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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
	Total	-	17,700 M.T

**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. i) Shri K. K. Guite,
Deputy Secretary (SRA), Ministry of Consumer Affairs,
Food & Public Distribution, Deptt. of Food & Public
Distribution, Govt. of India.
(Till 20 th January, 2020)
ii) Smt. Hema Jaiswal,
Director (Finance),
Ministry of Consumer Affairs,
Deptt. of Food & Public Distribution,
Govt. of India.
(Wef. 21 st January, 2020) | ... | Member |
| 2. i) Smt. E. S. Brisohbar,
Regional Manager,
Central Warehousing Corporation,
Regional Office, Guwahati
(Till 14 th May, 2019) | ... | Member |



- ii) Shri Binay Chiraniya,
Regional Manager,
Central Warehousing Corporation,
Regional Office, Guwahati.
(Wef. 15th May, 2019)
3. Shri S. Charles, ... Member
Director (Finance)
Central Warehousing Corporation,
Corporate Office, New Delhi.
4. i) Shri B.V.S.K.T Bhaskar, ... Member
Deputy General Manager (B & O),
State Bank of India, Local Head Office, Shillong.
(Till 23rd August, 2019)
- ii) Shri Subhas Das,
Deputy General Manager (B & O),
State Bank of India, Local Head Office,
Shillong.
(Wef. 1st October, 2019)
5. Anil Kumar ... Member
House No.5,
Part II, Sector 4,
Urban State, Karnal, Haryana.

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

Statutory Auditors : M/s A. Paul & Co.,
Chartered Accountant, Meghalaya, Shillong.



**OFFICE OF THE
MEGHALAYA STATE WAREHOUSING CORPORATION, SHILLONG**

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

Ladies & Gentlemen,

It gives me immense pleasure to welcome you to the Forty-Fourth 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 2019-2020 and I, with your permission shall take them as read.

In view of the best efforts and performance of the Corporation, the earning of the Corporation has increased to Rs.1,39,44,874.00 as against of Rs.1,28,51,239.00 of the preceding year. The profit for the year has increased to Rs.62,62,098.54 lakhs as against Rs.33,70,823.98 in the preceding year.

The Corporation has not received Share Capital from Central Warehousing Corporation from 2005-2006 onwards till the year under report. It should be acknowledged that the scope for enhancement of warehousing activities in the state of Meghalaya largely depends on the support of the Central Warehousing Corporation and the State Government. It is against this background that the question for release of Share Capital by the respective shareholders needs to be taken up vigorously.

However, inspite of the non-receipt of Share Capital, the Corporation has proposal to increase its storage capacity of 500 M.T at Khanapara, Ri Bhoi District and 500 M.T at Mawlai, East Khasi Hills District. It may be mentioned here that the Corporation with the construction of these new projects will be earning a better profit in the years to come.

The construction of the office building of the Meghalaya State Warehousing Corporation (Phase I) is in progress and is expected to be completed soon. Moreover, the Phase II of the building will be started soon on the availability of fund.

I would like to place on record my thanks to our valuable customers for their continued patronage and confidence in the service of the Corporation. I also express my gratitude to the State Government, Central Warehousing Corporation, Managing Director and other Directors for their continued guidance and support. I also take this opportunity to assure the shareholders that your Corporation will endeavour to achieve better progress 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 fourth 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 2020. The financial performance and the progress made by the Corporation is highlighted below:-

FINANCIAL REPORT:

INCOME:

Sl. No.	Particulars	Years	
		2018-2019	2019-2020
1.	Warehouse charges	Rs.89,14,165.00	Rs.1,01,50,690.00
2.	Interest	Rs.34,24,815.00	Rs.37,68,825.00
3.	Other Income	Rs.12,259.00	Rs.25,359.00
4.	Managerial Subsidy	Rs.5,00,000.00	0.00
	Total	Rs.1,28,51,239.00	Rs.1,39,44,874.00

EXPENDITURE:

Sl. No.	Particulars	Years	
		2018-2019	2019-2020
1.	Establishment	Rs.89,00,860.68	Rs.71,27,551.00
2.	Depreciation on fixed Assets	Rs.5,79,554.34	Rs.5,55,224.46
	Total	Rs.94,80,415.02	Rs.76,82,775.46
	Profit/Loss	(+) Rs.33,70,823.98	(+) Rs.62,62,098.54

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 2020 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 100%. The revenue earned during the year stood at Rs.101.50 lakhs as against of Rs.89.14 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.7.68 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, only one meeting of the Board of Directors were convened to transact the business of the Corporation during the year 2019-2020. 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 M/s A. Paul & Associates, Chartered Accountant as Auditors of Meghalaya State Warehousing Corporation for the year 2019-2020.

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
LOWER LACHUMIERE::OLD TAXATION BUILDING::SHILLONG-793001

Profit and Loss Account for the year ended on 31st March, 2020

Previous Year	Expenses	Current Year	Previous Year	Income	Current Year	sd/- Chairman	sd/- Managing Director	sd/- Director	sd/- Director	sd/- Auditor
8900860.68	Establishment Expenses (as per Schedule J)	7127551.00	8914165.00	Warehousing Charges	10150690.00					
579554.34	Depreciation on Fixed Assets	555224.46		Interest on:						
			3302421.00	Fixed Deposits	3669389.00					
3370823.98	Net Profit Carried Down Before Tax	6262098.54	122394.00	Saving Bank Account	52076.00					
			0.00	Current Deposit Account	0.00					
			0.00	Interest from IT Return	47360.00					
			12259.00	Miscellaneous Receipts	25359.00					
			500000.00	Managerial Subsidy	0.00					
			0.00	Net Loss Carried Down	0.00					
<u>12851239.00</u>		<u>13944874.00</u>	<u>12851239.00</u>		<u>13944874.00</u>					
1194235.89	Provision for Income Tax	1850209.39	3370823.98	Net Profit Brought Down	6262098.54					
3049665.09	Profit after tax carried down	4411889.15	873077.00	Prior Period Adjustments	0.00					
			<u>6262098.54</u>		<u>6262098.54</u>					
37459.90	Provision for Deferred Tax	99582.08	3049665.09	Profit after tax Brought down	4411889.15					
0.00	Balance transferred to General Reserve	4312307.07								
3012205.18	Balance transferred to accumulated loss	0.00								
<u>7293566.07</u>		<u>4411889.15</u>	<u>7293566.07</u>		<u>4411889.15</u>					
	Earning per equity Share:									
	0.03 1). Basic	0.13								
	0.00 2) Diluted	0.00								
	Accounting Policies- Schedule K									
	Notes on Accounts- Schedule L									



Schedule 'A'													
Schedule of Fixed Assets													
FIXED ASSETS	GROSS BLOCK						DEPRECIATION				NET BLOCK		
	As at 1st April 2019	Additions during the year		Adjustments	Sales/ Deductions	As at 31st March 2020	Rate of Deprn.	For the year	Adjustments	Deductions	As at 31st March 2020	As at 1st April 2019	As at 31st March 2020
		upto 30.09.2019	upto 31.03.2020										
LAND AT COST:													
Shilong	28303.00	0.00	0.00	0.00	28303.00						28303.00	28303.00	
Jowai	26719.02	0.00	0.00	0.00	26719.02						26719.02	26719.02	
Williamnagar	1.00	0.00	0.00	0.00	1.00						1.00	1.00	
Khanapara	2611790.75	0.00	0.00	0.00	2611790.75						2611790.75	2611790.75	
Aramlie (Tura)	374719.70	0.00	0.00	0.00	374719.70						374719.70	374719.70	
Nongstoin	623332.00	0.00	0.00	0.00	623332.00						623332.00	623332.00	
BUILDING:													
Shilong	157788.32	0.00	199952.00	0.00	157788.32	5.00%	15734.45	0.00	0.00	0.00	1178857.82	414664.95	398930.50
Jowai	1728035.79	0.00	0.00	0.00	1728035.79	5.00%	1169232.33	0.00	0.00	0.00	1197258.95	568712.46	530776.84
Williamnagar	2987548.44	0.00	0.00	0.00	2987548.44	5.00%	1923484.66	0.00	0.00	0.00	1975687.85	1044063.78	991860.59
Khanapara	7221515.25	0.00	531667.00	0.00	7221515.25	5.00%	3500221.66	0.00	0.00	0.00	3672969.66	3721293.59	354825.59
Aramlie (Tura)	3111481.13	0.00	0.00	0.00	3111481.13	5.00%	2157330.87	47707.51	0.00	0.00	2203038.38	954150.26	906442.75
Nongstoin	3043331.00	0.00	178412.00	0.00	3043331.00	5.00%	1188975.42	88257.48	0.00	0.00	1277232.90	1854355.58	1766098.10
Sohra	0.00	0.00	235930.00	0.00	0.00								
Office Building	233332.00	0.00	95270.00	0.00	233332.00								
OFFICE COMPUTER	175241.00	0.00	0.00	0.00	175241.00	40.00%	150748.19	9797.12	0.00	0.00	160545.31	24492.81	14965.69
FURNITURE AND FIXTURE	170878.68	0.00	0.00	0.00	170878.68	18.10%	114885.50	10750.72	0.00	0.00	125636.22	59396.25	45242.46
DUNNAGE AND EQUIPMENTS	292765.91	0.00	0.00	0.00	292765.91	13.91%	285685.70	983.47	0.00	0.00	286679.17	7070.21	6086.74
ELECTRICAL INSTALLATION	1574344.30	0.00	0.00	0.00	1574344.30	13.91%	1057296.13	71921.40	0.00	0.00	1129217.53	517048.17	445126.77
Plant & Machineries													
Nongstoin	119327.00	0.00	0.00	0.00	119327.00	18.10%	65855.43	9678.35	0.00	0.00	75533.79	53471.57	43793.21
WATER INSTALLATION:													
Tura	43778.00	0.00	0.00	0.00	43778.00	5.00%	33566.55	510.57	0.00	0.00	34077.12	10211.46	9700.88
Khanapara	64834.00	0.00	0.00	0.00	64834.00	5.00%	48030.93	840.15	0.00	0.00	48871.09	16803.07	15962.91
VEHICLE	789311.00	0.00	0.00	0.00	789311.00	25.89%	686540.73	33856.42	0.00	0.00	692397.15	130770.27	96913.85
RING WELL:													
Khanapara	8145.00	0.00	0.00	0.00	8145.00	5.00%	6172.82	98.61	0.00	0.00	6271.43	1972.18	1873.57
OFFICE MACHINERY	230701.00	0.00	0.00	0.00	230701.00	13.91%	197899.60	4564.07	0.00	0.00	202453.66	32811.40	28247.34
ROADS AND BRIDGES	494476.32	0.00	0.00	0.00	494476.32	5.00%	342130.05	7617.31	0.00	0.00	349747.37	152346.27	144728.95
TOTAL	2751159.61	0.00	2098431.00	2098431.00	2751159.61		14063270.93	555224.46	0.00	0.00	14619495.39	13217959.75	1265932.22
TOTAL as on 31.03.2019	28224601.61	14163.00	2037603.00	2765208.00	2751159.61		13480313.52	579554.34	0.00	0.00	14059867.86	14225195.09	13217959.75

sd/-
Chairman

sd/-
Managing Director

sd/-
Director

sd/-
Director

sd/-
Auditor



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

Schedules for Balance Sheet as at 31st March, 2020

SCHEDULES FORMING PART OF ACCOUNTS				(all figures in ₹)	
				CURRENT YEAR	PREVIOUS YEAR
B <u>FIXED DEPOSITS:</u>					
Security from Tenants			1419721.00	1256589.00	
			1419721.00	1256589.00	
C <u>DEPRECIATION FUND INVESTMENT ACCOUNT:</u>					
Fixed Deposits			22367284.00	20889155.00	
FD transferred from General Fund Investment			215840.00	1478129.00	
			22583124.00	22367284.00	
D <u>RETD BENEFIT ENDOWMENT, EMPLOYEE WELFARE FUND INVESTMENT:</u>					
Savings Bank Account			160459.00	12802.00	
Fixed Deposits			7860498.00	10734842.00	
			8020957.00	10747644.00	
E <u>SUNDRY DEBTORS:</u>					
	<u>More than six months</u>	<u>Less than six months</u>			
Food Corporation of India	0.00	314480.00	314480.00	319703.00	
MeCOFED	0.00	86328.00	86328.00	14388.00	
Gautam Prasad	0.00	135080.00	135080.00	8322.00	
Railtel (Jowai)	0.00	62509.00	62509.00	65983.00	
Smirti M Sangma	0.00	0.00	0.00	22969.00	
Kaliashram Kedernath	0.00	112972.00	112972.00	0.00	
Manik Chand Gupta	0.00	56241.00	56241.00	0.00	
Raja Ram prasad	0.00	279.00	279.00	0.00	
Sajal Gupta	0.00	453.00	453.00	0.00	
			768342.00	431365.00	
F <u>ACCRUED INTEREST ON FIXED DEPOSITS:</u>					
General Fund Investment			1024917.00	882438.00	
Accrued Interest on Dep. Fund investment			1667816.00	1300622.00	
Accrued Interest on Retd. Benefit Fund			997411.00	489434.00	
Accrued Interest on Security Deposit Tenant			104291.00	59654.00	
			3794435.00	2732148.00	
G <u>ADVANCES:</u>					
Advances to Staff:					
Advance to Staff			230000.00	125000.00	
			230000.00	125000.00	
H <u>LIABILITIES FOR EXPENSES:</u>					
Audit Fees Payable			31500.00	58500.00	
Cess Tax			6143.00	0.00	
Earnest Money			0.00	21000.00	
ECPF to PF Org Payable			0.00	104216.00	
Electric Charges Payable			0.00	1493.00	
GST Payable			130372.00	135620.00	
Income tax for Contractor			12286.00	0.00	
Professional Charges Payable			37125.00	32625.00	
TDS Payable			10625.00	10125.00	
Tax Audit Payable			27000.00	0.00	
Professional tax			3850.00	0.00	
Office Contingency Payable			2200.00	0.00	
Income tax deduction			56184.00	0.00	
Conveyance Allowance Chairman Payable			18260.00	0.00	
Conveyance Allowance EE Payable			2984.00	0.00	
Conveyance Allowance GM Payable			4548.00	0.00	
Conveyance Allowance MD Payable			5240.00	0.00	
Pay & Allowance Payable			21994.00	0.00	
Telephone Charges Payable			3297.00	3389.00	
			373608.00	366968.00	

sd/-
Chairmansd/-
Managing Directorsd/-
Directorsd/-
Directorsd/-
Auditor



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

I	<u>SECURITY DEPOSITS: STAFF</u>		
	Shri Mek Bahadur	250.90	250.90
	Shri Mornig Star Pathaw	389.40	389.40
	Shri Aleric Tariang	5000.00	5000.00
		<u>5640.30</u>	<u>5640.30</u>
J	<u>ESTABLISHMENT EXPENSES</u>		
	Advertisement	19845.00	5985.00
	Accommodation to BOD Director	0.00	2668.00
	Annual Subscription Fees	30000.00	30000.00
	Arrear-DA	123110.00	70882.00
	Audit Fees	35000.00	65000.00
	Bank Charges	917.00	962.68
	Books & Periodicals	3539.00	3698.00
	BOD meeting expenses	0.00	1320.00
	Cash Allowance	0.00	2278.00
	Conveyance	207630.00	4100.00
	Conveyance Allowance (Chairman)	0.00	24519.00
	Conveyance Allowance (EE)	0.00	19101.00
	Conveyance Allowance (GM)	0.00	54028.00
	Conveyance Allowance (MD)	0.00	7946.00
	Conveyance Allowance (Directors)	0.00	2700.00
	Departmental Work (Khanapara W/H)	55746.00	33600.00
	Departmental Work (Williamnagar W/H)	0.00	23200.00
	Departmental Work (Tura W/H)	0.00	255181.00
	Deptt Work at Nongstoin W/h	0.00	63417.00
	Digital Signature	1416.00	7080.00
	ECPF (Deposit)	525559.00	690529.00
	Electric Charges	11301.00	20850.00
	Insurance (Vehicle)	15851.00	17148.00
	Land Revenue Exp.	1817.00	0.00
	Miscellaneous Expenditure	660.00	4038.00
	Office Rent	60000.00	0.00
	Office Contingency	29554.00	29250.00
	Office Shifting Expenses	26400.00	0.00
	Pay & Allowances	5597695.00	6353826.00
	Postage & Stamps	9095.00	13082.00
	Printing & Stationery	32892.00	72848.00
	Professional Charges	84302.00	48463.00
	Prior period adjustment	16356.00	0.00
	Provision for Retirement Benefit Endowment Fund	0.00	715736.00
	Refreshment	2044.00	0.00
	Repairs and Maintainance (Office Machinery)	0.00	1438.00
	Repairs and Maintainance (Vehicle)	370.00	11710.00
	Repairs and Maintainance of Warehouses	19000.00	0.00
	Repairs and Maintainance(Xerox)	4900.00	3000.00
	Repairs to Computer	13575.00	17657.00
	Tax Audit	30000.00	0.00
	TA to Director	10597.00	54380.00
	Telephone Charges	25531.00	27067.00
	Tender Meeting expenses	849.00	0.00
	Travelling Expenses	0.00	50111.00
	Wages	132000.00	91000.00
	Sitting Fees	0.00	500.00
	Lease Rent	0.00	562.00
		<u>7127551.00</u>	<u>8900860.68</u>

sd/-
Chairmansd/-
Managing Directorsd/-
Directorsd/-
Directorsd/-
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 statement 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 state land at actual cost or notional cost of acquisition. AS 12 treatment to be reflected 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 1956. 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 accrued income on such investments.

Retirement 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 Gratuity Fund the balance of which is represented by investments in long term financial assets.

Sd/-
Chairman

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

Sd/-
Auditor



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

Deferred Tax Liability

Deferred tax provision has been made as per AS – 22, Accounting for Tax. A provision for the financial year 2019-2020 in tune of Rs. 99,582.00 was made in the accounts.

SCHEDULE – L :: NOTES ON ACCOUNTS

1. Provision for Income Tax amounting to Rs. 18,50,209.39 has been made during the year.

2. The Fixed Deposits have been earmarked as follows:

SL Particulars	Amount
A. Depreciation Fund Investment	Rs. 2,25,83,124.00
B. General Fund investment	Rs. 1,94,42,119.00
C. Security from Tenants	Rs. 14,19,721.00
D. Retd. Benefit Endowment, Employees Welfare Fund Investment	<u>Rs. 78,60,498.00</u>
	Rs. 5,13,05,462.00

3. An amount of Rs. 2,15,840.00 was transferred from General Fund Investment to Depreciation Fund Investment account to match the fund and fund investment account.

4. Total project cost for office building amounts to Rs. 95,22,700.00 out of which financial assistance from government received earlier years Rs. 49,20,000.00 and the expenditure as on 31st March 2020 stands at Rs 12,52,194.00

5. An amount of Rs. 2,33,332.00 was expended towards Land Revenue for office building of the Corporation.

6. An amount of Rs. 3,39,384.00 utilized from Depreciation fund in the financial year 2019-2020.

7. After adjusting the accumulated loss from current years profit the balance of Rs. 41,00,886.38 has been transferred to General Reserve.

8. Previous year's figure has been re-grouped 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 2019-20

Asset Category	Rate	Opening Balance	Adjustment	Balance after adjustment	Additions	Deductions	Total	Depreciation as per Income-tax (vi)	Closing Balance	Depreciation as per Books (vii)
	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
a. Furniture & Fixtures	10.00%	7204.140	0.00	7204.140	0.00	0.00	7204.140	7204.14	64837.26	10750.72
b. Dummage & Equipments	15.00%	3347.12	0.00	3347.12	0.00	0.00	3347.12	502.07	2845.05	983.47
c. Electrical Equipments	15.00%	128879.86	0.00	128879.86	0.00	0.00	128879.86	19331.98	109547.88	71921.40
d. Water Installation	15.00%	3894.42	0.00	3894.42	0.00	0.00	3894.42	584.16	3310.26	1350.73
e. Vehicle	15.00%	68758.32	0.00	68758.32	0.00	0.00	68758.32	10313.75	58444.57	33856.42
f. Office Machinery	15.00%	54264.88	0.00	54264.88	0.00	0.00	54264.88	8139.73	46125.15	14242.42
g. Office Computer	40.00%	35872.20	0.00	35872.20	0.00	0.00	35872.20	14348.88	21523.32	9797.12
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%	8186180.09	0.00	8186180.09	0.00	0.00	8186180.09	818618.01	7367562.08	404606.26
j. Roads & Bridges	5.00%	160388.01	0.00	160388.01	0.00	0.00	160388.01	8019.40	152368.61	7617.31
k. Ring Well	5.00%	2051.87	0.00	2051.87	0.00	0.00	2051.87	102.59	1949.28	98.61
TOTAL		12380003.64	0.00	12380003.64	0.00	0.00	12380003.64	887164.71	11492838.93	555224.46

Depreciation as per Income-tax Act, 1961 Column (vi) 887164.71

Depreciation as per Books 555224.46

Timing Difference 331940.25

Deferred Tax Liability 99582.08



AUDITOR'S REPORT

To,
The Members of
Meghalaya State Warehousing Corporation
Shillong

We report that we have audited the attached Balance Sheet of MEGHALAYA STATE WAREHOUSING CORPORATION LIMITED: SHILLONG as at March 31 2020 signed by us under reference to this report and the relative Profit and Loss Account for the year ended on that date.

Management's Responsibility:

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, including the Accounting Standards. This responsibility also includes maintenance of adequate accounting records in accordance with the 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 and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

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

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.

- i) in the case of the Balance Sheet, of the state of affairs of the corporation as at 31.03.2020
and
- ii) 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 observations:

1. There were instances of balances in Meghalaya Co-operative Apex Bank limited exceeding Rs.1.0 lac in contravention to the provisions of Rule 16(ii) of Chapter-V of the Meghalaya State Warehousing Rules, 1976.
2. Actuarial valuation of Gratuity and Retirement Benefits has not been done by the Corporation as required under AS 15.
3. Deferred Tax Liabilities has been calculated as per provisions of AS-22 or not needs to be verified.
4. Retirement Benefit Endowment and Employees, Welfare Fund Account having a balance Rs.12683888/- is represented by a sum of Rs. 8020957/- in the form of Fixed Deposits thereby leaving a difference of Rs. 4662931/- .
5. During the year only one Board Meeting was held 28/8/2019 and no executive Committee meeting was held.
6. Fund to the extent of an amount of Rs. 5,00,000/- sanctioned by the State Government during the year 18-19 for Managerial Subsidy is still to be released.
7. As considerable time has elapsed since excess amount of Rs.80287/- paid towards Service tax, the same may be written off and be kept in Shadow Register till the recovery is made.
8. An excess provision of Rs.308367/- has been provided for, towards the income tax liability for the year.

Subject to our comments above we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of accounts as required by law have been kept by the Corporation, so far as it appears from our examination of those books.
- c. The Balance Sheet and the statement of Profit & Loss Account dealt with by this report are in agreement with the books of accounts.

For and on behalf
A. PAUL & CO
CHARTERED ACCOUNTANTS
Firm Regn. No.312060E

Sd/-
(AJIT PAUL)
Proprietor
(M.No.050527)

Dated Shillong
the 14th December, 2020.



**OFFICE OF THE MEGHALAYA STATE WAREHOUSING CORPORATION
SHILLONG**

Management's Reply to the Statutory Auditor's Report for the year 2019-2020

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

Reply

We report that we have audited the attached Balance Sheet of Meghalaya State Warehousing Corporation Limited: Shillong as at March 31, 2020 signed by us under reference to this report and the relative Profit and Loss Account for the year ended on that date.

Management's Responsibility

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, including the Accounting Standards. This responsibility also includes maintenance of adequate accounting records in accordance with the 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 records, 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.

Management's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining -



on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

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

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.

- iii) In the case of the Balance Sheet, of the state of affairs of the corporation as at 31.03.2020.
and
- iv) 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 observations:

- | | |
|---|--|
| 1. There were instances of balances in Meghalaya Cooperative Apex Bank Limited exceeding Rs. 1.0 lac in contravention to the provisions of Rule 16(ii) of Chapter V of the Meghalaya State Warehousing Corporation Rules, 1976. | 1. Necessary action has been taken to maintain balance within Rs. 1.00 lac in CD account of the Corporation of the Corporation as per provision of the Rule. |
| 2. Actuarial valuation of Gratuity and Retirement Benefits has not been done by the Corporation as required under AS 15. | 2. Necessary efforts in this regard shall be made by the management. |
| 3. Deferred Tax Liabilities has been calculated as per provisions of AS-22 or not needs to be verified. | 3. The Deferred Tax had been computed in gross block, and has been verified. |



- | | |
|--|--|
| 4. Retirement Benefit Endowment and Employees Welfare Fund Account having a balance of Rs. 1,26,83,888/- is represented by a sum of Rs. 80,20,0957/- in the form of Fixed Deposits thereby leaving a difference of Rs. 46,62,931/- | 4. Due to paucity of fund corresponding investment of the fund could not be made during the year. |
| 5. During the year only one Board Meeting was held 28/08/2019 and no Executive Committee was held. | 5. Noted. |
| 6. During the year extent of an amount of Rs. 5,00,000/- sanctioned by the State Government during the year 18 - 19 for Managerial Subsidy is still to be released. | 6. Necessary correspondences has been made with the State Govt. to release the Managerial Subsidy at the earliest. |
| 7. As considerable time has elapsed since excess amount of Rs. 80,287/- paid towards Service Tax, the same may be written off and be kept in shadow Register till the recovery is made. | 7. Necessary correspondences has been made with the concerned Deptt. |
| 8. An excess provision of Rs. 3,08,367/- has been provided for towards the Income Tax liability for the year. | 8. The same will be adjusted after the assessment of Income Tax return to the Income Tax Department. |

Subject to our comments above we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of accounts as required by law have been kept by the Corporation, so far as it appears from our examination of those books.
- c. The BALANCE Sheet and the statement of Profit & Loss Account dealt with by this report are in agreement with the books of accounts.

Sd/-
A. Paul & Co.
Chartered Accountant

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 2019.

The preparation of financial statements of Meghalaya State Warehousing Corporation for the year ended 31 March 2019 in accordance with financial reporting framework prescribed under the Warehousing Corporation 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 24 September 2019.

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 2019 under Section 31 (8) of the Warehousing Corporation 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, nothing significant has come to my knowledge which would give rise to any comment upon under section 31 (8) the Warehousing Corporations Act, 1962.



Comments of the Comptroller and Auditor General of India	Replies of the Management
<p>During the course of Financial Audit of Meghalaya State Warehousing Corporation for the year ended 31 March 2019, it was observed that the expenditure (Repairs & Maintenance Rs. 33,805, Stationery and Printing amounting Rs. 72,848 and Lease Rent Rs. 562) was shown under Establishment Expenses which should have been shown under the Heads “Repairs”, “Stationery, Printing, etc” and “Rent, rate, taxes” in accordance with the ‘Form B’ of Rule 18(b) of Meghalaya State Warehousing Corporation, Shillong Rules 1976:</p>	<p>Noted for compliance.</p>

Sd/-

A.Paul & Co.

Chartered Accountant

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 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 Income Warehousing Charges: Rs.101.51 lakh 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>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. 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>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>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. In view of above the para may be dropped.</p>
<p>B General 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>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/-
A.Paul & Co.
Chartered Accountant

Sd/-
Managing Director
Meghalaya State Warehousing Corporation Shillong