and recommendations noted in the EDP Audit Report was considered significant and whether the issues were satisfactorily resolved	Not Applicable
XVI	ENVIRONMENTAL MANGEMENT:	
	Compliance of the various Pollution Control Acts and the impact thereof and policy of the company in this regard may be checked and commented upon.	All units of the Company have closed the production activity and hence these provisions are not applicable.
XVII	CORPORATE SOCIAL RESPONSIBILITY:	
1	How is the company discharging its Corporate Social Responsibility?	Company is under closure.
2	Whether any Board approved policy is in place and is being properly followed	No
3	Whether there is a system of fixation of targets for CSR activities	No
4	Whether adequate mentoring mechanism exists for implementation of CSR activities	No



XVII	GENERAL:	
I		
1.	Indicate whether the company has entered into a Memorandum of Understanding with its administrative ministry? If yes, have the targets in MOU been split unit-wise? If so, attach a unit-wise statement of targets and achievements against the parameters in MOU.	The Company has not entered into Memorandum of Understanding with its Administrative Ministry.
2.	Whether contribution of employer and employee to Provident Fund is kept separately out of business and proper safeguard of the same is taken care of	Not Applicable as there no employees except MD and is on deputation from Govt.
3	Where land acquisitions is involved in setting up new projects an enquiry as to whether settlement of dues and rehabilitation of those affected are being done expeditiously and in a transparent manner to ensure that the benefits go to the really affected people and is not diverted to agents and intermediaries including political parties	Not Applicable
4	Whether the Company has done any mergers and acquisitions during the year? Whether a thorough need analysis was done before Merger or acquisition? Whether shareholders acceptance was taken before decision on merger/acquisition was arrived at? What was the impact thereof on the profitability of the Company?	Not Applicable
5.	Does the Company present a case for energy audit? If yes, has the audit been conducted by a specialized agency?	We have been informed that the Company is not liable to Energy Audit as there is no production activity.
6.	If test checking was applied by statutory auditors, the manner in which areas of checking have been identified may be specified. Extent of sample selected and methodology of sampling adopted may also be specified.	No
7.	Date of certification of accounts	30 th June 2014

For A D Junnarkar & Co,
Chartered Accountants,
Firm No. 104467W

(CA A D Junnarkar)

Partner

M. No. 034837


Pune: 30th June 2014

**THE MAHARASHTRA LAND DEVELOPMENT CORPORATION LTD,
SHIVAJINAGAR,PUNE 411 005
BALANCE SHEET AS AT 31 MARCH 2014**

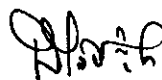
Particulars		Note No.	As at 31st March, 2014 (Rs.)	As at 31st March, 2013 (Rs.)
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	40,000,000.00	40,000,000.00
	(b) Share Application Money		-	-
	(c) Reserves and surplus	3	(200,071,500.44)	(200,070,982.55)
2	Non-current liabilities	4	468,894,139.37	468,894,139.37
3	Current liabilities			
	(a) Other current liabilities	5	24,134,419.37	24,134,419.37
	(b) Short-term provisions		-	-
	TOTAL		332,957,058.30	332,957,576.19
II.	ASSETS			
1	Non-current assets			
	(a) Fixed assets	6	776.84	1,294.73
	(b) Non-current investments		-	-
	(c) Long-term loans and advances		-	-
2	Current assets			
	(a) Cash and cash equivalents		-	-
	(b) Trade Receivable		-	-
	(c) Other Current Assets	7	332,956,281.46	332,956,281.46
	(d) Inventories		-	-
	TOTAL		332,957,058.30	332,957,576.19
	Notes to Financial Statements	1		

As per our report of even date,
For A D Junnarkar & Co.
CHARTERED ACCOUNTANTS
Firm No. 104467W

For Maharashtra Land Development
Corporation Limited


(A D Junnarkar)
Partner





(D N Modak)
Managing Director


(S D Kulkarni)
Director

Pune: 30 JUN 2014
M. No. 034837

THE MAHARASHTRA LAND DEVELOPMENT CORPORATION LTD,
SHIVAJINAGAR,PUNE 411 005
Statement of Profit and loss for the year ended 31/03/2014

Particulars	Note	2013-14	2012-13
I. Revenue From Operations		-	-
II. Other income	12	-	-
III. Total Revenue (I + II)		-	-
IV. Expenses:			
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and Amortization expense	6	517.89	863.15
Other expenses		-	-
Bad Debts Written Off		-	-
Provision for Doubtful Debt / Advances		-	-
Total expenses		517.89	863.15
Profit/(Loss) before exceptional items and tax (III-IV)		(517.89)	(863.15)
V. Exceptional items (Prior Period)		-	-
VII. Profit/(Loss) before tax (V-VI)		(517.89)	(863.15)
VIII. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
XI Profit (Loss) for the period (VII-VIII)		(517.89)	(863.15)
Earnings per equity share:			
Basic			
Notes to Financial Statements	1		

As per our report of even date,
For A D Junnarkar & Co.
CHARTERED ACCOUNTANTS

Firm No. 104467W

(A D Junnarkar)
Partner

Pune:

M. No. 034837
30 JUN 2014



For Maharashtra Land Development
Corporation Limited

(D N Modak)
Managing Director

(S D Kulkarni)
Director

THE MAHARASHTRA LAND DEVELOPMENT CORPORATION LTD

NOTE 2 : SHARE CAPITALNOTE 2 (A) :-

Share Capital	As at 31 March 2014		As at 31 March 2013	
	Number	Rs.	Number	Rs.
<u>Authorised</u>				
Equity Shares of Rs. 100/-	400,000.00	40,000,000.00	400,000.00	40,000,000.00
<u>Issued, Subscribed & fully Paid up</u>				
Equity Shares of Rs. 100/-	400,000.00	40,000,000.00	400,000.00	40,000,000.00
Total	400,000.00	40,000,000.00	400,000	40,000,000.00

NOTE 2 (B) :- Reconciliation of shares out standing at the beginning and at the end of the reporting period

Particulars	Equity Shares			
	As at 31 March 2014		As at 31 March 2013	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the	400,000	40,000,000.00	400,000	40,000,000.00
Shares Issued during the year		NIL		NIL
Shares outstanding at the end of the year	400,000	40,000,000.00	400,000	40,000,000.00

NOTE 2 (C) :- Terms / Rights attached to Equity Shares : The company has only one class of equity shares having a par value of Rs. 100 per share. All shares are held by Government of India, & Governor of Maharashtra and his

NOTE 2 (D) :- Details of shareholders holding more than 5% shares in the Company :

Central Government of India	100,000	10,000,000.00	100,000	10,000,000.00
Government of Maharashtra	300,000	30,000,000.00	300,000	30,000,000.00
TOTAL	400,000	40,000,000.00	400,000	40,000,000.00



THE MAHARASHTRA LAND DEVELOPMENT CORPORATION LTD

Note 3 :- RESERVES & SURPLUS

<u>Reserves & Surplus</u>	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
2.1 Capital Reserves		
Opening Balance	-	-
Closing Balance	-	-
2.2 Surplus/(Deficit) in the Statement of Profit & Loss A/C		
Opening balance (Deficit)	(200,070,982.55)	(200,070,119.40)
(+) Net Loss for the year	(517.89)	(863.15)
Closing Balance	(200,071,500.44)	(200,070,982.55)
Total	(200,071,500.44)	(200,070,982.55)

Note 4 :- NON CURRENT LIABILITIES

<u>Reserves & Surplus</u>	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
3.1 UNSECURED LOANS		
Loan form Govt. of Maharashtra		
Bridge finance, EGS & Estt.Expenditure	214,400,031.37	214,400,031.37
Repayment of SLA of Banks	254,494,108.00	254,494,108.00
Total	468,894,139.37	468,894,139.37

Note 5 :- OTHER CURRENT LIABILITIES

<u>Other Current Liabilities</u>	As at 31 March 2014	As at 31 March 2013
	Rs.	Rs.
Interest Accrued but not due on Unsecured Loans	23,967,632.37	23,967,632.37
Outstanding Expenses	153,131.00	153,131.00
Other Liabilities	13,656.00	13,656.00
Total	24,134,419.37	24,134,419.37

Note 07:- Other Current Assets

<u>Particulars</u>	As at 31 March 2014	As at 31 March 2013
(Unsecured Considered as good)		
Loans to Cultivatorw (5 - IDA Projects)	25,484,883.14	25,484,883.14
Loans to Cultivatorw (SLA)	302,833,498.07	302,833,498.07
Receivable from Caltivators	4,202,444.54	4,202,444.54
Advances to DSCO's and Ex. Engineers (Unsecured)	90,931.67	90,931.67
Entrance fees recoverable from cultiovators (Unsecured)	46,981.00	46,981.00
Income tax deducted at source (on interest)	297,543.04	297,543.04
Total	332,956,281.46	332,956,281.46

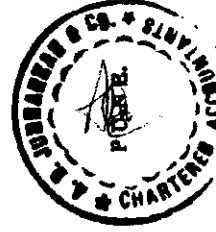


THE MAHARASHTRA LAND DEVELOPMENT CORPORATION LTD

NOTE 6: FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 01-04-2013 Rs.	Additions during the year Rs.	Deduction during the year Rs.	As at 31-03-2014 Rs.	Upto 31-03-13 Rs.	For the year Rs.	Upto 31-03-14 Rs.	As at 31-03-14 Rs.	As at 31-03-13 Rs.
A) FIXED ASSETS									
(i) Tangible assets									
Computers	376,249.00	-	-	376,249.00	374,954.27	517.89	375,472.16	776.84	1,294.73
Total Tangible assets	376,249.00	-	-	376,249.00	374,954.27	517.89	375,472.16	776.84	1,294.73
Capital Work In Progress	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Grand Total	376,249.00	-	-	376,249.00	374,954.27	517.89	375,472.16	776.84	1,294.73

For Maharashtra Land Development
Corporation Limited



(Signature)
(D N Modak)
Managing Director

(Signature)
(S D Kulkarni)
Director

**THE MAHARASHTRA LAND DEVELOPMENT CORPORATION LIMITED.
KRISHI BHAVAN SHIVAJINAGAR, PUNE 411 005**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR
THE YEAR ENDED ON 31-03-2014**

SIGNIFICANT ACCOUNTING POLICIES:

A) Basis of Accounting

The accounts are prepared in accordance with accounting principles generally accepted in India. The Corporation follows Accrual method of accounting. The interest on loans to cultivators is accounted for on cash basis as explained in the "Note on accounts" However no such interest is separately calculated and credited to the Profit and loss account as exact amount of interest and principal each is not ascertained and so accounted for accordingly.

B) Revenue Recognition:

Revenue in respect of interest on loans to cultivators is not recognized until realized because its recovery from the cultivators is not certain.

B) Fixed Assets:

Fixed assets are shown at cost less accumulated depreciation.

C) Provision for doubtful Loans and Bad debts:

In the opinion of the management, the Company cannot write off debts / Loans as bad because these amounts are secured by a charge on the 7/12 extracts if the cultivators land and so amount of bad and doubtful debts is not ascertained.

D) On Going Concern:

The entire Share Capital of the Corporation by the State Govt. and the Central Govt. The ordinary business oriented criteria of going concern are not strictly applicable to the Corporation considering the ownership composition and the fundamental aims of the company. The Accounts of the corporation are therefore made on ongoing concern principle only. Although, accumulated losses of the corporation exceed its paid up capital as on 31-03-2014.



THE MAHARASHTRA LAND DEVELOPMENT CORPORATION LIMITED.
KRISHI BHAVAN SHIVAJINAGAR, PUNE 411 005

NOTES ON ACCOUNTS (Year ended 31-03-2014)

- A) The relevant Para of the guidance note on “ Accrual basis of Accounting” Issued by the Institute of Chartered accountants of India is reproduced here below:

“Recognition of revenue required that revenue is measurable and that at the time of sale or rendering of services of the use of resources of the enterprise by other, it would not be unreasonable to expect ultimate collection.”

It is clear from the above extract that the accrual method of accounting does not envisage accounting of the revenue, the ultimate collection of which is not quite certain. In the opinion of the management, the interest chargeable by and large not being actually realized in therefore only national in nature.

This view is also conferment by the income tax appellate tribunal in the appellate appeal of the company for the year ended on 30-06-1984. Interest chargeable on loans to cultivators is thus revenue of the type described in the above extract. Hence, it has to be recognized and accounted for as income only in the year of the receipt.

- B Salary of the Managing Director

Sr. No.	Particulars	31-03-2014(Rs.)	31-03-2013(Rs.)
1.	Pay & Allowances	0	0
2.	Cash Allowances in Lieu of Peon	0	0
	TOTAL	0	0

- C) Auditors Remuneration:

Sr. No.	Particulars	31-03-2014(Rs.)	31-03-2013(Rs.)
1.	Audit fees to Statutory Auditors	7,500/-	7,500/-

- D) Claims against the Company not acknowledged as debts:

- a) Interest provision is not made on Loan taken from Govt. of Maharashtra on Rs. 2144.00 Lacs for Bridge Finance Loan. No provision is made for Repayment of SLA of Bank Loan on Rs. 2677.56 lacs as per the corporation, Govt has waived interest on this loan as per G. R. No. 1002/(10212002) LKV/(adm) dated 28/01/2004.
- b) Bills of Machinery hire charges payable Rs. 379.11 lacs are presented by Irrigation Department out of which Corporation has not accepted Bills for Rs.188.79 lacs. The company however has not produced any evidence in



support of the above. Contingent liability to the extent of Rs.190.32 lacs is not provided for in the books of accounts.

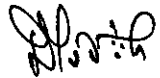
- E) Amount recoverable from Cultivator are recovered through CADA and directly deposited with Government. Amount received during the year by the CADA offices towards recovery from cultivators for which details of principal and interest amount, number of installment etc. are yet to be received from the CADA offices. In view of this the said amount has not been deducted from the amount receivables from cultivators as well as loan payable to the Government.
- F) The Reserve Bank of India vide their letter No. DAS (Mum) No. 435/02.04.05/96-97 dated 14/08/97 has informed that this corporation does not fall under the category of non –banking financial company. In view of this the management is of the opinion that the provisions applicable to non-banking financial are not applicable to or company.
- G) We have been informed that there are no civil suits or disputes by cultivators / concerned beneficiaries against the corporation except one suit case no. 59/93 (K.M.Wagh & others) as on 31/3/2008.

H) Depreciation:

Depreciation has been provided on Written down value method as per the rates prescribed under schedule XIV of the Companies Act, 1956.

- I) Figures of the previous year have been rearranged / regrouped wherever necessary to confirm the current year's presentation.
- The accounts are prepared as per Schedule VI of the Companies Act, 1956 as per MCA Circular No. 8 of 2014 dated 04.04.2014.

For and on behalf of Maharashtra Land
Development Corporation Ltd. Pune


(D.N. Modak)
Chief Engineer &
Managing Director


(S.D. Kulkarni)
Director



A. D. Junnarkar & Co.

Chartered Accountants

"Santosh" 4/A Sena Datta Peth, Opp. Rajendra Nagar, Pune 411 030. Phone : 24533285

Independent Auditors' Report

30.06.2014

TO,
THE MEMBERS OF
MAHARASHTRA LAND DEVELOPMENT CORPORATION LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Maharashtra Land Development Corporation Limited (the Company), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

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

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



OPINION

Attention is invited to the following matters:

1. In respect of Note 4 – Other current liabilities, the amount of loan from Government of Maharashtra Rs. 21,44,00,031 (P Y 21,44,00,031) and Rs. 25,44,94,108 (P Y 25,44,94,108) is carried over from last year's Balance Sheet and shown as payable to Government of Maharashtra.

These balances are subject to confirmation and reconciliation if any and the terms and conditions under which these loans were taken were not available for our verification. Also no provision for interest payable if any has been made in the books of accounts. In absence of confirmations and agreements to confirm the terms and conditions under which these loans were taken, we are unable to comment on the effect (if any) of the above matters on the financial statements as per the requirements of revised schedule VI with regards to terms and conditions of repayment and bifurcation between current and non- current liability.

2. Tangible assets Rs.3,76,249 (P Y Rs. 3,76,249) (Gross Block) is carried over from last year's balance sheet. The details for the same have not been maintained and updated in fixed assets register and hence cannot be verified. Also the fixed assets are subject to adjustment / write off which may be required on physical verification of assets which has not been conducted in the previous as well as in the current year.
3. Trade Receivables Rs. 42,02,444 (P Y Rs. 42,02,444) and amount receivable in Long Term Advances Rs. 32,87,53,837 (P Y 32,87,53,837) which were given as loans to cultivators have been carried over from last year's balance sheet. The amount is shown as recoverable from cultivators. However these loans / advances given to or other charges receivable from cultivators are subject to confirmations / reconciliations. Also the terms and conditions under which the loans and advances were given were not available for our verification. In absence of confirmation and agreement to confirm the terms and conditions under which these loans were given, we are unable to comment on the effect (if any) of the above matters on the financial statements and its disclosure in the financial statements as per the requirements of revised schedule VI with regards to terms and conditions of repayment, details of security and bifurcation between current and non-current asset.
4. Compliance with Para 21 of Accounting Standard 18 Related Party Disclosure which deals with disclosure of names of related party and nature of the related party relationship as described in Para 3(a) to (e) where control exists irrespective of whether or not there have been transactions between the related parties has not been done as at the end of the year and previous year.
5. Compliance of Accounting Standard 22 Accounting for taxes on income with regards to presentation and disclosure of Current Tax and Deferred Tax. Since the company has fixed assets in its books there would be timing difference on depreciation of fixed assets on account of difference in depreciation rates as per Companies Act, 1956 and Income Tax Act, 1961. Since the details with regards to net block of assets as per Income Tax Act were not available the impact of the deferred tax asset / liability on account of the timing difference on the loss for the year could not be ascertained as at the end of the year.



6. Without qualifying our opinion, we invite attention to certain regulatory non-compliance / breaches:
- a) Non-maintenance of proper records and register as required in respect of fixed assets.
 - b) Non- maintenance of agreement in respect of loans given to cultivators and in respect of loan taken from government.
 - c) Non- maintenance of updated statutory records of the company.
 - d) Non- maintenance of books of accounts and statutory records of the company at the registered office of the company.
 - e) Non- conveyance of Annual General Meeting and Board Meetings of the company within prescribed time limits.
 - f) Non- adoption of audited accounts of the company at the Board Meeting of the company for the previous years.

7. Without qualifying our opinion, we invite attention to Note 1, Para 'E' of Significant Accounting Policies: -

'Due to continued accumulated losses, negative net- worth and non - recoverability of loans given to cultivators the Government of Maharashtra vide Gr. No. MLD 1002 / (102 /2002) Dt.28.01.2004 has directed the closure of the operations of the company. The entire share capital of the Corporation is held by the State Government and the Central Government and the Corporation is in process of taking steps required for closure of the corporation, filing with appropriate authorities under specific schemes etc. which may require certain time. Hence the going concern assumption is no longer valid and accordingly financials have been prepared on a non -going concern assumption.'

8. Without qualifying our opinion, we invite attention to Note 1, Para 'B' of Other Notes to Accounts:-

The Government of Maharashtra has vide letter dt. 27.11.2006 informed the corporation that the funds required for settlement of expenses of the corporation would be provided to it through the reserved / funds of the 'Irrigation & Research & Development Department'. Also the bank account of the corporation is closed in April 2008. Hence the corporation has not made any provisions for expenses which are / may be billed to the corporation.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and does not give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and

Cash Flow Statement has not been prepared by the Company for the year ended on that date.

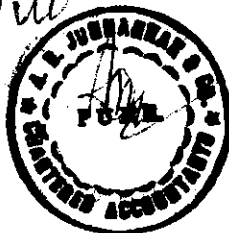


REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have not been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, dealt with by this Report are in agreement with the records maintained by the Company.
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - e) None of the directors are disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act, the Company being a Government Company, provisions of Section 274(1)(g) of the Companies Act 1956 are not applicable.

For A D Junnarkar & Co.
Chartered Accountants
Firm No. 104467W

(A D Junnarkar)
Partner
Pune : 30th June 2014
M No: 034837



ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading of "report on other legal and regulatory requirements' of our Report of even date)

1. In respect of fixed assets:
 - a) The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) As per the information and explanation the fixed assets have not been physically verified by the management and there is no regular programme of verification. With respect to the discrepancies noticed on physical verification, since no physical verification has been carried out the question of material discrepancies noticed on physical verification does not arise.
 - c) The company has written off all the fixed assets of the company except computer. As such the going concern concept is affected.
2. **In respect of inventory:**
 Since the company does not have any inventory, clause (a), (b), and (c) of the Companies (Auditor's Report) Order, 2003 pertaining to physical verification of inventory at reasonable intervals, adequacy of procedures required to be followed at the time of physical verification and maintenance of proper for the same are not applicable to the company.
3. Since the Company has not maintained the register required to be maintained under Section 301 of The Companies Act, 1956, we are unable to verify whether any of the loans granted or taken, secured or unsecured related to or from companies, firms or other parties which were required to be listed in the register required to be maintained under section 301 of The Companies Act, 1956 and hence we are unable to comment on sub - clause (a), (b), (c), (d), (e), (f) and (g) of clause no. (iii) of the Companies (Auditor's Report) Order, 2003.
4. Since the operations of the company have been closed for the past several years, the company has not maintained adequate internal control procedures as required commensurate with the size of the company and nature of its business, as regards to purchase of inventory, fixed assets. There is no sale of goods and services in the current year.
5. Since the Company has not maintained the register required to be maintained under section 301 of the Companies Act, 1956 we are unable to comment under sub-clause (a) and (b), of clause no. (v) of the Companies (Auditor's Report) Order, 2003 in respect of particulars of contracts or arrangements required to be entered in these register and in respect of reasonability of the prices at which they were made as compared to market prices.
6. The Company has not accepted any deposits from Public, as such clause (vi) of Companies (Auditor's Report) Order, 2003 regarding compliance with the directives issued by the Reserve Bank of India and provisions of Section 58A, Section 58AA or any other relevant provisions of the Companies Act, 1956 as well as nature of contravention and order passed by Company Law Board or National Company Law Tribunal or



Reserve Bank of India or any Court or any other Tribunal in this regard is not applicable to the Company.

7. As per the information and explanation given to us the company does not has as internal audit system commensurate with the size and nature if its business.
8. According to the information and explanation given to us, the Central Government has not prescribed maintenance of Cost Records under Section 209(1)(d) of The Companies Act, 1956 (1 of 1956) to the company.
9. According to information and explanation given to us in respect of statutory dues:
 - a) The company has been irregular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Wealth Tax, and other material statutory dues which may be applicable to it with the appropriate authorities. It has been informed to us that provision of Provident Fund (w.e.f. 2004 - 2005), Employee's State Insurance Act (w.e.f. 2004 -2005), Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess are not applicable to the Company for the current and previous year.
 - b) Since the company has not filed the Income Tax / Wealth Tax/ Tax Deducted at Source returns for the year as well as previous years we are unable to comment on the amount of undisputed dues which may be required to be paid in respect of income tax, wealth tax, or other material statutory dues which may be in arrears as at 31st March, 2014 for a period of more than six months from the date they became payable, except for Provident Fund dues of Rs. 4,390 pertaining to earlier period which are unpaid.
 - c) As per the information and explanation given to us there are no dues of Income Tax, Wealth Tax, and cess, which have not been deposited on account of any dispute.
10. The Company has accumulated losses of Rs. 20,00,71,500/- as at the end of the year and the company has not incurred cash loss in the current financial year or in the immediately preceding year.
11. Since the Company has no dues to any financial institutions or bank nor has it issued any debentures, the clause no. (xi) of the Companies (Auditor's Report) Order, 2003 relating to default in repayment of dues to any financial institution or bank or in respect of debentures is not applicable to the Company.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities as such clause no. (xii) of the Companies (Auditor's Report) Order, 2003 relating to maintenance of adequate documents and records for granting loans and advances against pledge of shares, debentures and other securities is not applicable to the company.
13. The Company is not a chit fund or a nidhi mutual fund / society as such clause no. (xiii) of the Companies (Auditor's Report) Order, 2003 as to compliance of provisions of special statue to chit funds is not applicable to the company.



14. The Company is not dealing or trading in shares, securities and other investments as such clause no. (xiv) of the Companies (Auditor's Report) Order, 2003 relating to maintenance of proper records of the transactions and contracts, timely entries, thereof holding securities in Company name except to the extent of exemption, if any, granted under section 49 of the Act is not applicable to the Company.
15. The Company has not given any guarantee for loans taken by others from bank or financial institution as such clause no. (xv) of the Companies (Auditor's Report) Order, 2003 relating to terms and conditions whereof whether prejudicial to the interest of the Company is not applicable to the company.
16. The Company has not availed term loan from banks and financial institutions hence clause no. (xvi) of the Companies (Auditor's Report) Order, 2003 relating to application of term loans for the purpose for which it was borrowed is not applicable to the company.
17. Since the Company is not having any short term loans clause no. (xvii) of the Companies (Auditor's Report) Order, 2003 relating to funds raised on short term basis being used for long term investment is not applicable to the Company.
18. The Company has not made preferential allotment during the year and hence clause no.(xviii) of the Companies (Auditors Report) Order 2003 relating to the price at which such shares have been issued is not prejudicial to the interest of the Company is not applicable to the Company.
19. The Company has not issued debentures as such clause no.(xix) of the Companies (Auditor's Report) Order, 2003 relating to creating security or charge in respect of debentures issued is not applicable to the Company.
20. The Company has not raised any money by public issues as such clause no. (xx) of the Companies (Auditor's Report) Order, 2003 relating to disclosure of end use of money raised by the management and verification thereof is not applicable to the company.
21. To the best of our knowledge and according to the information and explanation given to us, no material fraud on or by the Company has been noticed or reported during the year.

For A D Junnarkar & Co.
Chartered Accountants
Firm No. 104467W

(A D Junnarkar)
Partner

Pune: 30th June 2014
M No: 034837



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

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

e-mail : agcommaharashtra@cag.gov.in



सत्यमेव जयते

प्रधान महालेखाकार (लेखापरीक्षा)-III महाराष्ट्र यांचे कार्यालय
प्रधान महालेखाकार (लेखापरीक्षा)-III महाराष्ट्र का कार्यालय
प्रतिष्ठा भवन, तल मंजिल,
101, महर्षि कर्वे मार्ग, मुंबई - 400 020.
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL
(AUDIT) - III, MAHARASHTRA
PRATISHTHA BHAVAN, GROUND FLOOR,
101, MAHARSHI KARVE MARG, MUMBAI - 400 020.

संख्या / No.

दिनांक / Date :

गोपनीय

12 SEP 2014

पीएजी/लेप-III/वालेप खण्ड-I/एमएलडीसी/2013-14/357

सेवा में,
प्रबंध निदेशक,
महाराष्ट्र लैंड डेव्लपमेंट कार्पोरेशन लिमिटेड.
पुणे

विषय:-मार्च 31, 2014 को समाप्त हुए वर्ष के महाराष्ट्र लैंड डेव्लपमेंट कार्पोरेशन लिमिटेड.
पुणे के लेखों पर कम्पनी अधिनियम, 1956 की धारा 619 (4) के अन्तर्गत भारत के नियंत्रक -
महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मार्च 31, 2014 को समाप्त हुए वर्ष के महाराष्ट्र लैंड डेव्लपमेंट कार्पोरेशन लिमिटेड. पुणे
के लेखों पर कम्पनी अधिनियम, 1956 की धारा 619 (4) के अन्तर्गत भारत के नियंत्रक -
महालेखापरीक्षक का निरंक टिप्पणी (Nil Comments) संलग्न है।

वार्षिक आमसभा (A.G.M.) होने के पश्चात, वार्षिक रिपोर्ट की 5 मुद्रित प्रतियाँ
कृपया इस कार्यालय को भेज दें।

भवदीय,

संलग्न: यथोपरि.

प्रधान महालेखाकार
(लेखापरीक्षा) - III


3

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF MAHARASHTRA LAND DEVELOPMENT CORPORATION LIMITED, PUNE FOR THE YEAR ENDED 31 MARCH 2014.

The preparation of financial statements of **Maharashtra Land Development Corporation Limited, Pune** for the year ended **31 March 2014** in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Reports dated 30/06/2014.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619(3)(b) of the Companies Act, 1956 of the financial statements of **Maharashtra Land Development Corporation Limited, Pune** for the year ended **31 March 2014**. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 619(4) of the Companies Act, 1956.

For and on behalf of the
Comptroller and Auditor General of India


PRINCIPAL ACCOUNTANT GENERAL
(AUDIT) - III

Place:
Date:

MAHARASHTRA LAND DEVELOPMENT CORPORATION LTD.**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors present herewith the Annual Report and the audited Statement of Accounts of the **Maharashtra Land Development Corporation Ltd.**, for the Accounting Year ended on 31st March, 2014 together with Report of Auditors thereon. As shareholders are aware that the Corporation is under closure there is no regular staff working for the Corporation. Hence the delay has taken in Finalisation of the Accounts.

MAHARASHTRA LAND DEVELOPMENT CORPORATION LTD.**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors present herewith the Annual Report and the audited Statement of Accounts of the **Maharashtra Land Development Corporation Ltd.**, for the Accounting Year ended on 31st March, 2014 together with Report of Auditors thereon. As shareholders are aware that the Corporation is under closure there is no regular staff working for the Corporation. Hence the delay has taken in Finalisation of the Accounts.

01. PERFORMANCE:

Sr. No	Particulars	2012-13	2013-14
01	Interest Received From Cultivators	0.00	0.00
02	Other Income	0.00	0.00
03	Profit/(Loss) before Interest, Depreciation, bad Debts & Other provisions.	0.00	0.00
04	Interest	0.00	0.00
05	Depreciation	863.00	518
06	Provision for Doubtful Debt/Advances	0.00	0.00
07	Bad Debts	0.00	0.00
07	Prior Period Adjustments	0.00	0.00
07	Net Profit / (Loss) for the year	863.00	518

The Corporation during the year suffered a net loss of Rs. 518 as compared to net loss of Rs. 863 for the previous Year. As per the decision of the Government of Maharashtra all the closure expenses of the Corporation are incurred by the Government Directly through budgetary provision made for Directorate of Irrigation Research and Development (DIRD). As such there is no cash receipt or payment made by the Corporation. Thus the net loss during the year represents depreciation on the fixed assets only.

02. Fast Track exit scheme:

As already reported in the previous report your Corporation has proposed to the government seeking its approval to close the Company under Fast Track exit scheme floated by Ministry of Corporate Affairs, New Delhi (MCA). The approval from the government is awaited.

It is further reported that one of the requirements of MCA for submission of application under FTE is "No Pending case" against the Company. As on date name of the Company is involved in the following litigations pending at various courts:

Case No / Court	Court before which it is pending and Name of the Parties	Remarks
High Court , Mumbai W.P. 12143 of 2012	Anton Sarja Kadam Vs MLDC and others	The case is at pre-admission stage.
High Court , Mumbai W.P. 5684 of 2011	Secretary (CAD) and MD MLDC Vs MLDC Employees Union	<p>This writ petition is filed against order of IC Pune in ULP No. 315/2003 directing Secretary (CAD), Govt. of Maharashtra to make an application to the Govt. for establishment of a cell to consider possibility of re-employment of employees of MLDC who have been given VRS.</p> <p>The Govt. at Cabinet level had already rejected this recommendation of Upasani Samiti. Hence no such application was made. The Employees Union have moved contempt petition No 17 of 2011 before Labour Court against The Secretary (CAD) and MD MLDC for non compliance of order in ULP 315/2003.</p> <p>The present WP is outcome of these development. As on date High court has granted stay on Contempt Petition as also on order in ULP 315 of 2003. The hearing of W P is pending</p>

Government has also been requested to take over liabilities, if any, that may arise in above cases pending against the Company.

03. AUDITORS:

The CAG vide their Letter 11.12.2013 has appointed M/s A D Junnarkar & Co Chartered Accountants, Pune as the statutory auditors of the Company for 2013-14.

04. DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors of the Corporation confirms:

- i that in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there has been no material departure;
- ii that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Corporation as at March 31, 2014 and of the loss of the Corporation for the year ended on that date
- iii that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Corporation and for preventing and detecting fraud and other irregularities;
- iv The entire Share Capital of the Corporation is provided by the State Govt. and the Central Govt. The ordinary business oriented criteria of going concern are not strictly applicable to the Corporation considering the ownership composition and the fundamental aims of the company. The Accounts of the corporation are therefore made on ongoing concern principle only, although accumulated losses of the corporation exceed it's paid up capital as on 31st March 2013.

05. OTHER INFORMATION:

None of the employee of the Corporation has been paid remuneration in excess of the limit prescribed under Companies (Particulars of Employees) Rule, 1975. The information as required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, information pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is NIL.

06. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to thank the Government of Maharashtra for the help, financial support and guidance from time to time. The Directors also place on record their appreciation of services rendered by the employee of the Corporation.

For and on behalf of the Board of Directors



(D. N. Modak)

CHIEF ENGINEER AND MANAGING DIRECTOR
M.L.D.C.



(S. D. Kulkarni)
DIRECTOR, M.L.D.C.

Place: Pune

Date: 25th April, 2014.

