

MEGHALAYA STATE WAREHOUSING CORPORATION SHILLONG

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NAME OF THE WAREHOUSES AND CAPACITY

1.	Shillong, East Khasi Hills District	-	2500 M.T
2.	Khanapara, Ri Bhoi District	-	4400 M.T
3.	Jowai, West Jaintia Hills District	-	1600 M.T
4.	Williamnagar, East Garo Hills District	-	2200 M.T
5.	Araimile, West Garo Hills District	-	4500 M.T
6.	Nongstoin, West Khasi Hills District	-	2500 M.T
			<hr/>
			<u>17,700 M.T</u>

MEMBERS OF THE BOARD OF DIRECTORS

A. Nominees of the Government of Meghalaya

- | | | | |
|----|---|-----|--------------------------|
| 1. | Dr D. Vijay Kumar, I.A.S
Commissioner & Secretary to the
Government of Meghalaya,
Cooperation Department, Shillong. | ... | Chairman |
| 2. | Commissioner & Secretary to the
Govt. of Meghalaya,
Agriculture Department, Shillong. | ... | Member |
| 3. | Director Food & Civil Supplies,
Govt. of Meghalaya, Shillong. | ... | Member |
| 4. | Director Institutional Finance & Ex-Officio,
Secretary to the Government of Meghalaya,
Finance (E.A) Department, Shillong. | ... | Member |
| 5. | Registrar of Cooperative Societies
Government of Meghalaya, Shillong. | ... | Managing Director |

B. Nominees of the Central Warehousing Corporation

- | | | | |
|----|---|-----|---------------|
| 1. | Smt Margaret Gangte
Director,
Ministry of Consumer Affairs
Deptt. of Food & Public Distribution
Government of India. | ... | Member |
|----|---|-----|---------------|

- | | |
|---|--------------------------|
| <p>2. Shri Binay Chiraniya
Regional Manager,
Central Warehousing Corporation
Regional Office, Guwahati.</p> | <p>... Member</p> |
| <p>3. Shri S. Charles
Director (Finance)
Central Warehousing Corporation,
Corporate Office, New Delhi.</p> | <p>... Member</p> |
| <p>4. Shri Subhas Das,
Deputy General Manager (B & O)
State Bank of India, Local Head Office,
Shillong</p> | <p>... Member</p> |
| <p>5. Shri Anil Kumar
House No. 5,
Part II, Sector – 4,
Urban State, Karnal, Haryana,</p> | <p>... Member</p> |

Banker : **Meghalaya Co-operative Apex Bank Ltd.,
Head Office, Shillong.**

Statutory Auditors : **M/s S.S.D & Co.,
Chartered Accountant, Meghalaya, Shillong**



OFFICE OF THE MEGHALAYA STATE WAREHOUSING CORPORATION
SHILLONG

Chairman's speech for the Forty-fifth Annual General Meeting of the Meghalaya State Warehousing Corporation, Shillong.

Ladies & Gentlemen,

It gives me immense pleasure to welcome you to the Forty-Fifth Annual General Meeting of the Corporation. The Annual Report, Statement of Accounts and Auditors' Report are already in your hands providing a comprehensive picture on the continuous and satisfactory performance of your Corporation during the year 2020-2021 and I, with your permission shall take them as read.

During the year under report, the earning of the Corporation by way of storage charges etc has increased to Rs.1,43,26,447.00 as against of Rs.1,39,44,874.00 of the preceding year. The profit for the year has increased to Rs.63,16,923.23 lakhs as against Rs.62,62,098.54 in the proceeding year.

The Corporation has not received Share Capital from Central Warehousing Corporation from 2005-2006 onwards till the year under report. It is the fact of the matter that the scope of enhancement and progress of warehousing activities in the State of Meghalaya which is a hilly region depends largely on the support of the Shareholders by way of Share Capital Contribution.

During the year the Meghalaya State Warehousing Corporation has taken up construction of additional 500 MT Warehouse at Khanapara which is nearly completed. The construction of the office building (Phase I) taken up by the Corporation has been completed and the Head Office of the Corporation has been shifted to new office building. Phase II of the building will be taken up subject to availability of fund. With the construction of new godowns and upgrading the existing godowns it is hoped that the revenue of the Corporation will be increase further.

I thank the distinguished Directors of the Board for their valuable and timely support extended in the efficient running of the Corporation. I also express my gratitude to the State Government, Central Warehousing Corporation, Managing Director and other Directors for their continued support. I also take the privilege to assure the Shareholders that your Corporation will endeavour to achieve better results in the years to come.

Finally, I would like to thank all the employees of the Corporation for their sincere and devoted services.

Sd/-
Chairman

OFFICE OF THE MEGHALAYA STATE WAREHOUSING CORPORATION
SHILLONG

REPORT OF THE DIRECTORS

To

The Shareholders,
Meghalaya State Warehousing Corporation
Shillong

Ladies & Gentlemen,

On behalf of your Directors, I have great pleasure in presenting the Forty Fifth Annual Report of the Corporation together with the audited Statements of Accounts along with the Report of the Comptroller Accountant General of India on the Accounts of the Corporation for the year ending on 31st March 2021. The financial performance and the progress made by the Corporation is highlighted below:-

FINANCIAL REPORT

INCOME

Sl.No.	Particulars	Years	
		2019-2020	2021-2021
1.	Warehouse charges	Rs.1,01,50,690.00	Rs.1,03,75,479.00
2.	Interest	Rs.37,68,825.00	Rs.39,27,971.00
3.	Other Income	Rs.25,359.00	Rs.22,997.00
	Total	Rs.1,39,44,874.00	Rs.1,43,26,447.00

EXPENDITURE

1.	Establishment	Rs.71,27,551.00	Rs.74,70,101.00
2.	Depreciation on fixed Assets	Rs.5,55,224.46	Rs.5,39,422.77
	Total	Rs.76,82,775.46	Rs.80,09,523.77
	Profit/Loss	(+) Rs.62,62,098.54	(+) 63,16,923.23

CAPITAL STRUCTURE:

The Authorized Share Capital of the Corporation is Rs.5.00 crores. The paid-up Share Capital of the Corporation as on 31st March 2021 was Rs.3,36,12,400/-. Out of which the State Government held 2,13,56,200/- shares of Rs.100/- each and the Central Warehousing Corporation held 1,22,56,200/- shares of Rs.100/- each. No matching Share Capital Contribution is released by the Central Warehousing Corporation to Meghalaya State Warehousing Corporation for the period 2005-2006 onwards.

WORKING RESULT:

The average utilized capacity during the year under report was 99.529%. The revenue earned during the year stood at Rs.103.75 lakhs as against of Rs.101.50 lakhs of the preceding year.

CONSTRUCTION PROGRAMME

No construction programme was undertaken during the year, as all the godowns were fully utilized.

Presently the Corporation has the following warehouses located at different districts of the State.

1.	Shillong, East Khasi Hills District	—	2500	M.T
2.	Khanapara, Ri-Bhoi District	—	4400	M.T
3.	Williamnagar, East Garo Hills District	—	2200	M.T
4.	Araimile, West Garo Hills District	—	4500	M.T
5.	Jowai, Jaintia Hills District	—	1600	M.T
6.	Nongstoin, West Khasi Hills District	—	2500	M.T
Total			17,700	MT

SUNDRY DEBTORS:-

The outstanding and realizable storage charges against the storage space utilized is Rs.7.41 lakhs. The Corporation is making earnest efforts to get outstanding warehouse charges realized from the defaulting parties.



MEETING OF THE BOARD AND EXECUTIVE COMMITTEE:

During the year under report, two meetings of the Board of Directors were convened to transact the business of the Corporation during the year 2020-2021. All matters pertaining to the working of the Corporation was taken up by the Board of Directors.

AUDITORS OF THE CORPORATION:

The Government of Meghalaya on the advice of the Comptroller Accountant General of India has appointed S.S.D & Co., Chartered Accountant as Auditors of Meghalaya State Warehousing Corporation for the year 2020-2021.

ACKNOWLEDGEMENT:

Directors wish to express their thanks to the State Government and the Central Warehousing Corporation for their valuable and continued support and guidance. Directors also wish to place on record their deep appreciation to the officers and employees of the Corporation for their sincere and dedicated work done during the year under report.

**For and on behalf of the Board of Directors
of the Meghalaya State Warehousing Corporation**

Sd/-
Managing Director



MEGHALAYA STATE
WAREHOUSING
CORPORATION

45th ANNUAL REPORT : 2020-21

MEGHALAYA STATE WAREHOUSING CORPORATION
LOWER LACHUMIERE::OLD TAXATION BUILDING::SHILLONG-793001

BALANCE SHEET AS AT 31ST MARCH, 2021

Previous Year	Capital and Liabilities	Current Year	Previous Year	Property and Assets	Current Year
SHARE CAPITAL:					
AUTHORISED CAPITAL:					
50000000.00	500000 Shares of Rs. 100/- each	50000000.00	CASH IN HAND:		
			7.00	At Head Office (On Imprest Account)	866.00
			9.00	At Warehouse	9.00
			CASH AT BANK:		
			With Meghalaya Co-operative Apex Bank Limited in:		
			1719.20	Current Account	775.20
21356200.00	State Government	21356200.00	192753.31	Savings Bank Account (General) I	22301.31
12256200.00	Central Warehousing Corporation	12256200.00	921558.00	Savings Bank Account (General) II	191900.00
			23523.00	Staff Security	24328.00
			FINANCIAL AID FROM GOVERNMENT:		
			With State Bank of India in:		
4296369.00	Financial Assistance (State Govt.)	4296369.00	735272.75	Savings Bank Account	1057380.75
3667806.00	Financial Assistance (for Office Building)	2715336.00			
			FIXED/ TERM DEPOSITS:		
22583124.81	Depreciation Fund	22616236.58	19442119.00	General Fund Investment	24059006.42
12683888.00	Retirement Benefit Endowment, Employee Welfare Fund	12593888.00	1419721.00	Security Deposits from Tenants, as per Schedule 'B' annexed	1419721.00
4100886.38	General Reserve	9061095.19	22583124.00	Depreciation Fund Investment, as per Schedule 'C' annexed	22616236.58
			CURRENT LIABILITIES:		
572485.00	Provision for Pay Revision for Staffs etc.	572485.00	Retd. Benefit Endowment, Employee Welfare Fund Investment		
1850209.39	Current liabilities & Provisions	1523625.00	8020957.00	as per Schedule 'D' annexed	8026395.00
			FIXED ASSETS:		
			27511159.61 as per Schedule 'A' annexed		27560659.61
			DEFERRED TAX LIABILITY:		
560161.99	Earlier Years	659743.99			
99582.00	Current Year	66212.81			
84026912.57	TOTAL CARRIED FORWARD	87717591.57	80851922.87	TOTAL CARRIED FORWARD	84979578.87
84026912.57	TOTAL BROUGHT FORWARD	87717591.57	80851922.87	TOTAL BROUGHT FORWARD	84979578.87

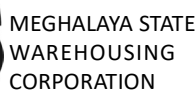
Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

Sd/-
Auditor

45th ANNUAL REPORT : 2020-21

Sd/-	Sd/-	Sd/-	Sd/-
Chairman	Managing Director	Director	Director
			Auditor



MEGHALAYA STATE
WAREHOUSING
CORPORATION

45th ANNUAL REPORT : 2020-21

MEGHALAYA STATE WAREHOUSING CORPORATION
LOWER LACHUMIERE::OLD TAXATION BUILDING::SHILLONG-793001

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021

Previous Year	Expenses	Current Year	Previous Year	Income	Current Year
7127551.00	Establishment Expenses, as per Schedule J	7470101.00	10150690.00	Warehousing Charges	10375479.00
555224.46	Depreciation on Fixed Assets	539422.77		Interest on:	
			3669389.00	Fixed Deposits	3857098.00
6262098.54	Profit Before Tax (PBT) Carried Down	6316923.23	52076.00	Saving Bank Account	70872.00
			47360.00	Interest from IT Return	0.00
			25359.00	Miscellaneous Receipts	22997.00
13944874.00		14326447.00	13944874.00		14326447.00
1850209.39	Provision for Income Tax	1523625.00	6262098.54	Profit Before Tax (PBT) Brought Down	6316923.23
4411889.15	Profit After Tax (PAT) Carried Down	4793298.23	0.00		
6262098.54		6316923.23	6262098.54		6316923.23
99582.08	Provision for Deferred Tax	66212.81	4411889.15	Profit After Tax (PAT) Brought down	4793298.23
4312307.07	Balance transferred to General Reserve	4727085.42			
4411889.15		4793298.23	4411889.15		4793298.23
	Earnings per equity Share:				
12.83	Basic	14.06			

Accounting Policies- Schedule K
Notes on Accounts- Schedule L

Sd/- Chairman Sd/- Managing Director Sd/- Director Sd/- Auditor



MEGHALAYA STATE WAREHOUSING CORPORATION
LOWER LACHUMIERE::OLD TAXATION BUILDING::SHILLONG-793001

Schedule 'A'												
Schedule of Fixed Assets												
FIXED ASSETS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 1st April 2020	Additions during the year		As at 31st March 2021	Rate of Depn.	As at 1st April 2020	For the year	Adjustments	Deductions	As at 31st March 2021	As at 1st April 2020	As at 31st March 2021
		upto 30.09.2020	upto 31.03.2021									
LAND AT COST:												
Shillong	28303.00	0.00	0.00	28303.00							28303.00	28303.00
Jowai	26719.02	0.00	0.00	26719.02							26719.02	26719.02
Williamnagar	1.00	0.00	0.00	1.00							1.00	1.00
Khanapara	2811790.75	0.00	0.00	2811790.75							2811790.75	2811790.75
Aramile (Tura)	374179.70	0.00	0.00	374179.70							374179.70	374179.70
Nongstoin	623332.00	0.00	0.00	623332.00							623332.00	623332.00
BUILDING:												
Shillong	1577788.32	0.00	0.00	1577788.32	5.00%	1178857.82	19946.53	0.00	0.00	1198804.35	389930.50	378983.98
Jowai	1728035.78	0.00	0.00	1728035.78	5.00%	1197258.95	26538.84	0.00	0.00	1223797.79	530776.84	504238.00
Williamnagar	2967548.44	0.00	249969.00	2967548.44	5.00%	1975687.85	49593.03	0.00	0.00	2025280.88	891860.59	942287.56
Khanapara	7221515.25	0.00	0.00	7221515.25	5.00%	3672969.66	177426.28	0.00	0.00	3850415.94	3549525.59	3371099.31
Aramile (Tura)	3111481.13	0.00	0.00	3111481.13	5.00%	2205038.38	45322.14	0.00	0.00	2250360.52	906442.75	861120.61
Nongstoin	3043331.00	0.00	258342.00	3043331.00	5.00%	1277232.90	83304.91	0.00	0.00	1365537.81	1760099.10	1677793.20
Sohra	0.00	0.00	0.00	0.00							0.00	0.00
Office Building	233332.00	0.00	0.00	233332.00							233332.00	233332.00
OFFICE COMPUTER	175241.00	0.00	48500.00	224741.00	40.00%	160545.31	15778.28	0.00	0.00	176323.59	14695.89	48417.41
FURNITURE AND FIXTURE	170878.68	0.00	0.00	170878.68	18.10%	125636.21	8188.89	0.00	0.00	133825.10	45242.46	37053.58
DUNNAGE AND EQUIPMENTS	292765.91	0.00	0.00	292765.91	13.91%	266679.17	846.67	0.00	0.00	287525.84	6096.74	5240.07
ELECTRICAL INSTALLATION	1574344.30	0.00	0.00	1574344.30	13.91%	1129217.53	61917.13	0.00	0.00	1191134.66	445128.77	383206.64
PLANT & MACHINERY:												
Nongstoin	119327.00	0.00	0.00	119327.00	18.10%	75533.79	7926.57	0.00	0.00	83460.36	43793.21	35966.64
WATER INSTALLATION:												
Tura	43778.00	0.00	0.00	43778.00	5.00%	34077.12	485.04	0.00	0.00	34562.16	9700.88	9215.84
Khanapara	64834.00	0.00	0.00	64834.00	5.00%	48871.09	798.15	0.00	0.00	49669.24	15962.91	15164.76
VEHICLE	789311.00	0.00	0.00	789311.00	25.89%	692397.15	25091.00	0.00	0.00	717488.15	96913.85	71822.85
RING WELL:												
Khanapara	8145.00	0.00	0.00	8145.00	5.00%	6271.43	83.68	0.00	0.00	6365.11	1873.57	1779.89
OFFICE MACHINERY	230701.00	0.00	0.00	230701.00	13.91%	202453.66	3929.20	0.00	0.00	206382.86	28247.34	24516.14
ROADS AND BRIDGES	494476.32	0.00	0.00	494476.32	5.00%	349477.37	7236.45	0.00	0.00	356993.82	144728.95	137492.50
TOTAL	27511159.61	0.00	555811.00	27566970.61		14618495.39	539422.77	0.00	0.00	15157918.16	12892664.21	12402741.45
TOTAL as on 31.03.2020	27511159.61	0.00	2098431.00	29609590.61		14063270.93	555224.46	0.00	0.00	14618495.39	13217959.75	12892664.22

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

Sd/-
Auditor



MEGHALAYA STATE WAREHOUSING CORPORATION
LOWER LACHUMIERE::OLD TAXATION BUILDING::SHILLONG-793001

(all figures in ₹)

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

			CURRENT YEAR	PREVIOUS YEAR
B	<u>FIXED DEPOSITS:</u>			
	Security from Tenants		1419721.00	1419721.00
			1419721.00	1419721.00
C	<u>DEPRECIATION FUND INVESTMENT ACCOUNT:</u>			
	Fixed Deposits		22583124.00	22367284.00
	FD transferred from General Fund Investment		33112.58	215840.00
			22616236.58	22583124.00
D	<u>RETD BENEFIT ENDOWMENT, EMPLOYEE WELFARE FUND INVESTMENT:</u>			
	Savings Bank Account		3515897.00	160159.00
	Fixed Deposits		4510498.00	7860498.00
			8026395.00	8020957.00
E	<u>SUNDRY DEBTORS:</u>	<u>More than six months</u>	<u>Less than six months</u>	
	Food Corporation of India	0.00	368914.00	314480.00
	MeCOFED	86328.00	0.00	86328.00
	Chandan Choudhury	0.00	98461.00	0.00
	Gautam Prasad	0.00	0.00	135080.00
	Railtel (Jowai)	0.00	83351.00	62509.00
	Smirti M Sangma	0.00	0.00	0.00
	Kaliashram Kedernath	0.00	59102.00	112972.00
	Manik Chand Gupta	0.00	0.00	56241.00
	Raja Ram prasad	0.00	0.00	279.00
	Sajal Gupta	0.00	0.00	453.00
			741113.00	768342.00
F	<u>ACCRUED INTEREST ON FIXED DEPOSITS:</u>			
	General Fund Investment		1174741.00	1024917.00
	Accrued Interest on Dep. Fund investment		1217223.00	1667816.00
	Accrued Interest on Retd. Benefit Fund		218528.00	997411.00
	Accrued Interest on Security Deposit Tenant		72311.00	104291.00
			2682803.00	3794435.00
G	<u>ADVANCES:</u>			
	Advance to Staff		115000.00	230000.00
			115000.00	230000.00
H	<u>LIABILITIES FOR EXPENSES:</u>			
	Audit Fees Payable		31500.00	31500.00
	Cess Tax Payable		5063.00	6143.00
	ECPF to PF Organisation Payable		82693.00	0.00
	GST Payable		157220.00	130372.00
	Income tax for Contractor		10126.00	12286.00
	Professional Charges Payable		99225.00	37125.00
	TDS Payable		14525.00	10625.00
	Tax Audit Fees Payable		0.00	27000.00
	Professional Tax Payable		0.00	3850.00
	Office Contingency Payable		0.00	2200.00
	Income Tax Deduction Payable		0.00	56184.00
	Conveyance Allowance (Chairman) Payable		0.00	18260.00
	Conveyance Allowance (EE) Payable		0.00	2981.00
	Conveyance Allowance (GM) Payable		0.00	4548.00
	Conveyance Allowance (MD) Payable		0.00	5240.00
	Pay & Allowance Payable		0.00	21994.00
	Telephone Charges Payable		2220.00	3297.00
			402572.00	373608.00

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

Sd/-
Auditor



**MEGHALAYA STATE WAREHOUSING CORPORATION
LOWER LACHUMIERE::OLD TAXATION BUILDING::SHILLONG-793001**

I SECURITY DEPOSITS: STAFF

Shri Mek Bahadur	250.90	250.90
Shri Morning Star Pathav	389.40	389.40
Shri Aleric Tariang	5000.00	5000.00
	5640.30	5640.30

J ESTABLISHMENT EXPENSES

Advertisement	18270.00	19845.00
Annual Subscription Fees	30000.00	30000.00
Arrear- DA	0.00	123110.00
Audit Fees	35000.00	35000.00
Bank Charges	1032.00	917.00
Books & Periodicals	2050.00	3539.00
Meeting expenses	805.00	0.00
Conveyance Expenses and Allowances	263100.00	207630.00
Departmental Works (Khanapara W/H)	0.00	55746.00
Digital Signature Charges	0.00	1416.00
ECPF (Deposit) Expenses	527410.00	525559.00
Electric and Electrical Charges	13537.00	11301.00
Insurance (Vehicle) Charges	12880.00	15851.00
Land Revenue Expenses	0.00	1817.00
Miscellaneous Expenditure	1755.00	660.00
Rent, Rates and Taxes	241680.00	60000.00
Office Contingency	2518.00	29554.00
Office Shifting Expenses	0.00	26400.00
Pay & Allowances	5332100.00	5597695.00
Postage & Stamps	0.00	9095.00
Printing & Stationery	68095.00	32892.00
Professional Charges	80564.00	84302.00
Prior period adjustments	122677.00	16356.00
Refreshment Expenses	0.00	2044.00
Repairs and Maintenance Expenses	280699.00	37845.00
Tax Audit Expenses	0.00	30000.00
TA to Director	0.00	10597.00
Telephone Charges	28682.00	25531.00
Tender Meeting expenses	0.00	849.00
Travelling Expenses	50847.00	0.00
Wages	356400.00	132000.00
	7470101.00	7127551.00

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

Sd/-
Auditor

**MEGHALAYA STATE WAREHOUSING CORPORATION
LOWER LACHUMIERE :: OLD TAXATION BUILDING :: SHILLONG-793001**

SCHEDULE K - SIGNIFICANT ACCOUNTING POLICIES

Convention

- To prepare financial statements in accordance with the applicable Accounting Standards in India.
- A summary of the important accounting policies, which have been applied consistently, is set out below.
- The financial statements have also been prepared in accordance with the relevant presentational requirements of Form 'A' and Form 'B' laid out in pursuance of Rule 18(a), (b) of the Meghalaya State warehousing Corporation Rules, 1980.

Basis of Accounting

- To prepare financial statements in accordance with the historical cost convention modified by revaluation of Fixed Assets as and when under taken as detailed below:

Fixed Assets

- To state Fixed Assets at the historical cost of acquisition/construction, inclusive of taxes, royalty, stamp duty and all incidental expenses related to acquisition/construction.
- To safe land at actual cost or notional cost of acquisition, AS 12 treatment is absorbed in the accounting policy.

Depreciation

- To calculate depreciation on Fixed Assets in a manner that amortizes the cost of assets over their useful estimated lives at the rates specified in Schedule XIV to the Companies Act.
- Since the State Warehousing Corporation does not fall within the ambit of the Companies Act except for the purpose of Income Tax only, the rates as provided in the Companies Act, 2013 so adopted voluntarily by the corporation continues.
- To exclude land from being amortized.
- To transfer the depreciation for a given financial year to a Depreciation Fund, the balance of which is represented by investment in long term financial assets.

Investments

- To state current investments at cost including the accrual income on such investments.

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

Sd/-
Auditor

**MEGHALAYA STATE WAREHOUSING CORPORATION
LOWER LACHUMIERE :: OLD TAXATION BUILDING :: SHILLONG-793001**

Retirements Benefits

- To make monthly contribution to Employees Provident Fund which are charged against revenue.
- To make annual provisions for gratuity, which are transferred to a Fund, the balance of which is represented by investments in long term financial assets.

Deferred Tax Liability

- Deferred tax provision has been made as per AS-22, Accounting for Tax. A provision for the financial year 2020-21 to the tune of Rs. 66,212.81 was made in the accounts.

SCHEDULE – L- NOTES ON ACCOUNTS

1. Provision for Income Tax amounting to Rs. 15,23,625/- has been made during the year.
2. Fixed Deposits have been earmarked as follows:

Sl.	Particulars	Amount (Rs.)
A.	Depreciation Fund Investment	2,26,16,236.58
B.	General Fund Investment	2,40,59,006.42
C.	Security Deposits from Tenants	14,19,721.00
D.	Retd. Benefit Endowment, Employees Welfare Fund Investment	80,26,395.00
	TOTAL	5,61,21,359.00

3. An amount of Rs. 33,112.58 was transferred from General Fund Investment to Depreciation Fund Investment account to match the fund account and fund investment account balances.
4. Total project cost for office building amounts to Rs. 95,22,700.00, out of which financial assistance from government received in earlier years amounts to Rs. 49,20,000.00 and the expenditure as on 31st March 2021 stands at Rs. 22,04,464.00 (which includes current year expenses of Rs. 9,52,270.00)

5. An amount of Rs. 5,06,311.00 has been utilized from Depreciation fund in the financial year 2020-21.
6. Current years' profit balance of Rs. 47,27,085.42 has been transferred to General Reserve.
7. Service Tax Receivable of Rs. 80,287.00 has been fully written off and adjusted against General Reserve.
8. Previous year's figures have been regrouped, rectified and/or reclassified, wherever necessary.

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

Sd/-
Auditor



MEGHALAYA STATE WAREHOUSING CORPORATION
LOWER LACHUMIERE::OLD TAXATION BUILDING::SHILLONG-793001

Computation of Deferred Tax for the year 2020-2021

Asset Category	Rate	Opening Balance	Adjustment	Balance after adjustment	Additions	Deductions	Total	Depreciation as per Income-tax	Closing Balance	Depreciation as per Books
	(i)	(ii)			(iii)	(iv)		(v)		(vi)
a. Furniture & Fixtures	10.00%	64837.26	0.00	64837.26	0.00	0.00	64837.26	6483.73	58353.53	8188.89
b. Dunnage & Equipments	15.00%	2845.05	0.00	2845.05	0.00	0.00	2845.05	426.76	2418.29	846.67
c. Electrical Equipments	15.00%	109547.88	0.00	109547.88	0.00	0.00	109547.88	16432.18	93115.70	61917.13
d. Water Installation	15.00%	3310.26	0.00	3310.26	0.00	0.00	3310.26	496.54	2813.72	1283.19
e. Vehicle	15.00%	58444.57	0.00	58444.57	0.00	0.00	58444.57	8766.69	49677.88	25091.00
f. Office Machinery	15.00%	46125.15	0.00	46125.15	0.00	0.00	46125.15	6918.77	39206.38	11855.78
g. Office Computer	40.00%	21523.32	0.00	21523.32	49500.00	0.00	71023.32	18509.33	52513.99	15778.28
h. Land	0.00%	3664325.47	0.00	3664325.47	0.00	0.00	3664325.47	0.00	3664325.47	0.00
i. Building	10.00%	7367562.08	0.00	7367562.08	0.00	0.00	7367562.08	736756.21	6630805.87	407131.72
j. Roads & Bridges	5.00%	152368.61	0.00	152368.61	0.00	0.00	152368.61	7618.43	144750.18	7236.45
k. Ring Well	5.00%	1949.28	0.00	1949.28	0.00	0.00	1949.28	97.46	1851.82	93.68
TOTAL		11492838.93	0.00	11492838.93	49500.00	0.00	11542338.93	802506.09	10739832.84	539422.77

Depreciation as per Income-tax Act, 1961 Column (vi)

802506.09

Depreciation as per Books

539422.77

Timing Difference

263083.33

Deferred Tax Liability

(Effective Rate taken as per Sec 115BAA)

25.168%

66212.81

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

Sd/-
Auditor

AUDITORS' REPORT

To

The Members
The Meghalaya State Warehousing Corporation Limited.
Shillong, Meghalaya

We have audited the accompanying financial statement of **MEGHALAYA STATE WAREHOUSING CORPORATION LIMITED**, which comprises of the Balance Sheet as at 31st March 2021 and the Profit and Loss Account as on the even date.

Management's Responsibility for the Financial Statements

The Corporation's Board of Directors is responsible for the matters with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Corporation in accordance with the accounting principles generally accepted in India. The responsibility also includes maintenance of adequate accounting records in accordance with provision of the Act for safeguarding the assets of the Corporation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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 Union's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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

In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon 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 Corporation as at 31st March 2021;
- and
- b) In the case of the Statement of Profit and Loss account, of the **Profit** for the year ended on that date.

Emphasis of Matter:

Without qualifying our opinion we draw your attention to the following observation:

1. There were instances of balance in Meghalaya Co-operative Apex Bank Limited exceeding **Rs.1.0 lakh** in contravention to the provision of Rule 16(ii) of Chapter V of the Meghalaya State Warehousing Corporation Rules, 1976.
2. Actuarial Valuation of Gratuity and Retirement Benefits has not been done by the Corporation as required under AS 15.
3. Retirement Benefit Endowment and Employees Welfare Fund Account having a balance of **Rs. 12593888/-** is represented by a sum of **Rs. 8026395/-** in the form of Fixed Deposits thereby living a difference of **Rs. 4567493/-**
4. Third party confirmation of Sundry debtors was not made available to us.
5. Aqua guard purchased during the year amounting to **Rs. 14490/-** was not capitalized and was charged to Profit & Loss Account.
6. Fund to the extent of an amount of **Rs. 5,00,000/-** sanctioned by the State Government during the F.Y 2018-19 for Managerial Subsidy is yet to be released.
7. Third Party Confirmation for Fixed Deposits was not produced before us during the audit.
8. We further draw attention to Prior Period adjustment of **Rs. 122677.00** under Schedule –J- “Establishment Expenses” which pertains to:
 - (a) Accrued Interest on Fixed Deposit: Rs.40682.00
 - (b) ECPF for the month of March 2020: Rs. 81995.00]

Date: 23.12.2021
Place: Shillong

For M/s SSD &Co.
Chartered Accountants
FRN: 0326761E

Sd/-
(CA.Diksha Purkayastha)
Partner
Mem No. 307881

UDIN as issued by ICAI : 21307881AAAAALN6859



OFFICE OF THE MEGHALAYA STATE WAREHOUSING CORPORATION

SHILLONG

Management's Reply to the Statutory Auditor's Report for the year 2020-2021

Independent Auditors' Report to the Shareholders of Meghalaya State Warehousing Corporation.

We have audited the accompanying financial statement of **MEGHALAYA STATE WAREHOUSING CORPORATION LIMITED**, which comprises of the Balance Sheet as at 31st March 2021 and the Profit and Loss Account as on the even date.

Management's Responsibility for the Financial Statements

The Corporation's Board of Directors is responsible for the matters with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Corporation in accordance with the accounting principles generally accepted in India. The responsibility also includes maintenance of adequate accounting records in accordance with provision of the Act for safeguarding the assets of the Corporation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were



operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards and auditing issued by the Institute of Chartered Accountant 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 misstatements.

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 Union's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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

In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon 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 Corporation as at 31st March 2021;
and
- b) In the case of the Profit & Loss account, of the Profit for the year ended on that date.

Emphasis of Matter:

Without qualifying our opinion we draw your attention to the following observation:

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. There were instances of balance in Meghalaya Co-operative Apex Bank Limited exceeding Rs.1.0 lakh in contravention to the provision of Rule 16(ii) of Chapter V of the Meghalaya State Warehousing Corporation Rules, 1976. | <ol style="list-style-type: none"> 1. Noted for action. |
| <ol style="list-style-type: none"> 2. Actuarial Valuation of Gratuity and Retirement Benefits has not been done by the Corporation as required under AS 15. | <ol style="list-style-type: none"> 2. Necessary correspondence has been made with LIC. The reply is awaited |
| <ol style="list-style-type: none"> 3. Retirement Benefit Endowment and Employees Welfare Fund Account having a balance of Rs.12593888/- is represented by a sum of Rs. 8026395/- in the form of Fixed Deposits thereby living a difference of Rs. 4567493/- . | <ol style="list-style-type: none"> 3. Due to the paucity of fund corresponding investment of this fund could not be made during the year.
Efforts are being made to bridge this gap. |
| <ol style="list-style-type: none"> 4. Third party conformation of sundry debtors was not made available to us. | <ol style="list-style-type: none"> 4. Noted for compliance |
| <ol style="list-style-type: none"> 5. Aqua guard purchased during the year amounting to Rs. 14490/- was not | <ol style="list-style-type: none"> 5. Necessary correction will be done in the next Financial Year |



capitalized and was charged to Profit & Loss Account.

- | | |
|--|---|
| 6. Fund to the extent of an amount of Rs. 5,00,000/- sanctioned by the State Government during the F.Y 2018-19 for Managerial Subsidy is yet to be released. | 6. Necessary correspondence has been made with the State Govt. to release the amount at the earliest. |
| 7. Third Party Conformation for Fixed Deposits was not produced before us during the audit. | 7. Noted for compliance. |
| 8. We further draw attention to Prior Period adjustment of Rs. 122677.00 under Schedule –J- “Establishment Expenses” which pertains to : | 8. Noted. |
| (a) Accrued Interest on Fixed Deposit: Rs.40682.00 | |
| (b) ECPF for the month of March 2020: Rs. 81995.00 | |

Sd/-
M/s SSD & Co.
Chartered Accountants
FRN:0326761E

Sd/-
Managing Director

**SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 31 (8) OF THE WAREHOUSING CORPORATIONS ACT, 1962 ON THE
ACCOUNTS OF MEGHALAYA STATE WAREHOUSING CORPORATION FOR THE YEAR
ENDED 31 MARCH 2020**

The preparation of financial statements of **Meghalaya State Warehousing Corporation** for the year ended **31 March 2020** in accordance with financial reporting framework prescribed under the Warehousing Corporations Act, 1962 and the generally accepted accounting principles is the responsibility of the management of the Corporation. The Statutory Auditors appointed by State Government on the advice of the Comptroller and Auditor General of India under Section 31 (3) of the Warehousing Corporations Act, 1962 are responsible to express an opinion on these financial statements 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 Report dated 14 December 2020**.

This Separate Audit Report contains the comments of the Comptroller & Auditor General of India (CAG) on the accounting treatment only with regards to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules & Regulations (Propriety and Regularity) and efficiency-cum-performance aspects, etc., if any, are reported through Inspection Reports/CAG's Audit Reports separately.

We, on behalf of the Comptroller and Auditor General of India, have conducted the audit of the financial statements of Meghalaya State Warehousing Corporation for the year ended 31 March 2020 under Section 31 (8) the Warehousing Corporations Act, 1962. This audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to enquiries of the Statutory Auditors and the Corporation personnel and selective examination of some of the accounting records. Based on the audit, we would like to highlight the following significant matters under Section 31 (8) the Warehousing Corporations Act, 1962, which have come to our attention and which, in our view, are necessary for enabling a better understanding of the financial statements and the related Audit Report issued by the Statutory Auditors.

Comments of the Comptroller and Auditor General of India	Replies of the Management
<p>A Profit & Loss Account</p> <p>Income</p> <p>Warehousing Charges: Rs.101.51 lakh</p> <p>This is understated by Rs.2.04 lakh due to non-accounting of unrecovered warehousing charges (Manik Chand Gupta: Rs.0.50 lakh; Railtel Corporations: Rs.0.82 lakh and MeCOFED: Rs.0.72 Lakh) pertaining to the current year (2019-20). This has correspondingly resulted in understatement of 'Sundry Debtors' and 'Profit for the year' by Rs.2.04 lakh each.</p> <p>Accordingly, the total receivable pending for recovery from MeCOFED as on 31 March 2020 stood at Rs.1.58 lakh (including Rs.0.72 lakh due for more than six months) instead of Rs.0.86 lakh (all less than six months old) as wrongly depicted under Schedule E (Sundry Debtors) to the Accounts.</p> <p>B General</p> <p>The Central Warehousing Corporation (CWC) in exercise of powers conferred under section 20(4) of the Warehousing Corporation Act, 1962 had instructed (December 2018/ February, 2019) the Corporation to declare and pay minimum annual dividend of 30 percent of profit After Tax (PAT) or 5 per cent of Net worth, whichever is higher from 2014-15 onwards. However, the Corporation is yet to comply with the directions of the CWC. This fact merits for suitable disclosure under 'Notes to Accounts'.</p>	<p>All outstanding storage rent pertaining to the year 2019-20 has been shown as Sundry Debtors in Schedule 'E' in the Balance Sheet details enclosed.</p> <p>Recoverable shown in Sundry Debtor has been routed through P/L A/c. Hence there is no understatement of Sundry Debtor or receivable.</p> <p>Further, all recoverable Warehouse rent pertaining to the year 2019-20 has been recovered as on date expect storage rent receivable from MeCOFED, which is under process. As pointed by AG necessary disclosure will be made in the accounts in the subsequent year.</p> <p>In view of above the para may be dropped.</p> <p>Since Corporation had accumulated losses from the year 2014-15 to 2018-19, the Corporation was not in a position to declare dividend for the above mentioned years. However, the Corporation has been able to wipe out all its accumulated losses in the year 2019-20 and Corporation has proposed to declare dividend for the year. Necessary disclosure in this regard will be made from subsequent years.</p>

Sd/-
Accountant General (Audit)

Sd/-
Managing Director
Meghalaya State Warehousing Corporation
Shillong

**SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 31 (8) OF THE WAREHOUSING CORPORATION ACT, 1962 ON THE
ACCOUNTS OF MEGHALAYA STATE WAREHOUSING CORPORATION FOR THE YEAR
ENDED 31 MARCH 2021.**

The preparation of financial statements of Meghalaya State Warehousing Corporation for the year ended **31 March 2021** in accordance with financial reporting framework prescribed under the Warehousing Corporations Act, 1962 and the generally accepted accounting principles is the responsibility of the management of the Corporation. The Statutory Auditors appointed by State Government on the advice of the Comptroller and Auditor General of India under Section 31 (3) of the Warehousing Corporations Act, 1962 are responsible to express an opinion on these financial statements 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 Report dated 23 December 2021**.

This Separate Audit Report contains the comments of the Comptroller & Auditor General of India (CAG) on the accounting treatment only with regards to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules & Regulations (Propriety and Regularity) and efficiency-cum-performance aspects, etc., if any, are reported through Inspection Reports/CAG's Audit Reports separately.

We, on behalf of the Comptroller and Auditor General of India, have conducted the audit of the financial statements of **Meghalaya State Warehousing Corporation for the year ended 31 March 2021** under Section 31 (8) the Warehousing Corporations Act, 1962. This audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to enquiries of the Statutory Auditors and the Corporation personnel and selective examination of some of the accounting records. Based on the audit, we would like to highlight the following significant matters under Section 31 (8) the Warehousing Corporations Act, 1962, which have come to our attention and which, in our view, are necessary for enabling a better understanding of the financial statements and the related Audit Report issued by the Statutory Auditors.

Comments of the Comptroller and Auditor General of India	Replies of the Management
<p>A. Balance Sheet Capital and Liabilities Current Liabilities Current Liabilities and Provisions: Rs. 15.23 lakh</p> <p>Refer CAG's comment no. B on the Accounts for 2019-20 regarding non-compliance by the Corporation to the instructions of the Central Warehousing Corporation given in exercise of powers conferred under section 20(4) of the Warehousing Corporation Act 1962 for payment of minimum annual dividend (30 percent of Profit After Tax (PAT) or 5 percent of net Worth, whichever is higher) to the shareholders. The minimum liability on this account for 2019-20 and 2020-21 worked out to Rs. 13.23 lakh and Rs. 14.38 lakh respectively. The Corporation, however, has not provided for this liability (Rs. 27.62 lakh) for the said two years even though the Corporation has already declared (February 2021) and paid (May 2022) the dividend for 2019-20 (Rs. 13.23 lakh).</p> <p>This resulted in understatement of 'Current Liabilities and Provisions – Dividend Payable' by Rs. 27.62 lakh with corresponding overstatement of 'General Reserves' to the same extent.</p> <p>B. General The Company received income Tax Refund of Rs. 3.13 lakh prior period (FY 2019-20) and accounted the same directly under 'General Reserves' instead of routing through the Profit and Loss Account' contrary to the 'Generally Accepted Accounting Principles'.</p>	<p>Considering the financial position of the Corporation and quantum of profit earned by the Corporation, it is evident that the Corporation is not in a position to declare dividend at a prescribed rate of 5% of Net worth. Accordingly the BOD has decided to pay a token dividend @ 30% of PAT for the year 2019-20 and @ 20% of PAT for the year 2020-21 respectively.</p> <p>Further, since dividend is a payout from profit appropriation account and is subject to approval of AGM, hence, provision under Current Liabilities could not possibly be created. Hence, there is no understatement of Current Liabilities of provision as overstatement of General Reserve. Consequently, we shall pass necessary accounting entries with the General Reserve in the current Financial Year 2022-23.</p> <p>As pointed by the Auditor during the F/Y 2020-2021, Corporation received Income tax Refund amounting to Rs. 3.13 lakh for the F/Y 2019-20. Accordingly the IT refund amount has been adjusted with the Provision created for IT and the amount has been booked under General Reserves A/c.</p>

Sd/-
Accountant General (Audit)

Sd/-
Managing Director
Meghalaya State Warehousing Corporation
Shillong