

वार्षिक अहवाल सन २०१३-१४

व

३१ मार्च २०१४ अखेरचा

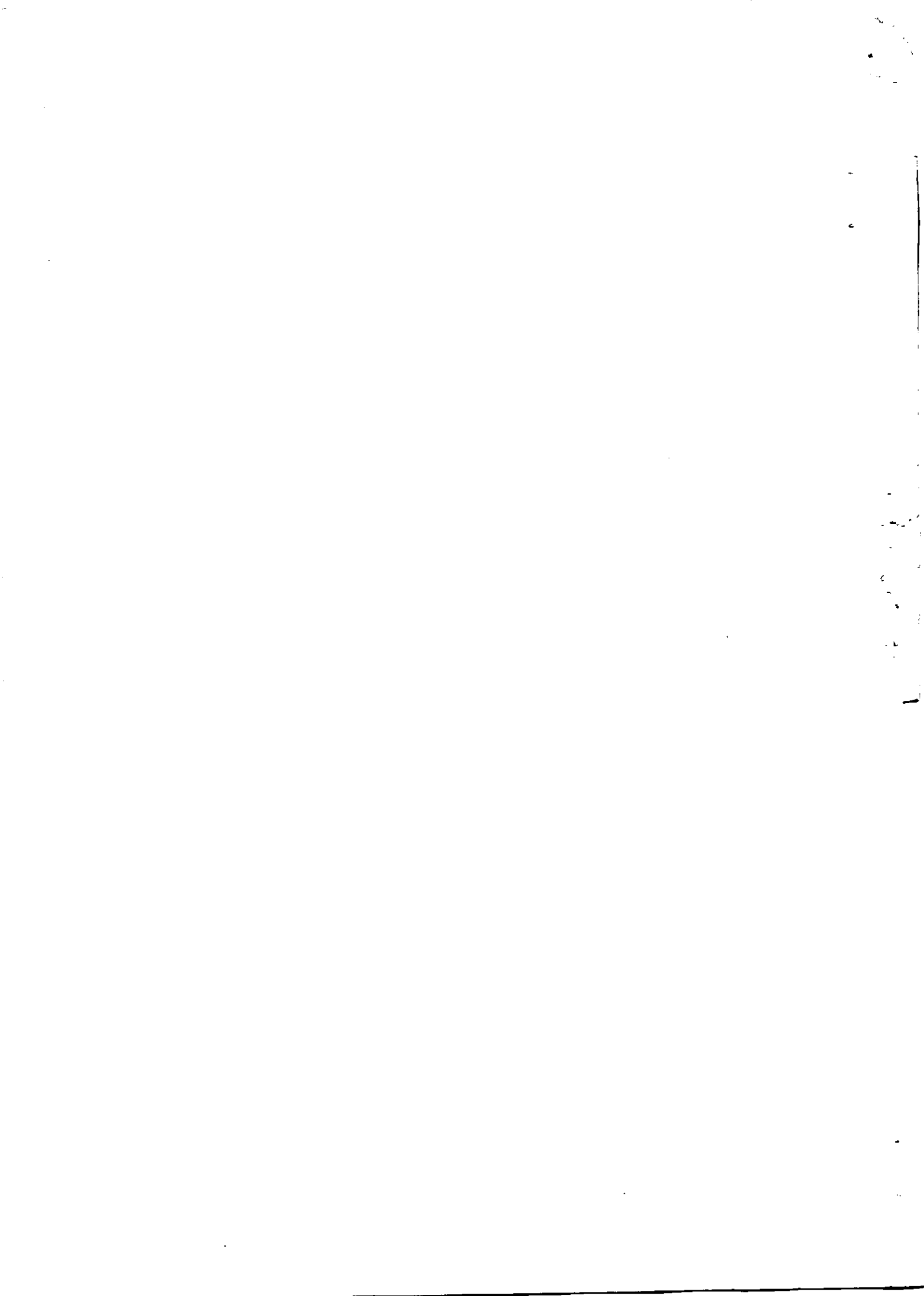
ताळेबंद - नफा तोटा पत्रक

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 स्रोत 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 31<sup>st</sup> 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 31<sup>ST</sup> 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
<b>I.</b>	<b>CORPORATE GOVERNANCE &amp; AUDIT COMMITTEE:</b>	
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



<b>II. BUSINESS RISK:</b>		
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
<b>III. DISINVESTMENT (IF APPLICABLE )</b>		
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

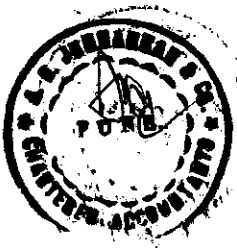




3(d)	Whether any investment was made by the Company during the process of Disinvestment? If so, whether such investments were in the interests of the company or did they have the effect of extending undue advantage to the Bidders?	Not Applicable.
<b>IV PRODUCTIVITY:</b>		
	Physically parameters to indicate 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.
<b>V. SYSTEM OF ACCOUNTS &amp; FINANCIAL CONTROL:</b>		
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.
<b>VI</b>	<b>FRAUD / RISK:</b>	
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.
<b>VII.</b>	<b>ASSETS (INCLUDING INVENTORY):</b>	
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
<b>VIII</b>	<b>INVESTMENT:</b>	
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
<b>IX</b>	<b>LIABILITIES AND LOANS:</b>	
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 property?	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
<b>X.</b>	<b>AWARD &amp; EXECUTION OF CONTRACTS:</b>	
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.
<b>XI</b>	<b>COSTING SYSTEM:</b>	
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

