

# **40th Annual Report 2019-20**



**WEST BENGAL STATE SEED CORPORATION LTD.**

**(A West Bengal Government Company)**

**6, GANESH CHANDRA AVENUE (5TH FLOOR)**

**KOLKATA-700 013**

**PH : 033-2225-7115 / 2236 7859**



**WEST BENGAL STATE SEED CORPORATION LTD.**  
(A West Bengal Government Company)

**6, Ganesh Chandra Avenue (5th Floor), Kolkata-700 013**

**40th Annual Report 2019-20**  
**Board of Directors**

Chairman	: Shri Onkar Singh Meena, IAS, Principal Secretary to the Govt. of W.B., Agriculture and Public Works Department (From 04.03.2021) Shri Sunil Kumar Gupta, IAS, Additional Chief Secretary to the Govt. of W.B., Department of Agriculture (From 04.12.2019 to 03.03.2021) Shri Rajesh Kumar Sinha, IAS, Secretary to the Govt. of W.B., Department of Agriculture (From 16.05.2019 to 03.12.2019) Shri Naveen, Prakash, IAS, Additional Chief Secretary to the Govt. of W.B., Department of Agriculture (From 03.10.2018 to 15.05.2019)
Managing Director	: Shri Bidhan Chakraborty (From 01.01.2022) Shri Pradip Kumar Mondal (From 04.07.2019 to 31.12.2021) Shri Debananda Roy (From 20.02.2019 to 03.07.2019)
Director	: Shri Sampad Ranjan Patra (From 17.05.2017) Director of Agriculture & Ex-Officio Secretary, Govt. of W.B. Shri Pradip Gobinda Chaudhuri Financial Adviser, Department of Agriculture Govt. of W.B (From 02.01.2017 to 11.11.2020) Shri Subhasish Batabyal Government Nominee (From 24.02.2015 to 05.03.2021 & From 14.09.2021) Hrishikes Mudi (From 07.02.2020) Special Secretary, Department of Agriculture Shri Jitendra Roy (From 18.11.2011 to 06.02.2020) Joint Secretary, Department of Agriculture Dr. Pranab Chattopadhyay, Ex-Professor Bidhan Chandra Krishi Viswa Vidyalaya, Kalyani (From 30.11.2006)
Finance & Accounts Officer	: Shri Prodyot Kumar Pathak (From 14.09.2018)
Company Secretary	: CS Sibasish Raha, A.C.S., A.C.M.A.
Auditors	: S. K. Bhattachariya & Co., Chartered Accountants 4, Kiran Sankar Roy Road, "Raja Chambers" Kolkata-700001
Bankers	: State Bank of India, B. B. Ganguly Street Branch
Registered Office	: 6, Ganesh Chandra Avenue (5th Floor), Kolkata-700013



भारतीय लेखापरीक्षा और लेखा विभाग  
कार्यालय प्रधान महालेखाकार (लेखापरीक्षा-I)  
पश्चिम बंगाल  
2, गवर्मेन्ट प्लेस (पश्चिम), ट्रेजरी बिल्डिंग्स,  
कोलकाता - 700 001



INDIAN AUDIT AND ACCOUNTS DEPARTMENT  
OFFICE OF THE PRINCIPAL  
ACCOUNTANT GENERAL (AUDIT-I),  
WEST BENGAL  
2, GOVT. PLACE (WEST), TREASURY BUILDINGS,  
KOLKATA-700 001  
Ph. (033) 2213-3151/52, Fax (033) 2213-3174  
e-mail : agauwestbengal1@cag.gov.in

No. : AMG-I/Accts/WBSSCL/19-20/143

Date : 07-09-2021

To  
The Managing Director,  
West Bengal State Seed Corporation Limited.,  
6, Ganesh Chandra Avenue (5th Floor),  
Kolkata-700 013

*Subject : Comments of the Comptroller and Auditor General of India under Section 143(6) (b) of the Companies Act, 2013 on the accounts of West Bengal State Seed Corporation Limited for the year ended 31 March 2020.*

Sir,

I am forwarding the Comments of the Comptroller & Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of **West Bengal State Seed Corporation Limited** for the year ended 31 March 2020 for placing the same in the Annual General Meeting of the Company.

Yours faithfully,

Enclo.: As stated.

**Dy. Accountant General (AMG-I)**



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF WEST BENGAL STATE SEED CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2020**

The preparation of financial statements of West Bengal State Seed Corporation Limited for the year ended 31 March 2020, in accordance with the financial reporting framework prescribed under the Companies Act, 2013, is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 25.03.2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of West Bengal State Seed Corporation Limited for the year ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matter under Section 143(6)(b) of the Act which have come to my attention and which in my view is necessary for enabling a better understanding of the financial statements and the related Audit Report.

**A. Comments on Disclosure :**

**A.1. Notes on Accounts (Para No. 12 of Note 24)**

Government of West Bengal declared (22nd January 2019) the Company as State Level agency of the Agriculture Department (Department) for implementing financial assistant part of the "Krishak Bandhu" (Assured Income) Scheme. As such, the Company opened ESCROW Account with West Bengal State Co-Operative Bank Ltd. exclusively for the scheme. Further, the Department released (January 2019) Rs. 4000 crore to the Company and the amount was transferred to designated Bank Account, *ibid*. As of March 2019, out of the said (Rs. 4000 crore) amount, Rs. 3500 crore was parked in Term Deposit with the approval of the Finance Department, while Rs. 379.47 crore remained in the four current accounts maintained by the Company. The Company, however, has not incorporated in the disclosure the general picture of the transactions during 2019-20, as enumerated below :

Rs. in Crore				
	FIXED DEPOSIT		CURRENT ACCOUNTS	
	Fixed Deposit (Rs.)	Interest on Fixed Deposit (Rs.)	(Mother Current Account & Other 16 Current Accounts)	(Rs.)
<i>O.B</i>	3500.00	34.30	<i>O.B</i>	379.47
<i>Accrued</i>	<i>Not Applicable</i>	226.66	<i>Interest on Fixed Deposit Transferred to Mother Current Account</i>	243.51
<i>Interest on Fixed Deposit Transferred to Mother Current Account No. 101008917035)</i>	<i>Not Applicable</i>	243.51	<i>Transferred from matured F.D to Mother Current Account (No. 101008917035)</i>	1500.00
<i>F.D matured &amp; transferred to Mother Current Account (No. 101008917035)</i>	1500.00	<i>Not Applicable</i>	<i>Disbursement/Advance made from Current Accounts</i>	1427.72
<i>C.B</i>	2000.00	17.45	<i>C.B</i>	695.26

It transpired from the tabular portrayal; *ibid*, that no fresh allotment was deposited/transferred from Government of West Bengal in 2019-20 to the ESCROW accounts, maintained by the Company, for "Krishak Bandhu" Scheme.

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

07/09/2021  
Principal Accountant General (Audit-I)  
West Bengal

Place : Kolkata  
Date : 7 September, 2021



**S. K. Bhattachariya & Co.**  
CHARTERED ACCOUNTANTS

4, KIRAN SANKAR ROY ROAD,  
"RAJA CHAMBERS"  
KOLKATA-700 001  
PHONE : 2248-2560

## INDEPENDENT AUDITORS' REPORT

To the Members

West Bengal State Seed Corporation Limited

Report on the Audit of the Financial Statements

### Opinion

1. We have audited the accompanying financial statements of **West Bengal State Seed Corporation Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, Statement of Profit and Loss and the Cash Flow Statement for the year then ended, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, Cash Flow and its profit for the year ended on that date.

### Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Emphasis of Matter

- 3.1 No Internal Audit report could be made available to us for the quarter ended on 31<sup>st</sup> December 2019 and 31<sup>st</sup> March 2020.
- 3.2 Attention is drawn to the following points in Note-23 & Note-24 of Significant Accounting Policies and Notes on Accounts :
  - 3.2.1 Reference to Note-24(13) unidentified/unreconciled difference of Rs. 44,45,888.96('000) between actual sale and GSTR 3B submitted by the Corporation.
  - 3.2.2 As observed, the entire balances of Sundry Debtors amounting to Rs. 8,51,727 thousand shown under Note-11 and Advances to suppliers shown under Note-13 amounting to Rs. 33,055 thousand for which Balance confirmation is not made available. Further neither reconciliation could be made available to us nor details are available.
  - 3.2.3 Trade Payables shown under Note - 5 amounting to Rs. 15,73,938 thousand and Advances from customers amounting to Rs. 1,56,123 & Rs. 1115 thousand shown under Note 3 & 6 under 'Customers Dues' and 'Advance from Customer & Others' respectively for which balance confirmation is not made available. Further neither reconciliation could be made available to us nor details are available.
  - 3.2.4 Expenditure incurred on behalf of the West Bengal Government for Krishi Mela during the Financial Year 2012-2013 amounting to Rs. 7,282 thousand is still not recovered.



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**S. K. Bhattachariya & Co.**  
CHARTERED ACCOUNTANTS

4, KIRAN SANKAR ROY ROAD,  
"RAJA CHAMBERS"  
KOLKATA-700 001  
PHONE : 2248-2560

: 2 :

**Responsibility of Management for Financial Statements**

4. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities : selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records. Relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
5. In preparing the financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility for the Audit of the Financial Statements**

7. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAS, we exercise professional judgment and maintain professional scepticism throughout the audit. We also :
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
  - Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i.e.) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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**S. K. Bhattachariya & Co.**  
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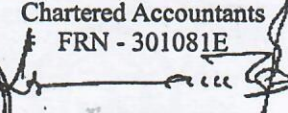
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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

**Report on Other Legal and Regulatory Requirements**

9. Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 a statement on the matters specified in paragraphs 3 and 4 of the Order is annexed herewith marked Annexure-A.
10. As required by Section 143 (3) of the Act, we report that
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
  - (b) Except for the effects of the matters described in the emphasis of matter, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we refer to our separate report in Annexure - 'B' and
  - (g) With respect to the other matters to be included in, the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
    - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements which would impact its financial position - Refer Note 24 [Point no. 14(a) to (k)]
    - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - c. There has been no amount which required to be transferred to the Investro Education and Protection Fund by the Company.

Place : Kolkata  
Date : 25/03/2021

**S. K. Bhattachariya & Co.**  
Chartered Accountants  
FRN - 301081E  
  
C.A. S. Bhattachariya  
MN-052004  
UDIN : 21052004AAAABR2493



### Annexure - A to Independent Auditor's Report

The Annexure refer to Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31-03-2020, we report that

**(i) In respect of Company's fixed assets**

(a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the books records and the physical inventory have been noticed on such verification.

(c) The title deeds of all immovable properties as referred to in Note 8 of Balance Sheet, are held on permissive possession basis.

**(ii) In respect of company's inventory :**

(a) The inventory has been physically verified by the District Manager/Officer during the year. In our opinion, the intervals of verification is reasonable

(b) However, the procedure of physical verification of inventories followed by the Management requires further improvement.

(c) Subject to our comments above ii(a) and ii(b) above the company is generally maintaining proper records of inventories.

(iii) The company has not granted any loan, secured or unsecured to any company, firm, limited liability partnership or other parties covered in the register maintained under Section 189 of the Act.

(iv) There is no loans, investments, guarantees and security where the provisions of sections 185 and 186 of the Companies Act, 2013 are applicable.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits where the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are applicable.

(vi) Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act for any of the business activities of the Company.

(vii) According to the information and explanations given to us and the records of the Company examined by us in respect of statutory dues :

(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, Service tax, duty of customs duty of excise, value added tax, cess, GST and any other statutory dues to the appropriate authority. There is no undisputed amounts payable in respect of the above statutory dues as at 31st March, 2020 for a period exceeding six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of sales as at 31st March, 2020 which have not been deposited on account of a dispute are as follows :



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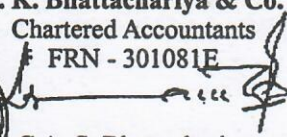


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Name of the Status	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
WBST Act	Sales Tax	17,000	F.Y. 1986-87	ACCT-Dharmatala Circle
WBST Act	Sales Tax	5,39,000	F.Y. 1992-93	CTO - College Street Circle
WBST Act	Sales Tax	2,00,000	F.Y. 1994-95	ACCT-Dharmatala Circle

- (viii) To the best of our knowledge and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Banks.
- (ix) During the year the company has neither raised any money by way of initial public offer nor further public offer (including debt instruments) nor obtained any term loans. Hence, this clause is not applicable to the company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act.
- (xii) To the best of our knowledge and according to the information and explanations given to us, the Company is not a Nidhi Company. Hence, this clause is not applicable to the company.
- (xiii) To the best of our knowledge and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) During the year under review, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Hence, this clause is not applicable to the company.
- (xv) To the best of our knowledge and according to the information and explanations given to us and on the basis of our examination the books and records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) To the best of our knowledge and according to the information and explanations given to us the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act. 1934.

Place : Kolkata  
Date : 25/03/2021

S. K. Bhattachariya & Co.  
Chartered Accountants  
FRN - 301081E  
  
C.A. S. Bhattachariya  
MN-052004  
UDIN : 21052004AAAABR2493



### **Annexure-B to the Independent Auditors' Report**

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

We have audited the internal financial controls over financial reporting of West Bengal State Seed Corporation Limited ("the Company") as on 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the "Guidance Note" and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintaining and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of internal financial control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedure selected depends on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error.

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

#### **Meaning of Internal Financial Control over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that



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- 1) Pertain to the maintenance of the records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company
- 2) Provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only accordance with authorization of management and directors of company, and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statement.

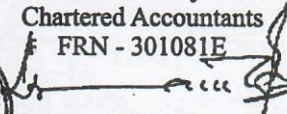
#### **Inherent Limitations of Internal Financial Control over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respect, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st 2020, based on the internal control over financial reporting criteria established by the company considering, the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting, issued by the Institute of Chartered Accountants of India.

Place : Kolkata  
Date : 25/03/2021

**S. K. Bhattachariya & Co.**  
Chartered Accountants  
FRN - 301081E  
  
C.A. S. Bhattachariya  
MN-052004  
UDIN : 21052004AAAABR2493





# West Bengal State Seed Corporation Limited

6, Ganesh Chandra Avenue, 5th Floor, Kolkata - 700 013

## Balance Sheet As At 31st March, 2020

(Rs. '000)

Particulars	Note	As at 31st March, 2020	As at 31st March, 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Fund</b>			
Share Capital	1	25,000	25,000
Reserves & Surplus	2	18,78,221	15,70,294
<b>Non-current Liabilities</b>			
Long Term Borrowing	3	6,17,362	4,60,718
Deferred Tax Liabilities (Net)	4	5,112	5,438
<b>Current Liabilities</b>			
Trade Payables	5	15,73,938	14,35,825
Other Current Liabilities	6	(24,681)	1,62,476
Short Term Provisions	7	3,77,357	1,98,429
<b>TOTAL</b>		<b>44,52,307</b>	<b>38,58,180</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets			
Tangible Assets	8	60,911	54,528
Capital work-in-progress	8	1,762	1,762
Long-term Loans And Advances	9	3,501	3,501
<b>Current Assets</b>			
Inventories	10	85,553	1,27,259
Trade Receivables	11	8,51,727	9,37,564
Cash & Cash equivalents	12	27,83,990	23,01,478
Short Term Loans & Advances	13	5,80,271	3,86,610
Other Current Assets	14	84,592	45,478
<b>TOTAL</b>		<b>44,52,307</b>	<b>38,58,180</b>

Significant accounting policies & Notes to Financial Statements 1 to 24  
The accompanying notes are an integral part of the Financial Statements

Signed in terms of our report of even date

For **S.K. Bhattachariya & Co.**

Chartered Accountants

FRN: 301081E

(S. Bhattachariya)

Partner

M.No. 052004

UDIN : 21052004AAAAABR2493

Date : 25th March, 2021

Place : Kolkata

For and on behalf of the Board of Directors

Managing Director

West Bengal State Seed Corpn. Ltd.

Finance & Accounts Officer

West Bengal State Seed Corpn. Ltd.

Director of Agriculture &  
Ex-Officio Secretary  
West Bengal

Company Secretary  
West Bengal State Seed Corpn. Ltd.



# West Bengal State Seed Corporation Limited

6, Ganesh Chandra Avenue, 5th Floor, Kolkata - 700 013

## Statement of Profit & Loss for the year ended 31st March, 2020

(Rs. '000)

Particulars	Note	Year ended on 31.03.2020	Year ended on 31.03.2019
Revenue from Operations	15	26,91,236	26,48,103
Other Income	16	1,27,686	69,559
<b>Total Revenue</b>		<b>28,18,922</b>	<b>27,17,662</b>
<b>Expenses :</b>			
Purchases of Products	17	20,38,111	21,68,411
Changes in inventories of Products	18	50,544	(29,579)
Packing Materials Consumed	19	5,825	38,277
Employee Benefits Expenses	20	1,13,650	97,331
Finance costs	21	63	45
Depreciation & Amortisation Expenses	8	6,864	6,190
Other Expenses	22	1,30,768	99,341
<b>Total Expenses</b>		<b>23,45,826</b>	<b>23,80,016</b>
<b>Profit/(Loss) Before Tax</b>		<b>4,73,096</b>	<b>3,37,690</b>
Prior period adjustment (net) (DR)/CR		(177)	—
<b>Profit / (Loss) Before Tax</b>		<b>4,72,919</b>	<b>3,37,690</b>
<b>Tax Expenses :</b>			
Tax expense for current year		1,65,319	1,00,000
Deferred Tax		(327)	—
Income Tax for earlier year		—	—
<b>Profit for the year</b>		<b>3,07,926</b>	<b>2,37,690</b>
Basic Earning Per Share of Rs. 100/-each (In Rupees)		1,231.71	950.76
Diluted Earning Per Share of Rs. 100/-each (In Rupees)		1,231.71	950.76

Significant accounting policies & Notes to Financial Statements 1 to 24  
The accompanying notes are an integral part of the Financial Statements

Signed in terms of our report of even date

For **S.K. Bhattachariya & Co.**

Chartered Accountants

FRN: 301081E

(S. Bhattachariya)

Partner

M.No. 052004

UDIN : 21052004AAAABR2493

Date : 25th March, 2021

Place : Kolkata



For and on behalf of the Board of Directors

Managing Director

West Bengal State Seed Corpn. Ltd.

Director of Agriculture &  
Ex-Officio Secretary  
West Bengal

Finance & Accounts Officer  
West Bengal State Seed Corpn. Ltd.

Company Secretary  
West Bengal State Seed Corpn. Ltd.



# West Bengal State Seed Corporation Limited

## Cash Flow Statement for the year ended 31st March, 2020

(Rs. '000)

Particulars		2019-20	2018-19
<b>A</b>	<b>Cash Flow from Operating Activities</b>	<b>Rs.</b>	<b>Rs.</b>
	Net Profit Before tax	4,72,919	3,37,690
	Adjustments for :		
	Depreciation	6,864	6,190
	Interest Income	(1,27,420)	(68,524)
	Interest paid	63	—
	Cash Generated from operations	3,52,426	2,75,356
	Operating Profit before Working Capital Changes :		
	Change in Trade Receivables	85,837	16,75,099
	Change in Loans & Advances	(1,93,661)	(98,183)
	Change in Other Current Assets	(39,114)	(29,447)
	Change in Inventory	41,706	(31,393)
	Change in Long term Borrowings	1,56,644	(47,435)
	Change in Current Liabilities & Trade Payables	1,29,883	(2,27,933)
	Cash generated from Operations	5,33,720	15,16,064
	Income tax Paid	1,65,319	1,00,000
	Net Cash used in Operating Activities	3,68,401	14,16,064
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Addition of fixed assets & CWIP	(13,246)	(4,130)
	Interest Received	1,27,420	68,524
	Net Cash used in Investing Activities	1,14,174	64,394
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Interest Paid	(63)	—
	Dividend Paid	—	1,000
	Net Cash used in Financing Activities	(63)	1,000
<b>D</b>	<b>Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)</b>	<b>4,82,513</b>	<b>14,81,458</b>

		Rs.	
		2019-20	2018-19
<b>Cash and Cash equivalents as at 31st March, 2020</b>			
Cash in Hand		477	13,359
Cash at Bank		27,83,514	22,88,119
		27,83,990	23,01,478
<b>Cash and Cash equivalents as at 31st March, 2019</b>			
Cash in Hand		13,359	6,746
Cash at Bank		22,88,119	8,13,274
		23,01,478	8,20,020
<b>Net increase in Cash and Cash equivalents</b>		<b>4,82,513</b>	<b>14,81,458</b>

**Explanatory notes to Cash Flow Statement :**

- 1) The above Cash Flow Statement has been prepared under 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- 2) Previous year's figures have been rearranged/regrouped wherever necessary.

For and on behalf of the Board of Directors

As per our separate report of even date  
For S. K. Bhattacharya & Co  
Chartered Accountants  
FRN: 301081E

(S. Bhattacharya)  
Partner  
M.No. 052004

Date : 25th March, 2021  
Place : Kolkata



Managing Director  
West Bengal State Seed Corp. Ltd.

Finance & Accounts Officer  
West Bengal State Seed Corp. Ltd.

Director of Agriculture &  
Ex-Officio Secretary  
West Bengal

Company Secretary  
West Bengal State Seed Corp. Ltd.





## West Bengal State Seed Corporation Limited

Notes forming part of Balance Sheet as at 31st March, 2020

(Rs. '000)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>NOTE-1</b>		
<b>Share Capital</b>		
<b>Authorised :</b>		
5,00,000 Equity Shares of Rs. 100/- each (Previous Year)	50,000	50,000
5,00,000 Equity Shares of Rs. 100/- each)	50,000	50,000
<b>Issued, Subscribed And Paid Up :</b>		
2,50,000 Equity Shares of Rs. 100/- each fully paid up	25,000	25,000
[Refer Note 24 (4)]	25,000	25,000
<b>Reconciliation of the number of Equity Shares</b>		
At the beginning of the year : Number of Shares	2,50,000	2,50,000
In Rupees	25,000	25,000
At the end of the year : Number of Shares	2,50,000	2,50,000
In Rupees	25,000	25,000
	25,000	25,000
<b>More than 5% holding</b>		
Government of West Bengal : Number of Shares	2,49,997	2,49,997
% of holding	99.99%	99.99%
<b>NOTE-2</b>		
<b>Reserves And Surplus</b>		
(i) <b>Capital Reserve</b>		
At the beginning of the year	13,123	13,123
Less : Adjustment during the year	—	—
At the end of the year	13,123	13,123
(ii) <b>Surplus in Statement of Profit and Loss</b>		
At the beginning of the year	15,57,171	13,18,481
(+) Net Profit / (Net Loss) after all adjustments	3,07,926	2,37,690
Less : Appropriation :		
Dividend on Equity Share (Refer Foot Note)	—	1,000
Dividend Distribution Tax	—	—
Foot Note : In last year dividend wrongly shown paid twice., now adjusted this year		
At the end of the year	18,65,097	15,57,171
<b>Total Reserves and Surplus</b>	18,78,221	15,70,294
<b>NOTE-3</b>		
<b>Long Term Borrowings</b>		
<b>Unsecured</b>		
Customers Dues	1,56,123	1,58,282
Liabilities for Administrative Expenses	521	8,751
(More than 12 Months)		
Interest Accrued & due on Long term Loan	4,60,718	4,60,718
(All the above loans are defaulted from the expiry of due dates of the loans)		
Refer Note - 24(7)	6,17,362	4,60,718
<b>NOTE-4</b>		
<b>Deferred Tax (Liabilities) / Assets</b>		
<b>Component of Deferred Tax</b>		
a) <b>Deferred Tax Assets</b>		
Relating to Administrative Expenses	15,503	15,503
b) <b>Deferred Tax Liabilities</b>		
Relating to Fixed Assets	4833	5,159
Relating to Administrative Expenses	15,782	15,782
<b>Total (a-b)</b>	5,112	5,438





## West Bengal State Seed Corporation Limited

Notes forming part of Balance Sheet as at 31st March, 2020

(Rs. '000)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>NOTE-5</b>		
Trade payable	15,73,938	14,35,825
	15,73,938	14,35,825
<b>NOTE-6</b>		
<b>Other Current Liabilities</b>		
Advance from Customer & Others (Less than 12 Months)	1,115	
Employee Benefits Payable	1,017	1,318
General Provident Fund	166	56
Group Insurance	169	186
Giss	1	—
TDS Payable	616	127
Liabilities for Administrative Expenses (Less than 12 Months)	19,663	—
Security Deposit	18,297	554
Statutory Dues	(65,724)	(6,798)
	(24,681)	1,62,476
<b>NOTE-7</b>		
<b>Short Term Provisions</b>		
Provision for Dividend [Refer Note 24(18)]	—	—
Provision for CSR Expenses	20,605	6,997
Provision for payment for Building Construction	32	32
Provision for Income Tax	3,56,719	1,91,400
	3,77,357	1,98,429
<b>NOTE-9</b>		
<b>Long Term Loans and Advances</b>		
(Unsecured and considered good)		
With Government of W.B. & Accounts Department		
[Refer Note 24(8)]	—	—
Security Deposit	3,501	3,501
	3,501	3,501
<b>NOTE-10</b>		
<b>Inventories</b>		
(Valued at lower of cost or net realisable value)		
Stock of Products	47,180	97,724
Stock of Packing Materials	38,373	29,535
	85,553	1,27,259
<b>NOTE-11</b>		
<b>Trade receivables</b>		
(Unsecured and considered good)		
Debts outstanding for a period exceeding six months	3,39,532	—
Other debts	5,12,195	9,37,564
	8,51,727	9,37,564
<b>NOTE-12</b>		
<b>Cash and Cash Equivalents</b>		
Cash and Bank Balances		
With Schedule Bank Current Expenditure A/c.	9,50,041	9,76,574
With Schedule Bank Current Deposit A/c.	49,363	1,21,281
Cash in hand	477	13,359
Other Bank Balances :		
Fixed Deposits with maturity 12 months	17,84,109	11,90,264
	27,83,990	23,01,478





**West Bengal State Seed Corporation Limited**

Notes forming part of Balance Sheet as at 31st March, 2020

(Rs. '000)

Particulars	As at 31.03.2020	As at 31.03.2019
<b>NOTE-13</b>		
<b>Short Term Loans &amp; Advances</b>		
(Unseured and considered good)		
Advance Income Tax	4,74,362	2,93,362
Advance to Govt. & Others	4,496	4,496
Advance to staff	1,549	2,269
Advance to Suppliers	33,055	33,317
Income Tax Refundable	23,366	23,366
Insurance Premium paid in advance	57	1,669
Tax Deducted at Sources	34,196	18,940
Sales Tax Refundable & Due	9,191	9,191
	<b>5,80,271</b>	<b>3,86,610</b>
<b>NOTE-14</b>		
<b>Other Current Assets</b>		
Interest Accrued on Fixed Deposit but not due	84,592	45,478
Others	—	—
	<b>84,592</b>	<b>45,478</b>





**West Bengal State Seed Corporation Limited**  
6, Ganesh Chandra Avenue, 5th Floor, Kolkata - 700 013

**Note : 8 : Fixed Assets - Tangible Assets as at 31st March, 2020**

(Amount in Rs '000)

Sl. No.	Rate of Depreciation	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			Balance as on 01.04.2019	Additions during the year	Adjustments during the year	Balance as on 31.03.2020	Balance as on 01.04.2019	Provided during the year	Adjustments during the year	Balance as on 31.03.2020	As at 31.03.2020	As at 31.03.2019
(a)		Tangible Assets										
1	4.87%	Building	79,800	1,687	—	81,487	35,728	2,161	—	37,889	43,597	44,072
2	25.89%	Electrical Installation	14,014	279	—	14,293	9,440	1,244	—	10,684	3,610	4,574
3	25.89%	Furniture	3,876	165	—	4,041	3,195	198	—	3,393	648	672
4	25.89%	Laboratory Equipments	82	—	—	82	79	1	—	80	2	3
5	45.07%	Office Equipments	5,910	1,133	—	7,043	3,322	1,418	—	4,740	2,303	2,597
6	18.10%	Plant & Machinery	11,187	9,982	—	21,169	8,577	1,842	—	10,419	10,750	2,610
		TOTAL (a)	1,14,869	13,246		1,28,115	60,340	6,864		67,204	60,911	54,528
(b)		Capital Work-in-Progress										
7		Building WIP	1,762	—	—	1,762	—	—	—	—	1,762	1,762
		TOTAL (b)	1,762	—	—	1,762	—	—	—	—	1,762	1,762
		TOTAL (a + b)	1,16,631	13,246	—	1,29,877	60,340	6,864	—	67,204	62,673	56,290
		Previous Year	1,12,501	4,130	—	1,16,631	54,151	6,190	—	60,341	56,290	58,350

Note : There exists assets like Office, Godown, Plant & Machinery, Seed Banks, Dehumidified Godown at Midnapore, Dehumidified Godown at Moyanaguri, Jalpaiguri created from the funds received from N.S.P.-III Scheme, Govt. of India and Uttar Banga Umayan Parishad adjusted in earlier years against capital reserve.



Managing Director  
West Bengal State Seed Corpn. Ltd.

Director of Agriculture &  
Ex-Officio Secretary  
West Bengal



Finance & Accounts Officer  
West Bengal State Seed Corpn. Ltd.

Company Secretary  
West Bengal State Seed Corpn. Ltd.



# West Bengal State Seed Corporation Limited

Notes forming part of Statement of Profit & Loss for the year ended 31st March, 2020

(Rs. '000)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>NOTE-15</b>		
<b>Revenue From Operations</b>		
Sale of Products :		
Fertilizer	13,044	65,580
Implements	1,795	35,704
IPM Kits	349	311
Organic Manure	70,879	35,005
Pesticides & Critical Inputs	8,20,660	8,62,200
Packing Materials	1,031	1,176
Seeds	17,83,478	16,48,126
	<b>26,91,236</b>	<b>26,48,103</b>
<b>NOTE-16</b>		
<b>Other Income</b>		
Dealership Renewal Fees	5	8
HRA Deduction	66	68
Interest on Fixed Deposit	1,27,236	68,379
Interest on loan given to staff	183	145
Miscellaneous receipt	148	859
Sale of Tender Paper	47	100
	<b>1,27,686</b>	<b>69,559</b>
<b>NOTE-17</b>		
<b>Purchase of Products</b>		
Seeds	12,78,632	13,37,991
Agriculture Implements	1,577	35,610
Fertilizer	6,710	61,432
IPM Kits	212	1,507
Organic Manure	58,820	22,092
Pesticides & Critical Inputs	6,89,516	7,09,293
Processing/Screening Expenses	2,644	487
	<b>20,38,111</b>	<b>21,68,411</b>
<b>NOTE-18</b>		
<b>Changes in Inventories of Products</b>		
Opening stock of Products	97,724	68,145
Less : Closing Stock of Products	47,180	97,724
	<b>50,544</b>	<b>(29,579)</b>
<b>NOTE-19</b>		
<b>Packing Materials Consumed</b>		
Opening Stock of Packing Materials	29,535	27,721
Add : Purchase of Packing Materials	12,278	36,803
	41,813	64,524
Less : Closing Stock of Packing materials	38,373	29,535
	3,440	34,989
Add : Packing & Handling Charges	2,384	3,288
	<b>5,825</b>	<b>38,277</b>





## West Bengal State Seed Corporation Limited

Notes forming part of Statement of Profit &amp; Loss for the year ended 31st March, 2020

(Rs. '000)

Particulars	Year Ended 31.03.2020	Year Ended 31.03.2019
<b>NOTE-20</b>		
<b>Employee Benefits Expenses</b>		
Salaries and incentives	95,771	87,396
Contribution to Provident Fund	6774	7,899
Group Insurance	—	135
Group Medical Insurance	—	—
Gratuity Fund Contributions	5,329	109
Medical Expenses	3,949	661
Staff Welfare Expenses	1,827	1,131
	<b>1,13,650</b>	<b>97,331</b>
<b>NOTE-21</b>		
<b>Finance Costs</b>		
Interest on Overdraft	17	—
Bank Charges	46	45
	<b>63</b>	<b>45</b>
<b>NOTE-22</b>		
<b>Other Expenses</b>		
Accounting Charges	460	910
Books & Periodicals	16	21
Car Hiring Charges	5,042	6,380
Consultation Fee	911	588
Computer & Software	4	25
Directors' Fees	6	11
Electricity and Service Charges	4,160	3,861
Entertainment Expenses	588	952
Exhibition Expenses	7	1,048
Fuel & Lubricant Charges	2,314	2,017
Inspection Charges	7	—
<b>STOCK &amp; GODOWN MAINTAINCE CHARGES</b>	<b>1,606</b>	<b>—</b>
Insurance Premium	1,787	38
Legal Expenses	266	411
Expenses on Fixed Deposit for Tax with SBI BBG	2,439	—
Meeting Expenses	682	—
Miscellaneous Expenses	2,186	2414
Municipal & Panchyat Tax	423	16
Printing & Stationery	1,423	1,744
Publicity & Advertisement	1,561	2,131
Registration & Renewal Charges	30	11
Rent	5,843	6,180
Repairs & Maintenance	15,653	7,298
<b>POSTAGE CHARGES</b>	<b>7</b>	<b>—</b>
Security Guard Charges	3,130	3,868
Telephone Charges	596	640
Licence Fee	59	82
Payment to Auditors : Statutory Audit Fees	40	40
Tax Audit Fees	25	25
VAT Audit Fees	—	25
Internal Audit Fees	131	—
GST Audit Fees	40	—
Training Expenses	373	—
Transportation Charges	57,941	57,264
Travelling Expenses	953	1,296
CSR Expenses	20,059	—
	<b>1,30,768</b>	<b>99,296</b>





## West Bengal State Seed Corporation Limited

Note annexed to and forming part of the accounts for the year ended 31st March, 2020

### 23. Significant Accounting Policies :

#### 1. Basis of Preparation of Financial Statements

- i) The financial statements have been prepared on historical cost convention and in accordance with the generally accepted accounting principles and the relevant provisions of the Companies Act, 2013.
- ii) Accounting policies otherwise not specifically referred to, are consistent with generally accepted accounting principles and are same as in the earlier years.

#### 2. Basis of Accounting

- i) All revenues, costs, assets and liabilities are accounted for on accrual basis except stated otherwise.
- ii) Insurance and other claims are accounted for on receipt basis.
- iii) Interest on Income Tax Refund is accounted for on receipt basis.
- iv) Fixed Assets : a) Fixed Assets are stated at cost less accumulated depreciation.  
b) Cost for this purpose includes cost expenses incidental thereto up to the date the assets is put to use.
- v) Depreciation  
Depreciation is provided in accordance with Schedule – II to the Companies Act, 2013 on written down value method. Pro-rata depreciation is provided in respect of assets sold/acquired during the year.
- vi) Inventories  
Stock-in-trade is valued at lower of cost or net realizable value. Packing materials are valued at cost.
- vii) Sales  
Sales are stated exclusive of GST wherever applicable. Revenue from sale of goods is recognized upon passing the title to the customers, which generally coincide with delivery.
- viii) Interest and other costs incurred by the Corporation in connection with borrowing of funds are recognized as expenses in the period in which they are incurred.
- ix) Retirement Benefits  
Short Term Employees benefits are recognized at the undiscounted amount as expenses for the year in which the related service is rendered.

The Company makes regular contributions to provident funds which are fully funded and administered by Government Authority and are independent of Company's finance.

Gratuity liability is covered under Group Gratuity Scheme with Life Insurance Corporation of India. Actual valuation has been made and Group Gratuity Liability has been provided in the financial statements.

Leave encashment benefit payable to employees on retirement is accounted for on accrual basis and liability has been provided in the financial statement.

contd.....p/2





## West Bengal State Seed Corporation Limited

:2:

- x) **Deferred Tax**  
In accordance with the requirement under AS-22 on 'Accounting for Taxation on Income' relating to Deferred Tax Assessment (Net) has been computed and accounted for in the financial statements during the year under audit.
- xi) **Contingencies**  
Liabilities, whose future outcome cannot be ascertained with reasonable certainty/accuracy, are treated contingent and disclosed by way of notes to the accounts.
- xii) **Foreign Currency Transaction**  
Transactions in foreign currency are credited in the Bank accounts at the exchange rate prevailing at that time. There was no foreign currency transaction during the year.
- xiii) **Corporate Social Responsibilities**  
Provision for CSR expenses have been provided in the financial statements during the year. As per the provisions of the Companies Act a Corporate Social Responsibility Committee has been constituted by the Corporation at its Board Meeting.

### 24. Notes on Accounts for the year ended 31st March, 2020

1.

		Rs. In Thousand		Rs. In Thousand	
		2019-20		2018-19	
1	Value of imports calculated on CIF basis	NIL		NIL	
2	Expenditure in Foreign Currency on account of Royalty, Know-how professional consultation fees, interest and other matters	NIL		NIL	
3	Value of imported and indigenous packing materials consumed during the year and percentage of each total consumption	Value	%	Value	%
	Imported	NIL	NIL	NIL	NIL
	Indigenous	3,440	100	34,989	100
	<b>TOTAL</b>	<b>3,440</b>	<b>100</b>	<b>34,989</b>	<b>100</b>
4	Amount remitted during the year in foreign currency on account of dividend	NIL	NIL	NIL	NIL
5	Earning in foreign exchange on FOB basis	NIL		NIL	

2. a) Interest on loans granted to employees for marriage, house building etc. is done as per stipulation as mentioned in the order sanctioning the loan. Interest on Income Tax Refund is accounted for on receipt basis.
3. As reported in earlier years regarding Impairment of Assets (AS-28), that while verification of the assets it was observed that the above AS-28 is not applicable to the company as all the asset as shown in the asset schedule are in usable/running condition. Moreover, the Management have sought an independent opinion regarding applicability of Impairment of property, plant and machinery from a firm of Chartered Accountants M/s D. K. Chhajjar & Co. where they also opined that non-existence of any of impairment indication when assets are being depreciated as per applicable provision of law, there is no need of any Impairment as on 31st March, 2020.

contd.....p/3





## West Bengal State Seed Corporation Limited

: 3 :

- 4 The subscribers to the Memorandum and Articles of Association of the Corporation are under obligation to subscribe the share mentioned against their name. The subscribers of this Corporation have undertaken to subscribe 5 lakhs Equity Shares of Rs. 100/- each but only 2.5 lakh shares have been subscribed by them till 31st March, 2020.
- 5 Construction of the building at Burdwan, Malda, Midnapore and Nadia district units are on the lands belonging to and allotted by the Government of West Bengal on permissive possession basis.
- 6 Sales Tax Refundable amounting to Rs. 9191 thousand and Income Tax refundable amounting Rs. 23366 thousand are outstanding for a long period. It is stated that necessary steps have been initiated for refund.

7. Earnings per share :-

	2019-20	2018-19
Profit for the year (Rs. in thousands)	3,07,926/-	2,37,690/-
No. of shares (In thousands)	250/-	250/-
Earnings per Share (Rs.)	1,231.70/-	950.76/-

8. Related Party Transaction.

(Amount in thousands)

Name of the related parties	Nature of relationship	Nature of transactions	Amount (Rs.) 2019-20	Amount (Rs.) 2018-19
Dr. P. Chattopadhyay	Director	Sitting Fees	3	4
Pradip Kr. Mondal	Managing Director	Remuneration and travelling expenses	613	1431
Subhasis Batabyal	Director	Sitting Fees	3	4

9. The figures of the previous year have been regrouped/rearranged wherever considered necessary.
10. The Company has not received any information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosure, if any, relating to amount unpaid as at the yearend together with interest payable as required under the said Act is not contemplated.
11. The Board of Directors at the meeting held on September 27, 2019 recommended final dividend Rs. 40/- per equity share on 2,50,000 equity share of Rs. 100/- each for the financial year ended March 21, 2019. The proposal is subject to approval of shareholders in the forthcoming Annual General Meeting. But in the AGM it was decided not to pay dividend but the corporation would start repaying its interest payable to Govt. of W.B. The recommendation of the members of the Board of Directors of the Corporation for declaration of dividend @ 40% on the paid up share capital of Rs. 2.5 crores aggregating to Rs. 1 (one) crore out of its profits in the current financial year was turned down by the shareholders. The shareholders of the Corporation further advised the Managing Director that the said amount be utilized in making payment of the accrued interest on short term loan obtained from the Department of Agriculture, Government of West Bengal lying outstanding at present in a phased manner and a sum Rs. 10 (ten) crore be paid as first installment in the current year.
12. As per the order no 154-AG/O/9M(Nab)-01/2019 dated, Howrah. 22.01.2019 issued by the Joint Secretary, Department of Agriculture, Govt. of West Bengal, the Corporation has been declared as the State Level Agency of the Agriculture Department for implementing financial assistant part of the "Krishak Bandhu" (Assured Income) Scheme. Accordingly, the company has opened accounts with the W.B. State Co-operative Bank Ltd. for the purpose. The said amount used as an ESCROW Account only for Krishak Bandhu Scheme purpose and cannot be utilized for any other purpose. All transactions in these Bank Accounts have not been incorporated in preparation of Financial Statements of the Company for the year 2019-20.
13. Taxes under GST for the period 01.04.2019 to 31.03.2020 are as follows :

Particulars	As per Accounts	As per GSTR 3B
<b>Sales</b>		
	26,91,236	31,35,825
<b>Output Tax Credit</b>		
CGST	66,605	67,268
SGST	66,605	67,268

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## West Bengal State Seed Corporation Limited

: 4 :


### 17 Contingent Liability


- a) The Bank Guarantee of Rs. 203 thousand (Previous Year Rs. 203 thousand) and Rs. 109 thousand (Previous Year Rs. 109 thousand) furnished by the Corporation to the West Bengal State Electricity Board for power supply at Midnapore and Nadia districts respectively.
- b) Sales Tax demand aggregating to Rs. 756 thousand for the financial year 1986-87, 1992-93, 1994-95 has been disputed by the Corporation and for which appeals are pending before appropriate authorities.
- c) The estimated amount of contract remaining to be executed on capital account and not provided for is Rs. NIL.
- d) In respect of office premises taken on lease at Burdwan district vide lease agreement dated 1.5.1993, the same was expired on 30.04.1998. On reference of the matter to L.A. Officer for assessment of rent, the landlord has filed eviction suit against the Company as the assessed rent was not acceptable to him. The matter is pending at appeal stage with Hon'ble Calcutta High Court. Necessary effect in the accounts will be considered on final outcome of the issue.
- e) The Corporation has not provided annual lease rent to the tune of Rs. 415 thousand receivable from Zany Biotech Pvt. Ltd. since disputed. However, the Corporation has filed an execution petition before the Hon'ble Calcutta High Court, which is still pending.
- f) The recommendation of 3rd Pay Commission was not at par with those recommended in respect of four categories of employees of State Government. The aggrieved 48 nos employees of the Corporation belonging to those categories moved before the Hon'ble Calcutta High Court, praying for equality of law. The Hon'ble Calcutta High Court on 3.8.1998 directed the Corporation to pay all arrears within 12 weeks with a further direction to Finance Department to grant necessary sanction in this regard, if necessary. The Finance Department, Government of West Bengal preferred an appeal against the said order dated 3.8.1998 before the Division Bench of Hon'ble Calcutta High Court, which is still pending. Effect of the above will be considered in the accounts on final outcome of the issue.
- g) A writ petition has been filed before the Hon'ble Calcutta High Court against the Corporation by Susanta Kumar Bajpai. Sub Assistant Engineer which is still pending. Effect of the above will be considered in the accounts on final outcome of the case.
- h) Substandard dolomite was supplied by Ajay Kumar Agarwala in the Nadia district unit of the Corporation against Tender No 5/2009 issued by it for the supply under NFSM scheme. Civil Suit disposed on 19.08.2015 and stay against the execution order passed in the case No. EC/169 of 2017 has been obtained. The case is at present pending before the Hon'ble Calcutta High Court.
- i) A case was filed by Chinmoy Bhattacharyya & Others, cultivators of Hybrid Maize seed for non-lifting of parental line of Hybrid Maize Seed produced by them by the Corporation. The case is at present pending before the Hon'ble Calcutta High Court.
- j) Eviction suit filed by the Jitendra Roy, Landlord of erstwhile Office Building Premises of the Birbhum district unit for non deposition of enhanced rent of the said premises at Suri, Birbhum. Stay application against the order passed by Suri District Court is lying pending before the Hon'ble Calcutta High Court.
- k) Money Suit was filed by Sarveswar Tiwari, Landlord of the erstwhile Head Office Building premises of the Corporation for recovery of money claimed by them towards rent and service charge in respect of the said Office Building premises. The case is at present pending before the City Civil Court.



  
Managing Director  
West Bengal State Seed Corpn. Ltd.

  
Finance & Accounts Officer  
West Bengal State Seed Corpn. Ltd.

  
Director of Agriculture &  
Ex-Officio Secretary  
West Bengal

  
Company Secretary  
West Bengal State Seed Corpn. Ltd.



