



**FOREST DEVELOPMENT CORPORATION OF
MAHARASHTRA LIMITED**
(Govt. of Maharashtra Enterprise)
CIN: U45200MH1974SGC017206

41st
ANNUAL REPORT
AND
ACCOUNTS
2013-14

Regd. Office:- Rawel Plaza, 12, Kadbi Chowk, Kamptee Road, Nagpur-440 004

F-OREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED
(Govt. of Maharashtra Enterprise)

Regd.Office: "Rawel Plaza" Plot No.12, Kadbi Chowk, Kamptee Road, Nagpur-
440004

BOARD OF DIRECTORS

(31-03-2014)

CHAIRMAN

Hon'ble Dr. Patangrao Kadam, Minister (Forests)

VICE CHAIRMAN

Hon'ble Shri Udaya Samant, Minister of State (Forests)

DIRECTORS

Shri A.K. Saxena

Shri Jagdish Patil

Dr. U.M. Farooqui

Dr. Subhashchandra Korpe

Shri Manikrao Patil

Shri Balasaheb Murkute

Shri Janardhan Nilkantharo Mogal

Shri B.B. Yadav Deshmukh

Dr. Satish Manoharrao Warjekar

MANAGING DIRECTOR

Shri A.K. Nigam

COMPANY SECRETARY

CS S.V. Joshi

CONTROLLER OF ACCOUNTS AND FINANCIAL ADVISER

CA K.V. Bhamburkar

AUDITORS		
SHAH BAHETI CHANDAK & CO. CHARTERED ACCOUNTANTS 205, GHATATE CHAMBERS, PANCHSHEEL SQUARE, NAGPUR -440012.		SHAH CHANDAK KHANZODE & SHENWAI CHARTERED ACCOUNTANTS GS 20/21 AMARJYOTI PALACE, WARDHA ROAD, DHANTOLI, NAGPUR - 440012.
BANKERS		
Bank of Maharashtra		State Bank of India
Bank of India		Central Bank of India
Canara Bank		
MEDICINAL UNIT / REGIONAL OFFICES		
MEDICINAL PLANTS CONSERVATION & DEVELOPMENT BRANCH. "Rawel Plaza" Plot No.12, Kadbi Chowk, Kamptee Road, Nagpur-440004		SOUTH CHANDRAPUR REGION Forest Colony, Mul Road, CHANDRAPUR-442401
NORTH CHANDRAPUR REGION Forest Colony, Mul Road, CHANDRAPUR- 442401		NAGPUR REGION "The Ark" Near St.Michael High-School, Kamptee Road, NAGPUR-440004.
NASIK REGION Vanvikas Bhavan Kalika Mandir Marg NASIK- 422002		WFP & AFFORESTATION REGION "Rawel Plaza" Plot No.12, Kadbi Chowk, Kamptee Road, Nagpur-440004
SANGALI REGION Hanuman Nagar, Forest Colony, MIDC-Road, Kupwada, Sangli-416 436.		

महाराष्ट्र शासन राजमुद्रा

विकास खारगे

सचिव (वने)

अर्ध शासकीय पत्र क्रमांक :

महसूल व सन विभाग, चौथामजला,

मंत्रालय, मुंबई 400 032,

दिनांक : 13 जानेवारी, 2015.

प्रिय श्री निगमजी,

सन 2013-2014 या वर्षाकरिता महामंडळास झालेल्या नफ्यातून रु. 3,23,51,151/- इतक्या रकमेचा लाभांश महामंडळाने जाहिर केलेला आहे व सदर लाभांश धनादेशाव्दारे आपण मंत्री (वने) यांच्याहस्ते मा. मुख्यमंत्री महोदयांना आज दिनांक 13 जानेवारी, 2015 रोजी प्रदान केलेला आहे.

02. वन विकास महामंडळाच्या या उत्कृष्ट कामाबद्दल मी आपले मनःपूर्वक अभिनंदन करतो, तद्दतच महामंडळामध्ये आपल्या अधिनस्त कार्यरत अधिकारी व कर्मचारी यांचे देखील त्यांच्या उत्कृष्ट कामाबद्दल मी अभिनंदन करतो.

03. वन विकास महामंडळ यानंतर देखील भविष्यात अशीच उत्कृष्ट कामगिरी करेल अशी मला खात्री आहे. महामंडळाच्या भावी कार्यासाठी माझ्या हार्दिक शुभेच्छा.

शुभेच्छेसह

आपला,

स्वाक्षांकित

(विकास खारगे)

श्री अ.के. निगम,

व्यवस्थापकीय संचालक,

वन विकास महामंडळ महाराष्ट्र मर्यादित,

नागपूर.



**FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA
LIMITED**

(Govt. of Maharashtra Enterprise)

Regd. Office:- 'Rawel Plaza', 12, Kadbi Chowk, Kamaptee Road,
Nagpur-440004.

Phone-2533442, 2533475, Fax-0712-2551686 E-mail- mdfdcmp_ngp@sancharnet.in

No.CSL/AGM-41/3934

Nagpur, Dated :- 19.12.2014.

To,

1	Shri A. K.Saxena, Member & Director, FDCM Ltd., Principal Chief Conservator of Forests, (Head of Forest Force), Maharashtra State, 'Van Bhavan', Ramgiri Road, Civil Lines, Nagpur- 440 001.	2	Shri Sarjan Bhagat, Representative of Governor of Maharashtra, Principal Chief Conservator of Forests, (Wildlife), Maharashtra State, 'Van Bhavan', Ramgiri Road, Civil Lines, Nagpur- 440 001.
3	Shri Shree Bhagwan, Alternate Representative of Governor of Maharashtra, Additional Principal Chief Conservator of Forests, (Budget, Planning & Development), Maharashtra State, 'Van Bhavan', Ramgiri Road, Civil Lines, Nagpur- 440 001.	4	Shri A.K. Nigam, Member, FDCM Ltd., Managing Director, FDCM Ltd., Rawel Plaza, Plot No. 12, Kadbi Chowk, Kamaptee Road, Nagpur 440 004.
5	Shri Praveen Pardeshi, Director, FDCM Ltd., Principal Secretary (Forests), Revenue & Forest Department, Mantralaya, Mumbai- 400 032. Camp -Nagpur.	6	Shri Jagdish Patil, Director, FDCM Ltd., Managing Director, Maharashtra Tourism Development Corporation Ltd., C.D.O. hutments, Opp. LIC Building, Madam Kama Road, Mumbai- 400 020
7	.Dr. U. M. Farooqui, Director, FDCM Ltd., Joint Secretary (Forests), Revenue and Forest Department, Mantralaya, Mumbai-400 032. Camp – Nagpur.	8	M/S Shah Baheti Chandak & Co., Chartered Accountants, 205, Ghatate Chambers, Panchsheel Square, Nagpur- 440 012.
9	M/S Chadak Khanzode & Shenwai, Chartered Accountants, GS 20/21, Amarjyoti Palace, Wardha Road, Dhantoli, Nagpur- 440 012.		

NOTICE OF THE FORTY FIRST ANNUAL GENERAL MEETING

NOTICE is hereby given that the Forty First Annual General Meeting of the Members of Forest Development Corporation of Maharashtra Limited will be held on Tuesday, the 23rd December, 2014 at 3.30 noon in the Conference Room of the Registered Office of the Company at 'Rawel Plaza', Plot No.12, Kadbi Chowk, Kamptee Road, Nagpur 440 004 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt audited financial statement as at the 31st March 2014 the Board's Report and Auditors' Report thereon.
2. To declare a dividend.
3. To note the appointment / re-appointment of Directors made by the Governor of Maharashtra assuming office at the 41st Annual General Meeting in place of all the existing Directors retiring thereat.
4. To fix the remuneration of the Auditors.

By order of the Board of Directors,

(A. K. Nigam)
Managing Director.

Notes:

- i) A copy of the audited Financial Statement, the Board's Report and Auditors' Report stated under Item No.1 above is attached herewith. The comments, if any, of the Comptroller and Auditor General of India thereon are yet to be received and will be placed at the meeting, if received by then.
- ii) The Share Transfer Book of the Company will remain closed on the 19th December 2014 and that day will be the 'Record Date' for determination of entitlement of dividend for the year ended 31st March 2014, if declared by Members of the Company in the Annual General Meeting.
- iii) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER.**
Proxy, in order to be effective, must be deposited at the Registered Office of the Company, not less than forty-eight hours before the time fixed for holding the meeting. Blank Proxy Form is attached herewith.
- iv) A Representative of Governor of Maharashtra or in his absence the Alternate Representative of Governor of Maharashtra shall be deemed to be a Member entitled to attend and vote at the Meeting. A copy of Govt. order No.FDC-2014/CR-172/F-5 dated 9th December 2014 appointing Representative / Alternate Representative of the Governor of Maharashtra for this meeting is enclosed herewith for ready reference.
- v) Two members present in person of whom one shall be a representative of the Governor shall be a quorum for a general meeting. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place and if at such adjourned meeting quorum is not present those members who are present shall be a quorum and may transact the business for which the meeting was called.

Copy for information is action forwarded to The Controller of Accounts & Financial Adviser, FDCM Ltd., Nagpur.



FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED
(Govt. of Maharashtra Enterprise)

CIN: U45200MH1974SGC017206

Regd. Office:- 'Rawel Plaza', 12, Kadbi Chowk, Kamaptee Road, Nagpur-440004.

Phone-2533442, 2533475, Fax-0712-2551686

E-mail- mdfdcmltd@gmail.com

No.CSL/Adj. AGM-41/4707

Nagpur, Dated:- 20.02.2015.

To,

1	Shri A. K. Saxena, Member & Director, FDCM Ltd., Principal Chief Conservator of Forests, (Head of Forest Force), Maharashtra State, 'Van Bhavan', Ramgiri Road, Civil Lines, Nagpur- 440 001.	2	Shri Sarjan Bhagat, Representative of Governor of Maharashtra, Principal Chief Conservator of Forests, (Wildlife), Maharashtra State, 'Van Bhavan', Ramgiri Road, Civil Lines, Nagpur- 440 001.
3	Shri Shree Bhagwan, Alternate Representative of Governor of Maharashtra, Additional Principal Chief Conservator of Forests, (Budget, Planning & Development), Maharashtra State, 'Van Bhavan', Ramgiri Road, Civil Lines, Nagpur- 440 001.	4	Shri A.K. Nigam, Member, FDCM Ltd., Managing Director, FDCM Ltd., Rawel Plaza, Plot No. 12, Kadbi Chowk, Kamptee Road, Nagpur 440 004.
5	Dr. U. M. Farooqui, Director, FDCM Ltd., Joint Secretary (Forests), Revenue and Forest Department, Mantralaya, Mumbai-400 032.	6	M/S Shah Baheti Chandak & Co., Chartered Accountants, 205, Ghatate Chambers, Panchsheel Square, Nagpur- 440 012.
7	M/S Chadak Khanzode & Shenwai, Chartered Accountants, GS 20/21, Amarjyoti Palace, Wardha Road, Dhantoli, Nagpur- 440 012.		

NOTICE OF THE ADJOURNED FORTY FIRST ANNUAL GENERAL MEETING

NOTICE is hereby given that the Adjourned Forty First Annual General Meeting of the Members of Forest Development Corporation of Maharashtra Limited will be held on Tuesday, the 26th February, 2015 at 11.30 A.M. in the Conference Room of the Registered Office of the Company at 'Rawel Plaza', Plot No.12, Kadbi Chowk, Kamptee Road, Nagpur 440 014 to transact the following business:-

ORDINARY BUSINESS:

To receive, consider and adopt audited financial statement as at the 31st March 2014 the Board's Report and Auditors' Report thereon.

(Deferred Item No.1 from the Original Meeting)

By order of the Board of Directors
(A.K. Nigam)
Managing Director

Notes:

(i) Comments of Comptroller and Auditor General of India, stated under aforesaid Item is attached herewith. A copy of the audited Balance Sheet and Profit & Loss Account, the Board's Report including Addendum to Board's Report and Auditors' Report is already circulated vide Notice No. CSL/AGM-41/3934 dated 19.12.2014.

(ii) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER.

Proxy, in order to be effective, must be deposited at the Registered Office of the Company, not less than forty-eight hours before the time fixed for holding the meeting. Blank Proxy Form is attached herewith.

(iii) Two members present in person of whom one shall be a representative of the Governor shall be a quorum for a general meeting. A representative of Governor of Maharashtra or in his absence the Alternate Representative of Governor of Maharashtra shall be deemed to be a Member entitled to attend and vote at the Meeting. A copy of Govt. order No.FDC-2014/CR-172/F-5 dated 9th December 2014 appointing Representative / Alternate Representative of the Governor of Maharashtra for this meeting is also circulated vide Notice No. CSL/AGM-41/3934 dated 19.12.2014 .

Copy for information & necessary action forwarded to the Controller of Accounts & Financial Adviser, FDCM Ltd., Nagpur.

BOARD'S REPORT

To
The Shareholders,
Forest Development Corporation of Maharashtra Limited.

Gentlemen,

We have pleasure in presenting to you the audited accounts of the Company for the financial year ended on 31.3.2014. We have also the pleasure to present the highlights of the Company's working during the year as follows:-

1 Financial Review and Operating Results

(A) Abstract of Profit and Loss Account

	(Rs. in lac)	
	<u>2013-2014</u>	<u>2012-2013</u>
1. Total Income		
a) Sales of material	11780.08	13725.07
b) Plantation Assets and Other compensation claims	4807.71	1030.46
c) Other income (including Turnkey Receipts for completed projects)	1846.19	2390.98
	<hr/>	<hr/>
	18433.98	17146.51
	<hr/>	<hr/>
2. Total Expenses		
Cost of material sold, expenses & others	8953.47	10856.74
(Including Turnkey exp. for completed projects, writing off plantation cost of plantation handed over to Govt. etc.)		
	<hr/>	<hr/>
	8953.47	10856.74
	<hr/>	<hr/>

3. Profit before Tax	9480.51	6289.77
4. Tax Expenses	1840.23	1240.67
5. Profit after Tax	7640.28	5049.10
(Including adjustment related to Income Tax refund)		(0.63)
6. Appropriation to Capital Reserve for Management plan (mandatory) plantations	1170.68	1853.46
7. Proposed Dividend on Equity Shares (including Tax)	378.49	194.12
8. Balance Carried to Balance Sheet	6091.11	3001.52
9. Accumulated book profit at the end of the year	55030.31	48939.20
(B) i)Earning per Share (Rs)	232.07	114.80
ii)Earning Diluted per Share (Rs)	20.06	9.91
(C) Dividend per Share (Rs)	11.60	6.00

2 Financial Performance

The results of Profit and Loss Account during the year show that the Profit of the Company after Tax & Mandatory Reserve is Rs. 6091.11 lac, (after dividend & Taxes thereon) as against Rs. 3001.52 lac for previous year.

The Gross Receipts during the year are Rs. 18433.98 lac as against Rs. 17146.51 lac in previous year.

The Company has managed its financial requirements including establishment cost & overheads substantially from its internal sources. The working capital arrangement is also accommodated within its internal sources.

3 Dividend

Considering the obligation to discharge the committed liabilities of establishment cost and overhead on Capital base schemes, maintenance of internal schemes of Plantations and future obligations etc., the Board of Directors wish to recommend pro-rata dividend @ Rs.11.60 per equity share (11.60 % on paid up equity share capital) for the year 2013-14, out of the Profits of the Company, in the light of G.R. No. PSU/10.10/

CR-22/PSU dated 21st June 2010 & No. PSU/ 10-11/CR-57/PSU dated 22nd February 2012.

4 Expenditure on Activities.

The Company has incurred expenditure of Rs. 20080.64 lac during the year on different Company activities and activities on behalf of Govt. of Maharashtra and other Agencies as against Rs. 23752.84 Lac during the previous year 2012-13.

5 Govt Loan Finance

The Govt. of Maharashtra vide G.R. No. FDC-2006/CR155/F-5 dt. 5.8.2008 approved the conversion of loan liability into Share Capital of Rs. 34400 lac and repayment of balance amount of Rs. 81.71 lac to the Govt. Accordingly the Company has adjusted the respective accounts on 31.3.2008, keeping Rs. 344 crore under the Share Application Money pending further formalities against conversion of loan into share capital and refunded the balance payable amount of Rs. 81.71 lac to the Govt. during the year 2008-09. However, during the year 2010-11 the Govt. vide G.R. No.S-14-2006/CR-155/ F-5 dated 15.9.2010 has revoked the aforesaid G.R. of 5.08.2008 in pursuance of the G.R. No Vetan-2010/CR-11/F-5 dated 14.06.2010. Consequent to GR dated 14.06.2010, the revised proposal for restructuring of loan was submitted by the Company to the Govt. from time to time. Subsequently, in the meeting held on 15.12.2010 under the Chairmanship of Hon'ble Dy. Chief Minister & Minister Finance and in the presence of the Hon'ble Minister (Forests); it has been decided that the Cabinet approval for conversion of the aforesaid amount of loan of Rs. 344 crore into Share Capital shall be solicited. In this connection, the meeting was held on 5.03.2012 at Mantralaya, Mumbai under the Chairmanship of Principal Secretary (Finance) where Principal Secretary (Forest), Secretary (Expenditure), Secretary (Accounts & Treasury), Joint Secretary (Forest) and Managing Director, FDCM Ltd., were present and in anticipation of Government approval, decision has been taken to repay outstanding MFP plan loan of Rs. 49.46 crore in the installment of Rs. 20 crore & Rs.29.46 crore and remaining loan liability of Rs. 294.54 crore was proposed for conversion into Share Capital. Accordingly Board's consent was obtained for the said decision and the total amount of Rs. 49.46 Crore has been paid to the Govt. The Govt. of Maharashtra has issued GR No. FDC-2011/CR-14/F-5 dt. 19.12.2012 for conversion of loan liability of Rs. 294.54 Crore into Share Capital by book adjustment during the year 2012-13. However, due to non availability of budget provision in the Govt. budget during the year 2012-13 and also in 2013-14 the adjustment towards Share Capital Contribution from

Govt. could not be carried in the books of Forest Deptt. and therefore the amount is shown under Share Application Money.

6 Share Capital and Allotment of Shares.

The Authorised Share Capital of the Company is Rs. 3500.00 lac divided into 35 lac equity shares of Rs. 100 each.

The Paid-up Share Capital of the Company at the beginning of the year was at Rs. 2785.49 lac. During the year 2013-14 the company received contribution of Rs. 4.00 lac. Therefore, the paid up share capital at the end of the year stood at Rs. 2789.49 lac. Further, as explained in the foregoing para, Rs.29454.11 lac have been maintained under Share Application Money Account, due to non availability of budget provision in the Govt. budget. Further the Share Capital Contribution of Rs. 5.77 lac have been received from the Govt. during the year 2014-15 uptill now and the paid up Share Capital now stands at Rs. 2795.26 lac on the date of this Report.

7 Organizational Set up

For the purpose of administrative and technical management and the control of the work, the Company has divided the areas into territorial regions. The unit of control for forestry activity is a project division which is in the charge of Divisional Manager, functioning under the immediate control of the General Manager.

The present organizational set up of the Company at Regional level is as under:-

Sr.No.	Name of the Region	District	FPD
1.	Nagpur	Nagpur	1. Nagpur
		Bhandara	2. Bhandara
		Gondia	3.Gondia
		Nagpur	4. Gorewada
2.	Nashik	Nashik	1. West Nashik
		Nandurbar	2. Nandurbar

	Thane Thane	3. Thane 4. Dahanu
3. South Chandrapur	Chandrapur Gadchiroli Chandrapur	1. Markhanda 2. Pranhita 3. Sale Depot and Transport Dn. Ballarshah
4. North Chandrapur	Chandrapur Chandrapur Chandrapur	1. West Chanda 2. Central Chanda 3. Bramhapuri
5. WFP & Afforestation	Nanded Yeotmal	1. Kinwat 2. Yeotmal

In reference to G.R. No. FDCM-2005/CR-55/F-2 dated 26.2.2010 an independent branch headed by Chief General Manager for Medicinal Plants Conservation and Development has been started w.e.f. 1.06.2010 for Collection, Storage, Processing and Marketing of Medicinal Plants. One field Division is working at Thane under his control.

Further Sangali Region office has also been started w.e.f. 22.10.2011 for Turnkey & allied activities under the administrative control of Head Office.

8 (A) Activities of the Company.

The Activities of the Company comprise the following :-

1. Ongoing Teak Plantation Programme.
2. Enrichment Plantation in FDCM's earmarked areas.
3. Wasteland Development Programme under bank finance.
4. Wasteland Development Programme under Govt. finance Under Departmental Funds and Under E.G.S. Funds

5. Maharashtra Forestry Project.
6. Schemes by utilising WFP revolving fund and internal sources.
7. Nursery activity.
8. Forest Development Tax Schemes.
9. Rehabilitation of degraded forests with rooted stock.
10. Constitution of felling series for 10 years rotation of teak and working thereof.
11. Scheme of development of forests and pasture seeds
12. Compensatory Plantations. (Old Scheme)

13. Compensatory afforestation plantation (New) in FDCM's earmarked areas.
14. WLDP EGS/MREGS plantations (New) in FDCM's earmarked areas.
15. Plantations on turnkey basis.
16. Management Plan (Mandatory) Plantation Programme.
17. Protection of FDCM's assets under FDT sources

18. Centrally sponsored scheme of integrated forest protection.
19. Soil conservation works / plantations under DRDA/SGRY/DPAP & National Programme of Food for works funds etc.
20. Other diversified activities like raising of Medicinal plants, Preparation of Compost/Vermi Compost, Eco-tourism etc.

21. 100% Centrally Sponsored Scheme of Bamboo Plantations etc. under National Bamboo Mission.
22. Schemes under 13 th Finance Commission's recommendations.
23. Schemes of Medicinal Plants Conservation and Development Under Central Govt/State Govt/CAMPA/NMPB New Delhi
24. Schemes under CAMPA
25. Wildlife Management Activities & Implementation of Gorewada International Standard Zoo & rescue Centre.

(B) Certain Other Activities of the Company.

i) Thinning Activity.

Silvicultural operations in the plantation areas known as Thinning Activity are carried out by the Company. During the year, the sales turnover from this activity is Rs. 6915.18 lac.

ii) Harvesting Activity.

The Harvesting activity is continued during the year as per the Management Plans. This activity of harvesting is in addition to thinning activity in the respective working circles. It is helpful in sustaining management of forests besides augmenting the internal resource of the company. During the year, the turnover of this activity is of Rs. 581.17 lac.

iii) Removal of Overwood Activity

The removal of overwood in Teak Plantation Working Circle has been carried out by the company during the year 2013-14, as per the approved working of forests by the Govt. of India in Ministry of Environment and Forests. The surplus funds out of the activity are to be utilised to the extent required for the Management plan (Mandatory) plantations. During the year, the turnover of this activity is of Rs. 4241.16 lac.

iv) Supply of Forest Produce on Nistar basis.

Pursuant to the directives received from the Government vide letter No.FDT/2000/CR-58/F-5 dated 22.5.2000 regarding supply of forest produce on Nistar basis, on concessional rates, the Company effected Nistar supplies of Rs. 10.22 lac during the year. The Company has extended the benefits to the local people to the extent of Rs. 25.25 lac against this sale comparing to the market price.

v) Diversified Activities of the Company.

The Company implemented on small scale basis, the activities of Compost/ Vermi Compost, for internal use and sale.

C) Scheme implemented by the Company.

i) Group leave encashment assurance scheme.

The Company has linked up it's liability towards the leave encashment retirement benefits to the employees of the company with the

Life Insurance Corporation of India w.e.f. 1.4.2001 as the scheme is beneficial to the Company and its employees. The Company has provided for Rs. 342.90 lacs towards of the premium for the year 2013-14. Besides this provision of Rs. 154.36 lakh is made for Vanmazoors required on Company's establishment during the year on the basis of liability communicated by LIC.

ii) Group gratuity cash accumulation scheme.

The Company has linked up with Life Insurance Corporation of India, the payments of gratuity to its employees through the FDCM's Group Gratuity Trust. The Company has provided for Rs. 569.34 lac as premium of Rs. 251.11 lac and liability of Rs. 318.23 lac towards deficit funds. Besides this the provision of Rs. 501.43 lakh is made for Vanmazoors required on Company's establishment during the year on the basis of liability communicated by LIC. The Company has already approached to the Govt. for some clarification etc. which is awaited till date. During the year 193 employees have received their gratuity claims of Rs. 980.25 lac from Life Insurance Corporation of India and the same has been disbursed.

iii) Group Savings linked Insurance Scheme.

The Group Savings linked Insurance Scheme of LIC of India is in operation in the Company for the Company employees. The Company deducted from salaries and paid the contribution of the scheme regularly. The scheme is beneficial to the employees without financial burden to the Company.

D) Additional Activities of the Company.

i) Modern Forest Fire Control Project Ongoing Project

Modern Forest Fire Control Project was taken up as an agent of Govt. of Maharashtra by the Company with the aid of FAO/UNDP in the year 1984-85 in the selected areas over 1628.89 sq. kms. belonging to the FDCM Ltd. and Forest Deptt. in Chandrapur District. The Project period ended on 30.6.1990. However, it is continued further and being in operation with the Company. The project aims at preventing occurrence of fire in the said forest areas by the use of modern techniques, skills, improved tools, equipments and machines etc. The funds under this project are being provided by the Govt. of Maharashtra / Govt. of India.

During the year funds of Rs. 286.45 lac have been received from GOM / GOI and expenditure of Rs. 331.58 lac has been incurred by the Company. The deficit funds of Rs. 229.45 lac up to 31.03.2014 including the

deficit up to previous year has been utilized by the Company from its funds and shown receivable from Govt.

FDCM Ltd. is implementing the scheme on the project area of 52389 ha. of FDCM and 55162 ha. areas of Tadoba Andhari Tiger Project of Govt.

ii) Implementation of Schemes under CAMPA Funds.

The Govt. of India has released funds to Forest Department under, CAMPA, from the financial year 2010-11 which are to be utilized for Natural Assisted Regeneration, Forest Management, Protection, and Infrastructure Development, Wild Life Protection and Management and other allied activities.

The position of funds/Interest received and expenditure is as under :

	(Rs. in lac)
Opening Balance	21.05
Funds received	48.50
Interest received	<u>3.07</u>
Total	72.62
Less: i)Expenditure	44.80
ii)Funds refunded	<u>24.00</u>
Total	<u>68.80</u>
Balance	<u>3.82</u>

iii) Eco-tourism activities.

The Company has signed MOU with MTDC in October 2010. Govt. of Maharashtra has issued G.R. dt. 24th Oct. 2011 for eco-tourism. In accordance to the G.R. Eco-tourism Centres at Kolara, Moharli, Nagzira, Bor, Sillari have been transferred from Forest Deptt. to F.D.C.M. These Centers have been developed in collaboration with MTDC / Forest Dept. FDCM Ltd has received from MTDC the funds of Rs. 457.72 lac for infrastructure development upto 2013-14. The funds of Rs. 48.50 lakh received from Collector Bhandara for eco-tourism activity to the Company during the year. Total expenditure of Rs. 240.63 lac has been incurred and total receipts of Rs. 77.62 lac has been received during the year.

iv) International Zoo at Gorewada, Nagpur.

In pursuit of the diversified activities, the projects for development and operation of Gorewada Zoo at Nagpur has been entrusted by the Govt. to the Company from 2010-11 as per G.R. No.WLP/2009/CR-119/F-1 dt.25.11.2011. Funds amounting to Rs. 920.00 lac has been received by the

Company and expenditure to the tune of Rs. 781.52 lac has been incurred during the year on the activities of the project. Further the Company and Maharashtra Animal and Fisheries Science, University Nagpur is considering execution of MOU for Wildlife education conservation and maintenance through rescue and breeding Centre established at Gorewada Project.

v) Administrative Building at Nagpur

The Company has entered into agreement with the NIT Nagpur on 02.05.2011 for the construction of Administrative building of the Company at Mauza Takli (Ambazari) Nagpur for the estimated cost of Rs. 495.00 Lac. The Company has paid an amount of Rs. 495.00 lac through Cheque of Rs.35.00 lac and balance amount in the form of Fixed Deposit Receipts of the bank corresponding to the payment schedule as per the terms and conditions. Under the agreement with NIT and the Bankers, the interest accrued on the said FD receipts is to be credited at source to FDCM Ltd. Subsequently the estimates were revised and revised estimated cost is worked out to Rs. 1173.97 lac . The construction works are in progress.

vi) Bio-Diversity Park at Rajbhavan, Nagpur

Taking into account the successful implementation of Bio- Diversity Park at Rajbhavan, Nagpur the Govt. has extended the project maintenance works with the Company for further three years w.e.f. 01.04.2013.

vii) Plantation of Bambusa Balcooa

Company has undertaken plantation of Bambusa Balcooa in North / South and Nashik Region on total 7 ha on pilot basis.

E) Future Activities of the Company.

Acquisition of Forest Areas From Forest Deptt.

The Company wants to take additional areas from the Forest Deptt. with a view to increase the productivity of such areas by raising plantation of valuable species.

F) Implementation of Govt. orders.

Handing over of Forest areas to Forest Deptt.

As per Govt. notification No.92 dt. 18.7.2013 issued by the Govt. of Maharashtra, Revenue & Forest Deptt. the forest areas of 9700.014 ha including plantation of 9000.190 ha. in Bhandara F. P. Dn. has been handed over to Forest Deptt. during the year.

9 Incidence after Balance Sheet date

i) Order of the Employees Provident Fund appellate Tribunal, New Delhi against the order passed by RPFC Nagpur under Section 7 A & 7 B of the EPF Act.

The Provident Fund Commissioner Nagpur has passed orders to remit the CPF dues u/s 7 A & 7 B of EPF Act in West Chanda,, Central Chanda, Markhanda, Pranhita, Depot Division, Bramhapuri, & Gondia F.P. Division amounting to Rs. 3616 lac. The Company has made appeal against the orders passed by RPFC Nagpur through respective Divisional Managers with EPF Appellate Tribunal New Delhi. The Tribunal has passed the orders in favour of the Company in respect of West Chanda/Central Chanda/ Markhanda/ Depot Dn./Pranhita F.P.Dn. setting aside the order passed by RPFC Nagpur on the ground that, the orders were passed without identification of employees & beneficiaries. And the matter has been remanded back to RPFC Nagpur for fresh - adjudication.

10 Training Programme and Seminars etc.

The Company nominates officers and staff for various training programmes which are conducted by the outside agencies. The Officers and staff were nominated for certain training programmes and seminars during the year.

11 Board of Directors

At the last 40th Annual General Meeting held on 31st December 2013 existing all Directors retiring thereat continued in the office on their re-appointment by the Governor of Maharashtra. Thereafter, Dr. Satish Manoharrao Warjekar was appointed Director with effect from 27th January, 2014. Shri Shekhar Govindrao Nikam was appointed Director with effect from 22nd May, 2014. Shri S.W.H. Naqvi ceased to be a Director with effect from 27.8.2014. All Non-official directors including Chairman and Vice-chairman ceased to be the Director w.e.f. 9.12.2014. Shri Sudhir Mungantiwar, Minister of Forests/Finance has been appointed as Director w.e.f. 12.2014. The Board of Directors would like to place on record its appreciation for the valuable contribution given to the Company by the outgoing Chairman, Vice-Chairman & Directors.

Accordingly, the present Board of Directors with effect from 9.12.2014 is as follows:

1.	Shri Sudhir Mungantiwar	Director
2.	Shri Praveen Pardeshi	Director
3.	Shri A.K. Saxena	Director
4.	Shri Jagdish Patil	Director
5.	Dr. U.M.Farooqui	Director
6.	Shri A.K.Nigam	Managing Director

12 Board Meeting

During the year the meeting of Board of Directors were held as given below :-

Sr.	B.M.No.	Date	Place
1	165 /	25.06.2013	Mantralaya Mumbai
2	166 /	13.09.2013	Mantralaya Mumbai
3	167 /	19.12.2013	Van Sabhagriha, Seminary Hills, Nagpur.
4	168 /	24.02.2014	Mantralaya Mumbai

13 Directors Responsibility Statement

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts for the financial year ended 31st March, 2014, the applicable accounting standards had been followed along with proper explanation relating to material departures.,
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.,

- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.,
- iv)the Directors have prepared the annual accounts on a “going concern” basis.

14 Statutory Auditors

M/S Shah Baheti Chandak & Co., Chartered Accountants & M/S. Chandak, Khanzode & Shenwai, Chartered Accountants both of Nagpur were appointed by the Comptroller and Auditor General of India as Joint Statutory Auditors for auditing the accounts for the year 2013-14.

15 Information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo. Section 217 (i) (e) of the Companies Act 1956.

The particulars as per the Companies (Disclosures of particulars in the Report of Board of Directors) Rules 1998 regarding conservation of Energy and foreign exchange earnings are not applicable. The particulars regarding the Technology absorption, Research and Development (R&D) It is stated as under

	Technology absorption Research & Development(R&D)	
1)	Specific areas in which R&D carried on by the Company	The Company has maintained Seed Orchards under the head of expenses "Research and Development."
2)	Benefits derived as a result of the above R&D	Production of quality seeds and related improvements in treatment etc., contributes towards obtaining better seeds /seedlings.
3)	Future Plan of action	The above activities are proposed to be continued.
4)	Expenditure on R&D	

	a)Capital	Rs. -Nil-
	b)Recurring	Rs. -Nil-
	c) Total	Rs. -Nil-
	d)Total R&D Expenditure as percentage of total turnover	-Nil-
	e)Technology absorption adaptation innovation	Nil.

16 Particulars of Employees U/S 217(2-A)

The particulars of Employees as required under Sec. 217(2-A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 as amended: - -NIL-

17 Employment.

The Company has sanctioned strength of 1688 employees in different categories as approved by the Govt. As against the sanctioned strength the Company has filled up 1230 posts. Besides this 985 vanmazoors were regularized on Company's establishment during the year 2012-13 as per order from Govt. of Maharashtra. Out of which 864 vanmazoors are on establishment at the end of Sept. 2014.

Out of the above filled in strength, 17 are on deputation and 1213 are Company employees as on 31.03.2014. Besides the staff, the Company engaged about 11500 daily wage earners from different areas during the year.

18 Acknowledgement.

The Board wishes to place on record its appreciation for the continued support and co-operation of the Govt., various regulatory and Government Authorities, the bankers and the valuable contribution made by the employees, and workers of the Company.

For and on behalf of the Board of Directors.

(A.K. Nigam)
Managing Director

(Dr.U.M.Fsrooqui)
Director

PLACE: Nagpur

DATE : 18.12.2014

राजमुद्रा
सत्यमेवजयते

फैक्स नं. : } 2209 2326

Fax No. }

दूरध्वनी संख्या : } 2205 4022

Telephone No. } 2205 7360

} 2201 4437

तारेका पत्ता: वाणिज्यिक परीक्षा

Telegraphic address: (VANIYIKPARIKSHA)

e-mail:agcommau/Maharashtra@cag.gov.in

महालेखाकार (लेखापरीक्षा)-III, महाराष्ट्र यांचे कार्यालय

महालेखाकार (लेखापरीक्षा)-III, महाराष्ट्र का कार्यालय

प्रतिष्ठा भवन, तल मंजिल, 101, महर्षि कर्वे मार्ग,

मंबई- 400 020

OFFICE OF THE ACCOUNTANT GENERAL

(AUDIT) III, MAHARASHTRA

PRATISHTHA BHAVAN GROUND FLOOR, 101,

MAHARSHI KARVE MARG, MUMBAI-400020

गोपनीय

संख्या/N0.एजी/लेप-III/वालेप खण्ड-I/एफडीसीएम/2013-14/162 दिनांक: 12 फ़ेब्रुवारी 2015

सेवा मे,

प्रबंध निदेशक,

फॉरेस्ट डेव्हलपमेंट कॉर्पोरेशन ऑफ महाराष्ट्र लिमिटेड

नागपूर.

विषय: मार्च 31, 2014 को समाप्त हुए वर्ष के फॉरेस्ट डेव्हलपमेंट कॉर्पोरेशन ऑफ महाराष्ट्र लिमिटेड, नागपूर के लेखों पर कम्पनी अधिनियम, 1956 की धारा 619 (4) के अन्तर्गत भारत के नियंत्रक - महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मार्च 31, 2014 को समाप्त हुए वर्ष के फॉरेस्ट डेव्हलपमेंट कॉर्पोरेशन ऑफ महाराष्ट्र लिमिटेड, नागपूर के लेखों पर कम्पनी अधिनियम, 1956 की धारा 619 (4) अन्तर्गत भारत के नियंत्रक - महालेखापरीक्षक का निरंक टिप्पणी (Nil Comments) संलग्न है।

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

भवदीय,

महालेखाकार

(लेखापरीक्षा) - III

संलग्न : यथोपरि.

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

The preparation of financial statements of **Forest Development Corporation of Maharashtra limited,' Nagpur** for the year ended **31st March, 2014** in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated **18th December 2014**.

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

For and on behalf of

The Comptroller and Auditor General of India

Sd/-

ACCOUNTANT GENERAL

Place :

Date :

SHAH BAHETI CHANDAK & CO.
CHARTERED ACCOUNTANTS
205, GHATATE CHAMBERS,
PANCHSHEEL SQUARE,
NAGPUR – 440012.

CHANDAK KHANZODE & SHENWAI
CHARTERED ACCOUNTANTS
Gs 20/21 AMARJYOTI PALACE,
WARDHA ROAD, DHANTOLI,
NAGPUR – 440012.

AUDITORS' REPORT

TO

MEMBERS OF THE

FOREST DEVELOPMENT CORPORATION OF
MAHARASHTRA LIMITED.

We have audited the attached Balance Sheet of "FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED" as at 31st March 2014 and also the Profit and Loss Account and the Cash flow statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. 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 from material misstatements. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:

- 1) As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government in terms of sub-section (4 A) of section 227 of the Companies Act, 1956, we enclose in the Annexure 'A' Statement on the matters specified in paragraphs 4 and 5 of the said order.

- 2) Further to our comments in the Annexure referred to in paragraph 1 above, we report that:
- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by the Companies Act, 1956 (as amended up to date) have been kept by the Company so far as appears from our examination of these books.
 - c) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Profit & Loss Account & Balance Sheet comply with the accounting standards referred to in sub-section (3C) of Sec. 211 of the Companies Act, 1956.
 - e) Being a Government Company, pursuant to the Notification No. GSR 829 (E) dated 17.07.2003 issued by Government of India, provisions of Section 274 (1) (g), are not applicable to Company.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the annexed accounts together with Accounting Policies, give the information required by the Companies Act, 1956 (as amended up to date) in the manner so required and give a true and fair view in conformity with the accounting principles, generally accepted in India.
 - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2014,
 - ii) In the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
 - iii) In the case of the Cash Flow Statement, of the Cash flows of the company for the year ended on that date.

For Shah Baheti Chandak & Co.

Chartered Accountants,
Firm No. 109513 W

(CA. Nitin Agrawal)
Partner
M.No.139353

For Chandak Khanzode & Shenwai

Chartered Accountants,
Firm No.112415 W

(CA. Aniruddha Shenwai)
Partner
M.No. 036853

Place : Nagpur

Date : 18.12.2014

*ANNEXURE 'A' TO THE AUDITORS' REPORT
(Referred to in Paragraph 1 of our report of even date.)*

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.*
- i) (b) All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.*

(c) As per explanations given to us the Company has not disposed off any substantial part of Fixed Assets.
- ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.*

(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory. No discrepancies noticed on verification between the physical stocks and the books records, except given in Note No. 35
- iii) The Company has not either granted or taken any loans secured or unsecured to/from companies or other parties covered in the register maintained under section 301 of the Companies Act. Therefore the provisions of sub clauses (b), (c), (d), (e), (f) and (g) of clause (iii) of paragraph 4 are not applicable to the Company.*
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods, and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.*
- v) (a) According to the information and explanation given to us, during the audit, there have been no contracts or arrangements which need to be entered in the register maintained under section 301 of the Companies Act, 1956.*

(b) In view of clause (v) (a), the clause (v) (b) is not applicable.

- vi) *In our opinion and according to explanations given to us, during the period under audit, the Company has not accepted deposits from public within the meaning of sec. 58 A and 58 AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under.*
- vii) *The Company has an internal audit system commensurate with its size and nature of its business.*
- viii) *The Central Government has not prescribed maintenance of cost records to the Company under sec. 209 (1) (d) of the Companies Act, 1956.*
- ix) a) *The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax and Sales Tax.*
- b) *According to the information and explanation given to us, no undisputed amounts payable in respect of Income tax, Sales tax, Wealth tax, and Cess were in arrears, as at 31.03.2014 for a period of more than six months from the date they became payable.*
- c) *There are no disputed dues outstanding in respect of Income Tax / Sales Tax/ Wealth Tax and Cess, except as mentioned in Note 49 (d) (i & ii).*
- x) *There are no accumulated losses as on 31.03.2014. The Company has not incurred any cash losses in the financial year covered by our audit and in the immediate preceding financial year.*
- xi)** *In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank, or debenture holders.*
- xii)** *The Company has not granted any loan or advance on the basis of security by way of pledge of shares, debentures and other securities.*
- xiii)** *In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditors, Report) Order 2003 are not applicable to the Company.*
- xiv)** *In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.*

- xv)** As per the explanations given to us Company has not given any guarantees for loans taken by others from banks or financial institutions.
- xvi)** No term loans have been obtained by the Company during the year.
- xvii)** According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- xviii)** According to the information and explanations given to us, the Company has not made preferential allotment of shares during the year.
- xix)** The Company has not issued debentures during the year.
- xx)** The Company has not raised money from public issue.
- xxi)** According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For Shah Baheti Chandak & Co.

Chartered Accountants,
Firm No. 109513 W

(CA. Nitin Agrawal)

Partner

M.No.139353

For Chandak Khanzode & Shenwai

Chartered Accountants,
Firm No.112415 W

(CA. Aniruddha Shenwai)

Partner

M.No. 036853

Place : Nagpur

Date : 18.12.2014

Forest Development Corporation of Maharashtra Limited

Balance Sheet as at 31st March, 2014

	Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
			(Rs in lac)	(Rs in lac)
A	<u>EQUITY AND LIABILITIES :</u>			
1	Shareholders' funds			
	(a) Share capital	1	2,789.49	2,785.49
	(b) Reserves and surplus	2	88,672.17	80,298.46
			91,461.66	83,083.95
2	Share application money pending allotment	22	29,454.11	29,454.11
3	Current liabilities			
	(a) Trade payables	3	31.44	26.23
	(b) Other current liabilities	4	6,717.66	8,332.58
	(c) Short-term provisions	5	7,254.49	5,270.12
			14,003.59	13,628.93
	TOTAL :		134,919.36	126,166.99
B	<u>ASSETS :</u>			
1	Non-current assets			
	(a) Fixed assets	6		
	(i) Tangible assets		1,096.76	1,209.61
	(ii) Capital work-in-progress		546.67	504.62

	(b) Deferred Tax Asset (net)	45	57.01	97.24
	(c) Long-term loans and advances	7	193.18	183.63
	(d) Other non-current assets	8	18,619.96	14,700.96
2	Current assets		20,513.58	16,696.06
	(a) Current Investments	46	10,593.40	13,243.55
	(b) Inventories	9	88,300.58	84,079.18
	(c) Trade receivables	10	2,901.55	4,438.15
	(d) Cash and cash equivalents	11	4,565.06	1,272.56
	(e) Short-term loans and advances	12	7,094.72	5,671.36
	(f) Other current assets	13	950.47	766.13
			114,405.78	109,470.93
	TOTAL			
	:		134,919.36	126,166.99
	See accompanying notes forming part of the financial statements	1-52		

In terms of our report attached.

For Shah Baheti Chandak & Co.,

For and on behalf of the Board of Directors,

Chartered Accountants,

F R No - 109513 W

(A. K. Nigam)

(Dr. U.M. Farooqui)

Managing Director

Director

(CA Nitin Agrawal)

Partner

M No. 139353

(CA Kaustubh Vinay Bhamburkar)

**For Chandak Khanzode & Shenwai
Chartered Accountants,**

Incharge Company Secretary

F R No- 112415 W

(CA Aniruddha Shenwai)

Partner

M No. 036853

Place : Nagpur

Place : Nagpur

Date : 18.12.2014

Date : 18.12.2014

Forest Development Corporation of Maharashtra Limited

Statement of Profit and Loss for the year ended 31st March, 2014

	Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
			(Rs in lac)	(Rs in lac)
A	<u>REVENUES :</u>			
	Revenue from operations	14	12,210.28	14,174.84
	Other income	15	6,223.70	2,971.67
	Total revenue (A)		18,433.98	17,146.51
B	<u>EXPENSES :</u>			
	(a) Cost of material sold	16	8,283.83	9,790.73
	(b) Employee benefits expenses	17	252.01	345.79
	(c) Depreciation	18	10.90	11.77
	(d) Other expenses	19	406.73	708.45
	Total expenses (B)		8,953.47	10,856.74
	Profit before tax (A-B)		9,480.51	6,289.77
	Less Tax expenses			
	(a) Current tax		1,800.00	1,340.00
	(b) Deferred tax	45	40.23	-98.70
	Profit from continuing operations		7,640.28	5,048.47

	Profit for the year carried to balance sheet		7,640.28	5,048.47
	Earning Per Share of face value of Rs 100 each (in Rs)	44	232.07	114.80
	Diluted Earning Per Share of face value of Rs 100 each (in Rs)	44	20.06	9.91

In terms of our report attached.

**For Shah Baheti Chandak & Co.,
Chartered Accountants,
F R No - 109513 W**

**(CA Nitin Agrawal)
Partner
M No. 139353**

**For Chandak Khanzode &
Shenwai,
Chartered Accountants,
F R No- 112415 W**

**(CA Aniruddha Shenwai)
Partner
M No. 036853**

Place : Nagpur
Date : 18.12.2014

For and on behalf of the Board of Directors,

**(A. K. Nigam)
Managing Director**

**(U.M.Farooqui)
Director**

**(CA Kaustubh Vinay Bhamburkar)
Incharge Company Secretary**

Place : Nagpur
Date : 18.12.2014

FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014

(Rs. in Lac)

Particulars	2013-14		2012-13	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Tax as per Profit & Loss Account		9,480.51		6,289.77
Adjustements for:				
Depreciation	127.98		68.05	
Provision for doubtful debts (net)	24.04		5.74	
Amount written off	17.00		22.18	
Initial Plantation cost written off	234.33		203.24	
Development cost of seed plot written off	7.23		9.04	
Interest Income (treated seperately)	-1,360.36		-1,847.89	
Provison written back credited to P & L account	-2.37		-0.69	
Profit on sale of Fixed asset	-5.74		-0.06	
Compensation claim receipt of plantation handed over to FD /other agencies and its cost written off (Net)	-4,807.71		-1,030.46	
		-5,765.60		-2,570.85
Operating Profit Before Working Capital		3,714.91		3,718.92
Changes adjustments for:				
(Increase)/ decrease in Trade Receivables	1,536.60		-158.39	
(Increase)/ decrease in Plantations & Nursery	-3,768.12		-7,069.70	
(Increase)/ decrease in Inventories (Finished Goods/WIP)	-453.29		-418.09	

(Increase)/ decrease in Short term Loans & Advances	-1,432.92			
(Increase)/ decrease in other Current asset/other Non Current asset	-4,103.33		-1,494.99	
Increase/ (decrease) in Trade Payables & Other Current Liabilities & Provision	374.67		3,046.41	
Changes in working capital		-7,846.39		-6,094.76
Operating Profit before Income Tax & Dividend		-4,131.48		-2,375.84
Less: Income tax paid (net)		1,366.32		1,946.00
Net Cash from Operating Activities		-5,497.80		-4,321.84
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets		-119.43		-455.58
Purchase of term deposit		-10,593.40		-13,243.55
Receipt of term deposit		13,243.55		17,035.64
Sale of Fixed assets		5.81		0.30
Compensation claim receipt		4,807.71		1,030.46
Interest Income		1,360.36		1,847.89
Net Cash from Investing Activities		8,704.60		6,215.16
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Share Capital from GOM		4.00		4.02
Dividend with Tax paid		-194.12		-277.68
Funds from Govt of Maharashtra/Other Agencies (Net)		275.82		-1,502.69
		85.70		-1,776.35

Net Cash from Financing Activities				
Net Increase/(Decrease) in Cash and Cash Equivalents :		3,292.50		116.97
Opening Balance of Cash & Cash Equivalents (as on April 1, 2013)		1,272.56		1,155.59
Closing Balance of Cash & Cash Equivalents (as at March 31, 2014) (Refer Note 11)		4,565.06		1,272.56

Contd....

Notes to Cash Flow Statement:

- a. The above cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3.
(AS 3) 'Cash Flow Statement' as specified in Companies (Accounting Standards) Rule, 2006
- b. The figures for the previous year have been regrouped where necessary to conform to current year's classification.

For and on behalf of the Board of Directors,

In terms of our report attached.

For Shah Baheti Chandak & Co

Chartered Accountants

F R No - 109513 W

(CA Nitin Agrawal)

Partner

M No. 139353

For Chandak Khanzode & Shenwai,

Chartered Accountants

F R No - 112415 W

(CA Aniruddha Shenwai)

Partner

M No. 036853

(A. K. Nigam) (Dr. U.M. Farooqui)

Managing
Director

Director

(CA Kaustubh Vinay Bhamburkar)
Incharge Company Secretary

Date :
18.12.2014

Forest Development Corporation of Maharashtra Limited

Note 1 Share capital

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Number of shares	Rs in Lac	Number of shares	Rs in Lac
(a) Authorised Equity shares of Rs 100 each with voting rights	35,00,000	3500.00	35,00,000	3500.00
(b) Issued Equity shares of Rs 100 each with voting rights (Out of which 1,66,636 shares issued for consideration other than cash)	2,789,488	2,789.49	2,785,488	2785.49
(c) Subscribed and fully paid up Equity shares of Rs 100 each with voting rights	2,789,488	2,789.49	2,785,488	2785.49
GRAND TOTAL OF SHARE CAPITAL	2,789,488	2,789.49	2,785,488	2785.49

Forest Development Corporation of Maharashtra Limited

Note 1 Share capital (contd.)

Share held by shareholders holding more than 5% of aggregate shares in the Company

Class of shares	Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Name of Shareholder and Number of shares held	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
(a) Equity shares with voting rights	Governor of Maharashtra (including 2 shares held by 2 nominees)	2,789,488	100.00%	2,785,488	100.00%
(b) Preference shares	NIL	-	0.00%	0	0.00%

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	Bonus	Other Changes	Closing Balance
Equity shares with voting rights					
Year ended 31st March, 2014					
- Number of shares	2,785,488	4000	-	-	2,789,488
- Amount (in Rs lac`)	(2785)	(4)	-	-	(2789)
Year ended 31st March, 2013					
- Number of shares	2,781,465	4,023	-	-	2,785,488
- Amount (in Rs lac)	(2781)	(4)	-	-	(2785)

Rights, Preference and Restriction Attached to Equity Shares :

Particular	Current Year	Previous Year
Voting Rights	2789488	2785488
Dividend Rights	2789488	2785488
Restrictions :	-	-
Other Matters	-	-
Total	2789488	2785488

Details of share holding Company :

Not Applicable

Details of securities convertible into Equity Shares/ Preference Shares :

NIL

Forest Development Corporation of Maharashtra Limited

Note 2 - Reserves and surplus

Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in lac)	(Rs in lac)
(A) Capital reserve - Scheme wise details are as given below		
i) Funds from GOM for Plantations (Ongoing)		
Opening balance	58.14	58.14
Add: Additions during the year	-	-
Closing balance	58.14	58.14
ii) Funds from GOM for Enrichment Plantations in FDCM's Earmarked Area		
Opening balance	305.67	305.67
Add: Additions during the year	-	-
Closing balance	305.67	305.67
iii) Funds from GOM under World Bank Assistance for Maharashtra Forestry Project Earmarked Area		
Opening balance	309.64	309.64
Add: Additions during the year	-	-
Closing balance	309.64	309.64
iv) Compensatory Plantations Retained		
Opening balance	555.31	512.57
Add: Add .during the year	0.00	42.74
Closing balance	555.31	555.31

v) WLDP EGS Plantations Retained		
Opening balance	1,206.29	1,206.29
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	1,206.29	1,206.29
vi) WLDP (Govt Finance) Plantations Retained		
Opening balance	1,866.62	1,866.62
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	1,866.62	1,866.62
vii) WLDP EGS Plantations (New) in FDCM's Earmarked Area		
Opening balance	4,724.23	3,712.24
Add: Additions during the year	892.46	1,011.99
Closing balance	5,616.69	4,724.23
viii) Funds from GOM under Forest Development Tax Scheme		
Opening balance	1,549.22	1,549.22
Add: Additions during the year	-	-
Closing balance	1,549.22	1,549.22
ix) Funds for Schemes of Protection of FDCM Assets under FDT sources		
Opening balance	188.00	179.63
Add: Additions during the year	7.88	8.37
Closing balance	195.88	188.00
x) Funds for Schemes by utilizing WFP Revolving Funds		
Opening balance	1,205.61	1,205.61
Add: Additions during the year	-	-
Closing balance	1,205.61	1,205.61

Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in lac)	(Rs in lac)
xi) Funds under 100% Centrally Sponsored Scheme for Development of Forests and Pasture Seeds		
Opening balance	42.91	42.91
Add: Additions during the year	-	-
Closing balance	42.91	42.91
xii) Funds under Centrally Sponsored Scheme for Integrated Forest Protection		
Opening balance	173.35	173.35
Add: Additions during the year	-	-
Closing balance	173.35	173.35
xiii) Funds From National Bamboo Mission		
Opening balance	277.03	216.23
Add: Additions during the year	50.00	60.80
Less: Funds appropriated to Deposit & Advance	2.89	2.89
Closing balance	324.14	274.14
xiv) Funds From National Medicinal Plant Board, New Delhi		
Opening balance	45.00	45.00
Add: Add during the year	100.95	-
Less: Funds refunded to NMPB	0.01	-
Closing balance	145.94	45.00
xv) Funds from TFRI, Jabalpur for Development of Seed Plots		
Opening balance	56.55	56.55
Add: Additions during the year	-	-
Closing balance	56.55	56.55

xvi) Funds from GOM under DRDA for Soil Conservation Activity		
Opening balance (including transfer)	456.63	456.63
Add: Additions during the year	-	-
Less: Funds Refunded till date	30.72	30.72
Funds Appropriated for development works till date	14.90	14.90
Closing balance	411.01	411.01
xvii) Funds from GOM for WLDP Programme under SGRY Scheme		
Opening balance (including transfer)	22.59	22.59
Add: Additions during the year		
Less: Funds Refunded till date	0.17	0.17
Closing balance	22.42	22.42
xviii) Funds from GOM under National Programme of Food for Works for Soil Conservation Activity in Nasik Region		
Opening Balance of Fund Received(including transfer)	210.04	210.04
Less: Funds Refunded till date	40.04	40.04
Closing balance	170.00	170.00
xix) Funds from Zilla Parishad for Drought Area Programme		
Opening balance	0.10	0.10
Add: Additions during the year	-	-
Closing balance	0.10	0.10
xx) Funds from GOM Appropriated from Funds under WLDP (EGS)/ MREGS for Soil Conservation/Enrichment works in FDCM's Plantations		
Opening balance	3,426.01	3,292.94
Add: Additions during the year (Funds Appropriated)	32.05	133.07
Closing balance	3,458.06	3,426.01

xxi) Funds from GOM for Compensatory Afforestation Plantations (NEW) in FDCM's earmarked area		
Opening balance	486.36	486.36
Add: Additions during the year	-	-
Closing balance	486.36	486.36
xxii) Funds for Creation of Infrastructural Facility for Seed Unit under Centrally Sponsored Scheme of UNDP on Medicinal Plants		
Opening balance	9.00	9.00
Add: Additions during the year	-	-
Closing balance	9.00	9.00
xxiii) Funds from 13th Finance Commission for Medicinal Plantation and other Activity		
Opening balance (Funds)	243.15	243.15
Add: Additions during the year	6.93	
Less: Fund Transfer to Deposit & Advance till last year	118.82	49.01
Less: Fund Transfer to Deposit & Advance during the year	13.69	69.81
Closing balance	117.57	124.33
xxiv) Funds Reserved for Management Plan (Mandatory) Plantations out of Profit and Loss Account		
Opening balance	13,559.25	11,705.79
Add : Additions during the year (Appropriation from Profit and Loss Account)	1,170.68	1,853.46
Closing balance	14,729.93	13,559.25
xxv) Funds from CAMPA for Other Activities		

Opening balance	246.00	98.09
Add: Additions during the year	18.17	147.91
Closing balance	264.17	246.00
xxvi) Funds from MTDC for Eco Tourism Activity		
Opening balance	457.72	416.08
Add: Additions during the year	-	41.50
Less: Grants transferred to Profit & Loss Account	154.11	154.11
Less: Preparatory Expenses	-	-0.14
Closing balance	303.61	303.61
xxvii) Funds from Collector Bhandara under DPDC for Eco Tourism Activity		
Opening balance	49.50	-
Add: Additions during the year	48.50	49.50
Less: Grants transferred to P&L Account	77.51	29.01
Closing balance	20.49	20.49
xxviii) Funds from Maharashtra state Horticulture & Medicinal Plant Board, Pune		
Opening balance	20.00	-
Add: Additions during the year	41.76	20.00
Less: Payments to MSHMPB Pune	20.00	-
Less: Transfer to Deposit & Advance	4.58	-
Closing balance	37.18	20.00
TOTAL OF CAPITAL RESERVE (i to xxviii)- (A)	33,641.86	31,359.26

(B) Surplus in Statement of Profit and Loss Account		
Opening balance	48,939.20	45,937.68
Add: Profit for the year	7,640.28	5,048.47
Income tax for earlier year	-	0.63
	56,579.48	50,986.78
Less: Appropriations		
i) Dividend proposed to be distributed to equity shareholders	323.51	167.02
ii) Tax on proposed dividend	54.98	27.10
iii) Capital reserve for management plan (Mandatory) Plantations	1,170.68	1,853.46
Closing balance of Surplus (B)	55,030.31	48,939.20
GRAND TOTAL ((A) + (B))	88,672.17	80,298.46

FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED

Note 3 Trade payables

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs in Lac	Rs in Lac
Trade payables:		
a) Trade payables		
(other than SSI undertaking)	31.44	26.23
Grand Total	31.44	26.23

Note 4 Other current liabilities

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs in Lac	Rs in Lac
(a) Trade deposits from Suppliers/ Contractors	97.47	140.34
(b) Advances from Customer	1,444.60	849.07
(c) Statutory / Other remittances payable (TDS, PT, Contributions CPF and ESIC, FDT Contributions to CPF and VAT etc.	316.72	602.54
(d) Other payables	4,480.88	6,470.80
(e) Other deposits under various Govt Schemes. As per Note 4.a	377.99	269.83
Grand Total	6,717.66	8,332.58

Note 4.a - Other deposits under various Govt Schemes

Particulars	Opening balance as at 01.04.2013	Addition during the year	Closing balance as at 31.03.2014
	(Rs. in lac)	(Rs. in lac)	(Rs. in lac)
a) Centrally Sponsored Scheme of Wildlife census			
Funds received from GOM	3.51	-	3.51
Less: Expenditure	3.31	-	3.31
Closing Balance (a)	0.20	-	0.20
b) Funds under 100% CSS of National Programme for Providing Conservation of Medicinal Plants			
Funds received from GOM	29.00	-	29.00
Less: Funds transferred to Reserve & Surplus	9.00	-	9.00
Expenditure	17.61	1.30	18.91
Closing Balance (b)	2.39	-1.30	1.09
c) Funds under 100% Centrally Sponsored Scheme under National Bamboo Mission for Clearance of Bamboo Clumps			
Funds received from GOM	32.00	-	32.00
Less: Expenditure	27.33	-	27.33
Closing Balance (c)	4.67	-	4.67

d) Funds under 13th finance commission			
Funds appropriated from Reserve & Surplus	118.82	13.69	132.51
Total Expenditure	205.03	39.80	244.83
Less : Expenditure transferred to Current / Fixed Assets under respective a/c	86.21	26.11	112.32
Net Expenditure	118.82	13.69	132.51
Closing balance (d)	-	-	-
e) Funds from Govt of Maharashtra for Gorewada Project,Nagpur			
Funds received from GOM	1,855.78	920.00	2,775.78
Less: Expenditure	1,852.47	781.52	2,633.99
Closing balance (e)	3.31	138.48	141.79
f) Funds from CAMPA for Various Works			
A] Funds			
Funds received from CAMPA Through GOM	754.19	48.50	802.69
Interest received on fund	16.21	3.07	19.28
Total funds	770.40	51.57	821.97
Less : Fund refunded to CAMPA Authority	358.94	24.00	382.94
Less:Funds Transferred to Reserve & Surplus	246.00	18.17	264.17
Total refund	604.94	42.17	647.11
Net Funds(A)	165.46	9.40	174.86
B: Expenditure			
Total Expenditure	390.41	44.80	435.21
Less: Expdt. transfer to Fixed assets/Current Assets	246.00	18.17	264.17
Net Expenditure (B)	144.41	26.63	171.04
Closing Balance f=(A-B)	21.05	-17.23	3.82

	Opening balance as on 01.04.2013	Addition during the year	Closing balance as at 31.03.2014
Particulars			
g) Advance received for purchase of PDA System from FD	80.00	-	80.00
h) Funds from GOM For clearance of existing growth under Sardar Sarovar Project for rehabilitation			
Funds received	154.53	-	154.53
Add : Receipt of the scheme	146.41	-	146.41
Total	300.94	-	300.94
Less: Expenditure	154.54	-	154.54
Closing Balance (h)	146.40	-	146.40
i) Funds from GOM under EGS for development works			
Funds appropriated from reserve and surplus	1,799.85	28.36	1,828.21
Less: Expenditure	1,799.85	28.36	1,828.21
Closing Balance (i)	-	-	-
j) Funds from DRDA for development works			
Funds appropriated from reserve and surplus	14.90	-	14.90
Less: Expenditure	14.90	-	14.90
Closing Balance (j)	-	-	-
k) Funds from National Tiger Conservation Authority			
Funds received	17.04	6.24	23.28

Less: Expenditure	5.23	18.03	23.26
Closing Balance (k)	11.81	-11.79	0.02
l) Funds appropriated for Training Expenditure			
Less: Expenditure	2.89	-	2.89
Less: Expenditure	2.89	-	2.89
Closing Balance (l)	-	-	-
m) Funds appropriated for Medicinal Plantation Under Maharashtra state Falotpadan Pune			
	-	4.58	4.58
Less: Expenditure	-	4.58	4.58
Closing Balance (l)	-	-	-
TOTAL (a to l)	269.83	108.16	377.99

Note 5 Short-term provisions

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs in Lac	Rs in Lac
Provisions :		
1)Provision for Income Tax Current Year	1,800.00	1,340.00
2)Provision for Income Tax of earlier Year	5,076.00	3,736.00
3)Provision for proposed equity dividend	323.51	167.02
4) Provision for tax on proposed dividends	54.98	27.10
Grand Total	7,254.49	5,270.12

Forest Development Corporation of Maharashtra Limited

Note 6 Fixed assets

(Rs in Lacs)

Particulars	GROSS BLOCK					DEPRECIATION				NET BLOCK	
	Rate	Balance as at 1st April 2013	Additions	Disposals (Sale / Adjustment)	Gross Block as on 31st March 2014	As At 1st April 2013	For the Year	Deductions during the year	As at 31st March 2014	As at 31st March 2014	As at 31st March 2013
Tangible assets											
(a) Land-Freehold		1.11			1.11				-	1.11	1.11
(b) Buildings											
i) Permanent											
1) Residential	5%	711.55	-	18.51	693.04	432.47	13.82	8.28	438.01	255.03	279.08
2) Non Residential	5%	640.38	18.51	17.23	641.66	285.94	18.00	4.86	299.08	342.58	354.44
ii) Semi Permanent											
1) Residential	5%	5.30	-	-	5.30	4.63	0.03	-	4.66	0.64	0.67
2) Non Residential	5%	39.96	1.23	-	41.19	12.39	1.43	-	13.82	27.37	27.57
iii) Roads	5%	91.77	-	-	91.77	61.41	1.52	-	62.93	28.84	30.36
Total (i + ii + iii)		1,488.96	19.74	35.74	1,472.96	796.84	34.80	13.14	818.50	654.46	692.12
(c) Plant and Machinery	30%	118.47	6.88	0.16	125.19	74.07	14.65	0.15	88.57	36.62	44.40
(d) Furniture and Fixtures	18.10%	374.24	18.74	2.39	390.59	166.57	43.98	1.63	208.92	181.67	207.67
(e) Office equipment	13.91%	112.45	8.92	0.04	121.33	56.71	8.30	0.04	64.97	56.36	55.74
(f) Survey and Mathematical Instrument	13.91%	5.93	1.50	-	7.43	3.38	0.42	-	3.80	3.63	2.55
(g) Wireless Apparatus	13.91%	74.27	-	-	74.27	53.85	2.84	-	56.69	17.58	20.42
(h) Computers	40%	111.37	8.49	-	119.86	80.90	13.49	-	94.39	25.47	30.47

(i) Vehicles											
1) Motor Cars	25.89%	72.66	13.12	-	85.78	41.73	11.11	-	52.84	32.94	30.93
2) Other Vehicles	30%	472.90	-	33.61	439.29	348.70	37.23	33.56	352.37	86.92	124.20
Total (i + ii)		545.56	13.12	33.61	525.07	390.43	48.34	33.56	405.21	119.86	155.13
(j) W.F.P Assets (At Token Value)		0.00			0.00						0.00
			-	-		-	-	-	-	-	
(k) Computer Asset Under M.F.P (At Token Value)		0.00			0.00						0.00
			-	-		-	-	-	-	-	
GRAND TOTAL (a to k)		2,832.36	77.39	71.94	2,837.81	1,622.75	166.82	48.52	1,741.05	1,096.76	1,209.61
Previous year (Including assets discarded but not sold)		2402.96	446.03	16.63	2,832.36	1477.96	157.94	13.15	1622.75	1209.61	925.00
CAPITAL WORK IN PROGRESS		504.62	42.09	0.04	546.67	-	-	-	-	546.67	504.62

FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED

Note-7 Long-term loans and advances

Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in lac)	(Rs in lac)
(a) Loans and advances to employees – Secured		
i) Vehicle Advance	18.39	26.51
Interest Accrued but not due thereon	9.89	10.80
ii) House Building Advance	24.77	25.14
Interest Accrued but not due thereon	19.85	23.94
iii) Computer Advance	7.92	8.67
Sub Total (a= i to iii)	80.82	95.06
(b) Security deposits	112.36	88.57
Grand Total	193.18	183.63

Note-8 Other Non-Current assets

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Rs in Lac	Rs in Lac
Unsecured, considered good		
(a) Compensation Claims for Plantation Assets receivable from Government/Other Agencies	18,343.20	14,475.67
(b) Others Receivables	276.76	225.29
Grand Total	18,619.96	14,700.96

FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED**Note-9 Inventories**

Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in lac)	(Rs in lac)
(a) Nursery (At Cost)- As per Note - 9.1	386.94	404.37
(b) Plantations (At Cost)- As per Note - 9.2	84,470.37	80,684.83
(c) Finished goods (As taken, valued and certified by management at Production Cost or Net Realisable value (whichever is less) As per Note - 9.3	1,417.88	1,624.06
(d) Work in Progress (At Cost) As per Note - 9.4	2,025.39	1,365.92
Grand Total	88,300.58	84,079.18

Note : 9.1 – Nursery

Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in lac)	(Rs in lac)
Establishment of Teak Nursery	33.44	37.16
Establishment of Root Trainer Nursery	67.27	84.09
Establishment of Clonal Nursery	3.40	4.25
Est. of Medicinal plant Nursery MSHMPB Pune	5.22	
Teak Nursery	228.36	215.99
Polypot Nursery	12.61	23.90
Root Trainer Nursery	33.89	36.92
Medicinal Plant Nursery	0.02	0.01
Bamboo Bed Nursery	2.03	2.05
Hightech Nursery	0.70	-
Total of Note 9.1	386.94	404.37

FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED.
Note : 9.2 – Plantations

Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in lac)	(Rs in lac)
Ongoing Teak Plantation Programme	22,628.11	21,002.85
Enrichment Plantation in FDCM's Earmarked areas	343.60	343.74
Maharashtra Forestry Project	29,370.62	29,783.44
Forest Development Tax scheme Plantations	1,613.28	1,615.22
Regeneration activity in Bamboo Flowered area	33.76	33.76
- Schemes by utilising WFP revolving fund and internal surplus	923.09	929.73
100% Centrally sponsored scheme of development of forests and pasture seeds	0.34	0.43
Centrally sponsored scheme of Integrated Forest Protection	134.16	144.52
<u>Less: Expdt. transferred to respective activities</u>	134.16	144.52
-	-	-
- Development of seed plots under TFRI/MFP finance/ CAMPA/ internal sources	28.60	35.75
Management plan (Mandatory) Plantation programme under Overwood removal funds	16,213.17	14,596.11

Rehabilitation of degraded forests with rooted stock	85.13	85.09
scheme plantations		
Constitution of felling series for ten years rotation of teak & working thereof	12.23	12.23
Nursery Plantations	20.64	20.69
Compensatory afforestation Plantations (New)	560.90	560.90
in FDCM's earmarked areas		
Less:- Intial Plantation Cost Written off/handed over to Forest Dept	90.17	53.69
	470.73	507.21
<u>Plantation Assets retained under :</u>		
Compensatory Plantations	413.07	418.29
WLDP/ EGS Plantations	1,002.46	1,002.16
WLDP Govt. finance Plantations	1,615.15	1,641.05
	3,030.68	3,061.50
WLDP / EGS Plantations(New) in FDCM's earmarked areas	5,182.56	4,343.81
Soil conservation activity under D.R.D.A	425.72	425.72
Less : Transferred to respective activities	425.72	425.72
	-	-
WLDP under SGRY scheme	22.42	22.42
Less: Transferred to respective activities	22.42	22.42
	-	-
WLDP under DPAP in Nasik Region	0.10	0.10
Less: Transferred to respective activities	0.10	0.10
	-	-

Note : 9.2 - Plantations continued

Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in lac)	(Rs in lac)
WLDP under National Programme of food for work in Nasik Region (KDRK)	170.00	170.00
Less: Transferred to respective activities	170.00	170.00
Bamboo Plantation Expenditure under National Bamboo Mission	0.00	0.00
Less: i) Plantation transferred to forest department	609.47	395.91
ii) Expenditure transferred to deposit and advance	75.22	9.12
	3.00	3.00
Wasteland Development Programme Plantations	531.25	383.79
Under Bank Finance		
For Zone II-b Project	1,660.27	1,712.61
For Zone III Project	2,107.17	2,107.71
<u>Medicinal Plantation Activity</u>		
a) Medicinal Plantation under CSS of NMPB, New Delhi	58.71	14.88
Add : Apportionment of Common overhead	27.17	-
(As per note 20 read with note 23)		
b) Herbal Garden under NMPB	22.75	20.20
c) Herbal Garden under 13th Fin.	4.02	0.50
d) Medicinal Plantation-Other Source	83.54	57.09
Add: Apportionment of Common overhead	14.05	11.59
(As per note 20 read with note 23)		
e) Herbal Garden-Other Source	4.90	4.90
	215.14	109.16
Total of Note : 9.2	84,470.37	80,684.83

Note : 9.3 - Closing Stock-At cost or net realisable value whichever is less

Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in lac)	(Rs in lac)
Stock of Plantation Thinning Materials	1,057.08	1,274.13
Stock of Seed	29.19	37.33
Stock of Vermi Compost/Compost	1.32	4.11
Stock of Harvesting Material	78.22	36.43
Stock of Overwood Removal Activity	195.11	211.43
Stock in Suspense of Thinning Activity	44.97	48.48
Stock in Suspense of Harvesting material	6.33	6.33
Stock in Suspense of Overwood Removal Activity	4.88	5.04
Stock of Medicinal Plantation Activity	0.78	0.78
Total of Note : 9.3	1,417.88	1,624.06

Note : 9.4 - Work in Progress-At Cost

Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in lac)	(Rs in lac)
Work in Progress of Plantation/thinning	268.15	112.51
Work in progress of Overwood Removal Activity	148.05	130.80
Work in progress of Harvesting Activity	2.31	0.35
Work in progress of Seed Collection activity	57.32	24.82
Work in progress of Vermi compost/Compost Activity	2.67	1.37
Work in Progress under Turnkey Plantations	1,406.91	974.74
Add : Apportionment of common overhead (As per note 20 read with note 23)	139.98	121.33
Total of Note : 9.4	2,025.39	1,365.92

FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED

Note-10- Trade receivables

Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in Lac)	(Rs in Lac)
a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	52.91	40.66
Unsecured, considered good	63.81	67.63
Unsecured, considered good (Turnkey Projects)	335.21	113.17
Unsecured, Doubtful	133.36	112.32
Unsecured, Doubtful (Turnkey Projects)	84.42	84.41
	669.71	418.19
Less: Provision for doubtful trade receivables	217.78	196.73
Total :	451.93	221.46
b)Other Trade receivables		
Secured, considered good	2,407.70	4,175.75
Unsecured, considered good (Turnkey Projects)	41.92	40.94
Total :	2,449.62	4,216.69
Grand Total	2,901.55	4,438.15

Note-11 Cash and cash equivalents

Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in Lac)	(Rs in Lac)
(a) Cheques, drafts on hand	3,593.10	201.86
(b) Balances with banks		
(i) In current accounts	100.65	225.51
(ii) In Savings accounts	871.23	845.13
(c) Postal stamps in hand	0.08	0.06
Grand Total	4,565.06	1,272.56

Note-12 Short-term loans and advances

Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in Lac)	(Rs in Lac)
Unsecured, considered good unless otherwise specified		
(a) Loans and advances to employees/Others	160.23	163.02
(b) Prepaid expenses	72.04	13.09
(c) Deposit with Suppliers/Contractors/Other Agencies	1.14	0.26
(d) Deposit with MTDC receivable from beneficiaries under Eco-tourism	0.02	0.02
	-	-
(e) Advance Income Tax current year	1,366.32	1,751.00
(f) Advance Income Tax earlier year	5,494.97	3,743.97
	-	-
Grand Total	7,094.72	5,671.36

Note : Loans and Advances to employees includes Rs. .Nil given to the officers of the Company including interest thereon (Previous year Rs. 0.05 lac)

Note-13 Other Current Assets		
Particulars	As at 31st March, 2014	As at 31st March, 2013
	(Rs in lac)	(Rs in lac)
Unsecured, considered good unless otherwise specified		
(a) Insurance Claim Receivable	6.76	6.76
(b) Others Receivables	481.43	58.83
(c) Accruals		
(i) Interest accrued on deposits/SB Account	462.28	700.54
Grand Total	950.47	766.13

Note 14 Revenue From Operations

Particulars	As at 31 March, 2014 (Rs in lac)	As at 31 March, 2013 (Rs in lac)
Sale of products (Gross) (Refer Note (i) below)	11,798.35	13,734.14
Less: Goods Return	18.27	9.07
Sale of Products (Net)	11,780.08	13,725.07
Turnkey Plantation Receipts	167.00	117.54
Other operating revenues	137.08	134.93
Receipts from Eco-tourism	77.62	14.18
Grants for Eco-tourism Activity	48.50	183.12
Total of Revenue From Operations	12,210.28	14,174.84

Note -(i)		
Particulars	As at 31 March, 2014 (Rs in lac)	As at 31 March, 2013 (Rs in lac)
Sale of products (Gross) comprises:		
a) Plantation Thinning Activity	6,920.73	8,125.98
b) Harvesting Activity	581.63	763.50
c) Overwood Removal Activity	4,253.42	4,815.33
d) Others (Includes Seed, Teak Stump/Plants,Compost/Vermi Compost etc)	42.57	28.69
e) Medicinal Plant activity	-	0.64
Total- Sale Of Products	11,798.35	13,734.14
Goods Return :		
a) Plantation Thinning Activity	5.55	5.80
b) Harvesting Activity	0.46	2.78
c) Overwood Removal activity	12.26	0.49
Total - Goods Return	18.27	9.07

FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED

Note 15 Other Income

Particulars	As at 31 March, 2014	As at 31 March, 2013
	(Rs in Lac)	(Rs in Lac)
(a) Interest income (Refer Note (i) below)	1,360.36	1,847.89
(b) Compensation Claim Received	4,807.71	1,030.46
(c) Other non-operating income	55.63	93.32
Grand Total - Other Income	6,223.70	2,971.67

Note (i)

Particulars	As at 31 March, 2014	As at 31 March, 2013
	(Rs in Lac)	(Rs in Lac)
(i) Interest income comprises:		
Interest from banks on:		
Deposits	1,323.25	1,808.13
Other balances	30.04	32.18
Interest on loans and advances	7.07	7.58
Grand Total - Interest income	1,360.36	1,847.89

Note 16 Cost Of Materials Sold

Particulars	As at 31 March, 2014	As at 31 March, 2013
	(Rs in Lac)	(Rs in Lac)
a) Cost of Material Sold - Finished Goods (As Per Note 16.1)	7,826.73	9,379.11
b) Cost of Teak Stumps/Seedlings/Polypots etc sold	71.37	46.49
c) Cost of Seed Collection (Seed Unit) (As Per Note 16.2)	14.15	29.03
d) Cost of Vermi Compost/Compost (As per Note 16.3)	4.41	4.02
e) Cost of Medicinal Plant Activity (As Per Note 16.4)	112.89	171.73
f) Turnkey Plantation Expenses	254.28	160.35
Grand Total	8,283.83	9,790.73

FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED

Note 16- Cost of Material Sold

**Note 16.1 - Cost of Material Sold -
Finished Goods**

Particulars	As at 31 March, 2014	As at 31 March, 2013
	(Rs in Lac)	(Rs in Lac)
Opening Stock of Thinning activity materials	1,274.13	1,098.50
Opening stock of Harvesting activity materials	36.43	60.84
Opening stock in suspense of Harvesting activity material	6.33	6.33
Opening stock of Overwood removal activity material	211.43	317.83
Opening stock in suspense of Thinning material	48.48	32.08
Opening stock in suspense of Overwood Removal Activity	5.04	-
Opening work in progress of Thinning activity	112.51	123.70
Opening work in progress of Harvesting activity	0.35	10.50
Opening work in progress of Overwood removal activity	130.80	69.71
<u>Expenditure during the year:</u>		
On Thinning Activity (Incl plantation cost w/off Rs 234.33 Lacs) (previous year Rs 199.21 Lacs)	4,040.69	4,392.47
On Harvesting Activity	406.55	464.99
On Overwood removal activity	1,541.26	2,300.07
<u>Apportionment of Common Expenditure:</u>		
(As per Note 20 read with Note 23)		
On Thinning Activity	1,275.51	1,602.40
On Harvesting Activity	103.32	100.13
On Overwood removal activity	440.25	626.35
Total	9,633.08	11,205.90

:		
Less:		
Closing Stock of Thinning activity materials	1,057.08	1,274.13
Closing Stock of Harvesting activity materials	78.22	36.43
Closing Stock of Overwood removal activity materials	195.11	211.43
Closing stock in suspense of Harvesting Activity	6.33	6.33
Closing stock in suspense of Thinning Activity	44.97	48.48
Closing ctock in suspense of Overwood material	4.88	5.04
Closing work in progress of Thinning Activity	268.15	112.51
Closing work in progress of Harvesting activity	2.31	0.35
Closing work in Progress of Overwood removal activity	148.06	130.80
Cost of departmentally used Thinning materials	1.11	1.15
Cost of departmentally used Overwood removal materials	0.05	0.14
Cost of thinning material burnt written off	0.08	-
Total	1,806.35	1,826.79
:		
Cost of Material Sold - Finished Goods	7,826.73	9,379.11

Note 16.2- Cost of Seed Collection

Particulars	As at 31 March, 2014	As at 31 March, 2013
	(Rs in Lac)	(Rs in Lac)
Opening Stock	37.33	55.69
Opening work in progress	24.82	16.39
Expenditure during the year (incl cost of seed plot Rs 7.23 Lac (Previous year Rs.9.04 Lac) written off	80.72	71.01
Total		
:	142.87	143.09
Less:		
Closing Stock	29.19	37.33
Closing work in progress	57.32	24.82
Cost of Seed used for departmental works	42.21	51.91
Total		
:	128.72	114.06
Cost of Seed Collection	14.15	29.03

Note 16.3 - Cost of Vermi Compost/Compost

Particulars	As at 31 March, 2014	As at 31 March, 2013
	(Rs in Lac)	(Rs in Lac)
Opening Stock	4.11	6.35
Opening work in progress	1.37	2.24
Expenditure during the year	13.41	15.44
Total		
:	18.89	24.03
Less:		
Closing Stock	1.32	4.11
Closing work in progress	2.67	1.37
Cost of Compost/Vermi Compost used for Dept works	10.49	14.53
Total		
:	14.48	20.01
Cost of Vermi Compost/Compost	4.41	4.02

FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED

Note 16.4 - Cost of Medicinal Plant Activity

Particulars	As at 31 March, 2014	As at 31 March, 2013
	(Rs in Lac)	(Rs in Lac)
Opening Stock	0.78	1.42
Expenditure during the year	112.89	171.09
Total	113.67	172.51
Less:		
Closing Stock	0.78	0.78
Cost of Medicinal Plant Activity	112.89	171.73

Note 17 Employee Benefits Expenses

Particulars	As at 31 March, 2014	As at 31 March, 2013
	(Rs in lac)	(Rs in lac)
a) Common Expenses		
1) Salaries and wages	1,923.44	2,624.32
2) Contributions to provident and other funds		
Gravuty	222.37	431.10
Leave Encashment & Retirement Benefit	120.98	112.45
Pension / Leave Salary Contribution	36.08	39.73
CPF Contribution & Other Contribution	216.99	238.09
3) Staff Welfare Expenses	0.25	12.22
	2,520.11	3,457.91
Less : Common Exp transferred (As per Note 20 read with Note 23)	2,268.10	3,112.12
Sub Total of Common Expenses	252.01	345.79
Grand Total	252.01	345.79

Note 18 Depreciation

Particulars	As at 31 March, 2014	As at 31 March, 2013
	(Rs in lac)	(Rs in lac)
a) Common Expenses		
Depreciation as per Note 6	166.82	157.94
Less :-Transfer to Other Activity	57.79	40.15
Net Depreciation	109.03	117.79
Less : 90% Common Exp transferred (As per Note 20 read with Note 23)	98.13	106.02
Sub Total of Common Expenses	10.90	11.77
Grand Total	10.90	11.77

FOREST DEVELOPMENT CORPORATION OF
MAHARASHTRA LIMITED

Note 19 Other expenses

Particulars	As at 31 March, 2014	As at 31 March, 2013
	(Rs in lac)	(Rs in lac)
a) Common Expenses		
<u>Administrative Expenses :</u>	-	-
Remuneration to managing director	17.84	15.62
Sitting Fees to directors	0.17	0.13
Travelling and Conveyance	59.70	54.65
Rent	23.68	24.08
Rates and taxes	13.26	12.78
Advertisement	8.97	1.13
Books and periodicals	1.19	1.30
Printing and stationery	38.88	26.78
Postage, Telephones & Telegrams	20.75	17.85
Office expenses	103.81	98.88
Bank Charges/Commission	2.71	0.96
Uniform expenses for staff	3.80	3.28
Insurance of assets	7.44	5.71
Website expenses	4.87	0.07
Training expenses	31.60	0.04
<u>Repairs and Maintenance to :</u>	-	-
Roads and Buildings	172.04	207.24
Plant and Machinery	3.71	3.75
Vehicles	104.25	97.97
	618.67	572.22
Less : Common Exp transferred (As per Note 20 read with Note 23)	556.80	515.00
Sub Total of Common Expenses	61.87	57.22

b) Non- Common Expenses		
<u>Administrative Expenses :</u>	-	-
Payment to Auditors as :		
Audit fees	2.31	2.25
Tax audit fees	0.68	0.67
Vat audit fees	2.25	2.24
Gratuity trust audit fees/contribution	0.08	0.08
out of pocket expenses (Reimbursement of Travelling expenses)	1.09	1.03
	6.41	6.27
Service Tax	5.85	4.53
Professional tax	0.02	0.02
	0.21	
MVAT Expenses		-
Filing fees and registration fee	0.18	0.12
Legal expenses	11.00	8.61
Stamp duty	0.00	0.01
Exp-Eco tourism		
Total Expenditure	240.63	931.11
Less : Transfer to respective activity	23.09	354.10
Net Expenditure	217.54	577.01
Amount written off/forefeitted	17.00	22.18
Recruitment Process Expenditure	7.37	26.09
	55.24	
Compensation for Wildlife Attack		-
	0.63	
Doubtful Rent receivable (Provision)		-
	23.41	6.39
Doubtful debts (Provision)		
Sub Total of Non Common Expenses (b)	344.86	651.23
Grand Total	406.73	708.45

FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED.

Note No. " 20 "

Apportionment of 90% Common Expenses for the year 2013-14

Sr. No.	Activity	2013-14	2012-13
		(Rs in lac)	(Rs in lac)
	<u>As per Note No. 23</u>		
1	Maharashtra Forestry Project	1.91	7.50
2	Wasteland Development Programme (Under Bank Finance)	0.26	0.33
3	Ongoing Teak Plantations Programme	89.06	256.01
4	Enrichment Plantations Programme	0.00	0.17
5	Management Plan (Mandatory) Plantations Programme	778.16	979.29
6	Turnkey Plantations (work in progress)	139.98	121.33
7	Medicinal Plant		
	1) Under NMPB	27.17	-
	2) Under Other Source	14.05	11.59
	Total (1 to 7)	1,050.59	1,376.22
8	Thinning Activity Cost of Materials	1,275.51	1,602.40
9	Harvesting Activity Cost of Materials	103.32	100.13
10	Overwood Removal Activity Cost of Materials	440.25	626.35
11	Turnkey Plantation (Completed Projects)	53.36	28.04
	Total (8 to 11)	1,872.44	2,356.92
	GRAND TOTAL	2,923.03	3,733.14

FOREST DEVELOPMENT CORPORATION OF MAHARASHTRA LIMITED

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2014

Note 21. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting, in accordance with the provisions of the Companies Act 1956 ("the Act") and accounting principles generally accepted in India ("GAAP") and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

The accounting policies followed in preparation of these financial statements are consistent with those followed in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI of Companies Act, 1956.

b. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period reported. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, actual results could differ from those estimates.

Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Any revision to accounting estimates is recognized prospectively in the future periods.

Examples of such estimates include provisions for doubtful debts, income taxes, the useful lives of fixed assets etc.

c. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cheques/drafts in hand, postal stamps in hand.

d. Common Expenditure

As per past practice, the establishment and other overheads which are treated as common expenses for Company as a whole, are apportioned and capitalized to certain

long term earmarked activities executed during the year and balance to the Profit and Loss Account, as explained in Note No.23. read with note 20.

e. Direct Expenditure

The expenses directly allocated and incurred for activities are generally charged to those respective activities. Such expenses include wages, materials, establishment and other overheads cost.

The expenditure on stores and spares incurred during the year is charged to the respective heads of account during the year.

f. Inventory and Work in progress

The closing stock of material i.e. forest produce ready for sale is valued at production cost based on number of trees removed or average realizable value whichever is less. The closing balance of work in progress is valued at cost. As per the policy consistently followed by the Company, depreciation charged to profit and loss account has not been taken into account while calculating the production cost.

The Nursery and Plantations under different activities are valued at cost.

Expenditure equal to 10% of opening balance and additions during the year under Establishment of nursery account and 20% of gross expenditure under Establishment of Root trainer/Clonal nursery account is transferred to Teak nursery account, Root trainer / Clonal nursery account respectively. Where no nursery works are in operation, 10% / 20% of such expenditure is written off to profit & loss account. However, even where the nursery works are partly in operation, out of such 10% / 20% expenditure in proportion of actual utilisation of capacity compared to the targeted, is written off.

g. Writing off the Plantation Cost / Seed Plots

i) The proportionate initial plantation cost pertaining to the respective areas is written off in proportion that the trees removed bear to the trees standing immediately before thinning to take due cognizance of the differing survival percentage in different areas. The initial plantation cost of Bamboo plantations is written off in total eight cuts. The cost of the medicinal plantations is written off in the year of production considering the different period for the different plants. In respect of the plantations which are handed over to the project authorities or Govt. as per orders, the total initial plantation cost is written off / adjusted in the accounts. The development expenditure in respect of seed plots in Seed Units is written off at the rate of 20% of the opening balance in that account.

ii) Unsuccessful plantations in certain segments are not written off until the overall current realizable value of plantation cost included as current asset in the Balance Sheet is sufficient to cover the loss in one or more segments so estimated.

h. Fixed assets and capital work-in progress

Fixed assets, both tangible and intangible, are stated at cost of acquisition/construction less accumulated depreciation. Cost includes purchase price, taxes, duties, freight and other directly attributable expenses of bringing the assets to its working condition for the intended use. Other pre operative expenses for major projects are also capitalized, where appropriate.

Capital work-in-progress comprises advances paid to acquire fixed assets and cost of fixed assets that are not yet ready for their intended use at the year end.

The cost of building materials on hand and unconsumed on the date of Balance Sheet is included under separate head "Capital Work in Progress"

i. Depreciation and amortization

Depreciation on tangible fixed assets is provided on written-down method, at rates and in the manner prescribed under Schedule XIV to the Act which, in management's opinion, reflects the estimated useful lives of those fixed assets.

Proportionate depreciation for the additions/subtractions of these assets has been calculated taking entire month as base of addition /subtraction. No depreciation on the assets discarded but not sold is provided after having been discarded. Further the fixed assets transferred to the project authorities or Govt. as per orders is written off at the written down value.

Assets individually costing up to Rs. five thousand are fully depreciated in the year of purchase.

j. Impairment of assets

In accordance with AS 28 'Impairment of Assets', the carrying amounts of the Company's assets are reviewed at each Balance Sheet date to determine whether there is any impairment. Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Impairment loss is recognized in the statement of profit and loss or against revaluation surplus, where applicable.

k. Grants Accounting

The Company recognizes government grants only when there is reasonable assurance that the condition attached to them shall be complied with, and the grant will be received.

Government grants of the nature of promoter's contribution are credited to reserve and treated as a part of shareholders fund.

Government grants related to revenue are recognized on a systematic basis in the profit and loss statement over the periods necessary to match them with related costs which they are intended to compensate. Such grants are either shown separately under Income or deducted in reporting the related expense.

The funds received from Government for specific activities are credited to the funds accounts of the respective activities.

l. Investment

A Current investment is an investment that is by its nature readily realizable and is intended to be held for not more than one year from the date on which such investment is made.

m. Research and Development Expenditure

The expenditure incurred in-house or otherwise under the head "Research and Development" including the expenditure on Irrigated/Energy plantation etc. undertaken as Research and Development i.e. on experimental basis is wholly charged to the Profit and Loss A/c under that head in the year in which it is incurred.

n. Revenue Recognition

Revenue from sale of goods is recognized on transfer of all significant risks and rewards of ownership to the buyer, and are stated net of trade discounts, rebates.

The Profit or Loss in turnkey projects is recognized by the Company in the year of completion of project/termination of contract.

o. Leave encashment

The Company provides for the leave encashment retirement benefit for employees. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the annual amount informed by Life Insurance Corporation of India.

p. Gratuity

Liabilities with regard to the gratuity benefits payable in future are determined by LIC at each Balance Sheet date using the Projected Unit Credit method. Actuarial gains and losses arising from changes in actuarial assumptions are recognized in the Statement of Profit and Loss in the period in which they arise.

Gratuity is funded through group gratuity insurance scheme of the Life Insurance Corporation of India ('LIC').

Gratuity is provided on the basis of valuation done by LIC for the eligible time-scale employees of the Company.

q. MVAT Recovery and Payments

MVAT recovery and payments are recorded in the separate account maintained for that purpose. Any undisputed tax demands for earlier years assessments not ascertainable earlier are accounted for in the year in which same are paid or received.

r. Compensation claim for area transferred to Government Department/ Agencies

The compensation claims of properties in Plantations & others to be transferred to the Govt. Department / Agencies are recognised on the basis of claims preferred by the Company, after approval of the proposal by the Government. In case of surrender of plantations and other assets, to the Government departments, the compensation claims are recognised on cost basis.

s. Provisions and Contingent Liabilities

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A Provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. Provision is not discounted and is determined based on best estimate required to settle the obligation at the year end date.

Contingent Assets are not recognized or disclosed in the financial statements.

t. Accounting for taxes on income

Tax expense comprises current income tax and deferred tax charge or credit. Current tax provision is made annually based on the tax liability computed in accordance with provision of the Income tax Act, 1961.

Deferred tax on timing differences between taxable income and accounting income is accounted for, using the tax rates and the tax laws enacted or substantively enacted as on

the balance sheet date. Deferred tax assets are recognized only when there is a reasonable certainty of their realization.

u. Cash Flow Statement

Cash flow are reported using the indirect method, whereby profit before tax is adjusted for the effect of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

v. Earnings per share

Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

w. Proposed Dividend

Dividend recommended by the Board of directors is provided for in the accounts, pending approval at the Annual General meeting.

Note 22. Share application money account

The documents for loan from Govt. of Maharashtra (New loan) for different activities, have not been executed, and the recording of the transactions were made as per terms & conditions of the G.Rs. issued by the Govt. Later on, the Govt. of Maharashtra vide G.R. No. FDC-2006/CR-155/F-5 dt.5.8.2008 approved the conversion of loan liability including interest thereon of Rs.34400.00 Lacs into Share Capital as a full & final settlement. The disclosure of Rs.34400.00 Lacs under “Share Application Money Account” pending further formalities in settlement of loan and interest into Share Capital was made, in the year 2007-08 on the strength of the G.R. During the year 2010-11, Govt issued G.R. No. S-14-2006/CR-155/F-5 dt. 15.9.2010 revoking the G.R. dated 5.8.2008 in pursuance of G.R. No. Vetan 2010/CR-11/F-5 dt. 14.6.2010. The issue of conversion of loan liability of Rs. 34400.00 Lacs into Share Capital was under active consideration at Govt. level for the approval of the Cabinet, pursuant to decision taken at high level meeting of Govt. authorities held on 15.12.2010.

In this connection, the meeting was held on 5.03.2012 at Mantralaya, Mumbai under the Chairmanship of Principal Secretary (Finance) where Principal Secretary (Forest), Secretary (Expenditure), Secretary (Accounts & Treasury), Joint Secretary (Forest) and Managing Director, FDCM Ltd., were present and in anticipation of Government

approval, decision has been taken to repay outstanding MFP plan loan of Rs.4945.89 Lacs in the installment of Rs.2000.00 Lacs & Rs. 2945.89 Lacs and remaining loan liability of Rs. 29454.11 Lac was proposed for conversion into Share Capital. Accordingly Board's consent was obtained for the said decision and loan of Rs. 49.46 Crore has been paid to the Govt. in two installments. The Govt. has issued GR No. FDC-2011/CR-14/F-5 dt. 19.12.2012 for conversion of loan liability of Rs. 294.54 Crore into Share Capital by book adjustment during the year 2012-13. However due to non availability of budget provision during the year 2012-13 & 2013-14, book adjustment could not be carried out in the books of Forest Deptt. and therefore the amount is shown under Share Application Money in the accounts.

Note 23. Apportionment of Common Expenditure

Out of the total common expenses during the year of Rs. 3247.81 Lac, (Previous year Rs.4147.92 lac) an amount of Rs. 1050.59 Lac (Previous year Rs.1376.22 lac) has been capitalized to certain long term activities in proportion to field expenses during the year in these activities, on the lines of G.R.No. FDC-1095/14053/CR-76/F-5 dt. 7.10.96. For apportionment of adjustments relating to previous year, the proportions in the previous year is being followed.

Note 24. Forest Development Tax Scheme

The funds provided by Government of Maharashtra to implement Forest Development Tax schemes have been shown under "Reserve and Surplus" in the Balance Sheet, since the same are not considered in the nature of loans and advances.

Note 25. Wasteland Development Programme

The Wasteland Development Programme under Government finance as well as under Bank finance has been implemented pursuant to G. R. No. FLD-1086/303/CR-3/F-2 dt. 3rd June 1987, No. EGS-1188/188/EGS-6 dt.7th February 1989 and No. FDM-1090/2400/CR-73/90/F-2 dt. 1st February 1991. The Wasteland Development Programme under government finance including EGS / MREGS is being carried on, as agency of Govt. of Maharashtra. The funds provided by the Govt. for establishment cost & overheads and expenses of the activities of Waste Land Development Programme has been appropriated under Reserve & Surplus, Unsecured Loans & Deposits and Advances depending upon the nature of receipts & the expenditure is also appropriated in the respective plantations account, accordingly. The expenditure of Rs. 267.74 Lac in excess of the funds received under these programmes is shown under other Current assets as receivable. The expenditure under MREGS includes an expenditure of Rs.112.14 lac (Previous year Rs.213.18 lac) incurred by RFO in West Nasik FPDn, during 2012-13 is subject to the result of enquiry initiated which is under progress.

Note 26. Medicinal Plantation Activity

The Funds from different sources of Medicinal Plantation Activity of the company are disclosed under the Reserve and Surplus in Balance sheet and the expenditure is charged to the Medicinal Plantation Activity in Current Assets. The Establishment costs and overheads of the Medicinal Plant conservation and development branch is charged in the medicinal plantation harvesting activity.

Note 27. Modern Forest Fire Control Project

The balance with scheduled bank of Rs.0.17 Lac (Previous year Rs.0.11 lac) as at 31.3.2014 and other assets belonging to Modern Forest Fire Control Project, though held in the name of the Company, have not been shown in the Balance Sheet as at 31st March, 2014 since the project is being carried on by the Company on behalf of Govt. of Maharashtra without charging any commission. The project received an amount of Rs.286.45 Lac (Previous year Rs.297.71 lac) during the year 2013-14 and incurred expenditure of Rs.331.58 Lac. (Previous year Rs.282.29 lac) The excess expenditure incurred up to previous year by the Company is receivable from Govt. The consolidated receivable of Rs. 229.45 Lac (Previous year Rs.184.43 lac) for excess expenditure is being pursued with the Govt.

Note 28. Activities/ Schemes under CAMPA

The Govt of India has released funds under CAMPA for Natural Assisted Regeneration, Forest Management, Infrastructure Development, Wild Life Protection & Management and other allied activities, through PCCF, MS, Nagpur. The funds received and expenditure has been shown under Deposit & Advances and Reserve and Surplus in the balance sheet.

Note 29. Gorewada International Zoo

Gorewada Project at Nagpur is under implementation as per G.R. No.WLP/1009/CR-119/F-1 dt. 25.11.2011. For this Rs. 920.00 Lac (Previous year Rs.857.73 lac) has been received by the Company and expenditure to the tune of Rs. 781.52 Lac (Previous year Rs.1751.49 lac) has been incurred by the Company during the year. The funds received and expenditure incurred has been shown under the head "Other deposits & advance".

Note 30. Seed Farms

Seed farms admeasuring 90.00 ha. (Approx.) at Makhamalabad, Taloda, Kinwat and Amgaon along with their assets taken from the Forest Department are in use and control of the Company. The terms and conditions for the use thereof have not been determined till 31.3.2014. The Govt. of Maharashtra in Revenue and Forest Department has been approached by the Company to decide the consideration to be paid to the Director of Agriculture, Maharashtra State at book value by way of book adjustment. The final order is still awaited.

Note 31. Removal of Overwood / Harvesting Activity

The Govt. of India in the Ministry of Environment and Forests approved the working of forests subject to creation and maintenance of the Management Plan (Mandatory) Plantations Reserve out of the surplus funds of that activity. During the year, the Company carried on the activity of Removal of Over wood under Teak Plantation Working Circle, and harvesting works in other working circles. The total expenditure and revenue under this activity during the year, has been disclosed under the cost of material sold account and sales account respectively. The Company has incurred the expenditure of Rs. 2637.04 Lac (Previous year Rs.3252.80 lac) on the Management Plan (Mandatory) Plantations activity under current assets. In view of the linkage of keeping aside the adequate funds for the creation and maintenance of Management Plan (Mandatory) plantations for future, out of sale proceeds of the harvested crop, the total resources required of Rs. 1170.68 Lac (Previous year Rs.1853.46 lac) has been provided during the year, as per the applicable rates of minimum wages.

Note 32. Transfer of Forest Areas to Company

The Govt. of Maharashtra issued letter No .FDC-1094/CR-578/F-5 dated 11.9.1997 and the G.R. No. FDC-1094/CR-578/F-5 dt.23.9.1997 finalising the forest areas transferred to FDCM Ltd. The terms and conditions of transfer by Patta deed etc. are yet not finalized by the Govt.

As per para (IX) of G.R.No.FDC-1074/64746/F-5 dt. 27th June 1978, FDCM Ltd. was required to pay the lease rent of Re.1/- per annum for the period of 5 years from the commencement of the lease or actual taking over the leased land whichever is earlier. After expiry of this period, the FDCM was to pay Govt. of Maharashtra such lease rent, as may be fixed. However the lease rent has not been fixed so far. Vide G.R. No. FLD-1087/ 2462/CR-347/F-2 dt. 6.9.1990, FDCM Ltd. is required to pay Re.1/- patta rent per block per year. However, since the patta of forest land has not been executed till 31.3.2014 the exact liability of patta rent has not been ascertained and provision of lease rent as per earlier G.R. DT. 27.06.1978 is made by the Company up to 31.3.2014.

In the process of transfer & retention of land vide G.R. No. FDC-1094/ CR-578/F-5 dt. 23.9.97, the plantations raised by the Company under certain Govt. schemes are treated as it's own by adjusting the Cost under Current Assets and Funds from Govt. of Maharashtra under Reserve and Surplus.

Note 33. Transfer of Areas by Company to Forest Department

As a result of closure of Divisions and the transfer of areas in some Divisions of the Company to the Forest Department, the plantation assets owned by the Company have been transferred to the Forest Deptt. at cost. During the year, the Company has

transferred the forest area of 9700.04 ha including plantation of 9000.190 ha. in Bhandara FPDn. as per Govt. of Maharashtra, Revenue & Forest Deptt. Notification No.92 dt.18.7.2013 amounting to Rs. 2457.36 lac alongwith other assets of Rs. 23.34 lac. The said amount of compensation claim is included in total gross compensation claims receivable from Govt. of Rs. 18343.20 lac at the end of year. No receivables are treated as doubtful for any provision though long pending receivables since it is outstanding from Government or Govt. Agencies.

Note 34. Possession of Company's Land & Buildings by Forest Department

The Land and buildings at Chopda, of the erstwhile Yawal Division of Nashik Region amounting to Rs. 21.90 Lac (Previous year Rs.21.90 lac) at Chopda is in possession of Forest Dept. The consideration or otherwise of the same is not yet finalized and hence the ownership of the same still lies with the company.

Note 35. Physical Verification of Inventory

The Physical verification of closing stock is done by the management at the year end and following discrepancies are noted.

i) The physical verification of closing stock of harvesting activity at Lonara in Umred range of Nagpur Division costing Rs. 6.33 Lac (Previous year Rs.6.33 lac) could not be done due to the prevention of the Company's employees by the local people from entering in the respective areas inspite of Company's efforts at the appropriate level. The Company has decided to sell the materials by calling tenders. However there was no response for the tenders.

ii) In the physical verification the difference due to shortage in the stock of material, of Rs. 38.43 Lac (Previous year Rs.39.61 lac) has been observed in Central Chanda Division and Rs. 5.31 Lac (Previous year Rs.5.31 lac) in Markhanda Division. Since the matter is under administrative action, the same is kept under stock in suspense account.

iii) In Markhanda FPDn. material costing Rs. 0.94 Lac (Previous year Rs.0.94 lac) was fired by anti social elements on 28.04.2012. Though the material was insured, the Oriental Insurance Company has rejected the insurance claim submitted by the Company. The closing stock has been shown under stock in suspense account.

iv) In Pranhita F.P.Dn. material costing to Rs. 5.18 lac burnt by antisocial elements at Jimalgutta Sale depot is shown under stock in Suspense A/c, since the matter is under administrative action.

Note 36. Disclosure as per AS-15 relating to Gratuity & Leave Encashment retirement benefits to employees

During the year, the Company has provided total liability of gratuity, amounting to Rs. 1070.77 Lac, (Previous year Rs.2050.63 lac) as per valuation done by Life Insurance Corporation of India including Rs. 501.43 Lac (Previous year Rs.1368.88 lac) for Vanmazoors regularized on establishment of the Company. Out of the total

expenditure, an amount of Rs. 222.37 Lac (Previous year Rs.431.10 lac) is charged to Profit and Loss Account as common expenses & Rs.385.80 Lac (Previous year Rs.724.82 lac) as non-common expenses under respective heads, and remaining amount of Rs. 462.60 Lac (Previous year Rs.894.71 lac) is charged to other respective activities / accounts.

Disclosure as per AS – 15 is as under –

A) Gratuity in respect of FDCM Limited employees excluding Vanmajoor:-

1	Assumption	As on 31.03.2013	As on 31.03.2014
	Discount Rate	8.00 %	8.00 %
	Salary Escalation	5.00 %	7.00 %

2	Table showing changes in present value of obligation as on 31.03.2014		Amount In Rs.
	Present value of obligations as at beginning of year	387424749.00	389950137.00
	Interest cost	30993980.00	31196011.00
	Current Service cost	12836870.00	12831986.00
	Benefits paid	(96354735.00)	(98545322.00)
	Actuarial (gain) / loss on obligations	55049273.00	46784558.00
	Present value of obligations as at end of year	389950137.00	382217370.00
3	Table showing changes in fair value of plan assets as on 31.03.2014		
	Fair value of plan assets as at beginning of year	289026424.00	352327635.00
	Expected return on plan assets	30705649.00	33878490.00
	Contributions	128950297.00	77433819.00
	Benefits paid	(96354735.00)	(98545322.00)
	Actuarial gain / (loss) on Plan assets	NIL	-NIL-
	Fair value of plan assets at end of year	352327635.00	365094622.00

4	Table showing fair value of plan assets		
	Fair value of plan assets at beginning of year	289026424.00	352327635.00
	Actual return of plan assets	30705649.00	33878490.00
	Contributions	128950297.00	77433819.00
	Benefits paid	(96354735)	(98545322.00)
	Fair value of plan assets at the end of year	352327635.00	365094622.00
	Funded status	(37622502)	(17122748.00)
	Excess of Actual over estimated return on plan assets	-NIL-	-NIL-
	(Actual rate of return=Estimated rate of return as ARD falls on 31st March)		
5	Actuarial Gain / Loss recognized as on 31.03.2014		
	Actuarial (gain) / loss on obligations	(55049273.00)	(46784558.00)
	Actuarial (gain) / loss for the year – plan assets	NIL	-NIL-
	Actuarial (gain) / loss on obligations	55049273.00	46784558.00
	Actuarial (gain) / loss recognized in the year	55049273.00	46784558.00
6	The amounts to be recognized in the balance sheet and statements of profit and loss		
	Present value of obligations as at the end of year	389950137.00	382217370.00
	Fair value of plan assets as at the end of the year	352327635.00	365094622.00
	Funded status	(37622502.00)	(17122748.00)
	Net asset / (liability) recognized in balance sheet	(37622502.00)	(17122748.00)
7	Expenses recognized in statement of Profit and Loss		
	Current Service cost	12836870.00	12831986.00
	Interest cost	30993980.00	31196011.00

	Expected return on plan assets	(30705649.00)	(33878490.00)
	Net actuarial (gain) / loss recognized in the year	55049273.00	46784558.00
	Expenses recognized in statement of Profit and loss	68174474.00	56934065.00

B) Gratuity & Leave Encashment in respect of Vanmajors:-

Company approached Government for some clarification. Company has not finalized the scheme of Gratuity & Leave Encashment of Life Insurance Corporation of India for Vanmajoor. Process of selecting scheme for Gratuity and Leave Encashment is under process, however for accounting purpose Company has used the quotation cum valuation provided by LIC, for providing liability of Gratuity and Leave Encashment retirement benefits for Vanmajors. Since the liabilities have not been linked up with LIC, the LIC has shown its inability to provide required information for disclosure under AS-15.

LIC has shown inability to provide the information required for disclosure as per AS 15 in respect of Leave Encashment Retirement Benefit to employees. The liability of Gratuity and Leave encashment retirement benefit in respect of Vanmajors has not been linked up with LIC and therefore LIC has shown its inability to provide required information for disclosure as per AS-15. Hence the disclosure could not be made.

The leave encashment retirement benefits to the employees of the Company have been linked up with the Life Insurance Corporation of India w.e.f. 1.4.2001. The Company has provided total liability of Rs.342.90 Lac (Previous year Rs.291.51 lac) based on valuation made on 1.4.2013 by L.I.C. Further liability of Rs. 154.36 Lac (Previous year Rs.113.59 lac) towards leave encashment retirement benefit has been provided for Vanmajors regularized on establishment of Company w.e.f. 01.06.2012. Out of the total expenditure, an amount of Rs. 120.98 Lac (Previous year Rs.112.44 lac) is charged to Profit and Loss account as common expenses, Rs. 162.09 Lac (Previous year Rs.137.77 lac) as non common expenses under the respective accounts and remaining amount of Rs.214.19 Lac (Previous year Rs.154.89 lac) has been charged to respective activities / accounts.

Note 37. Arrears of VIth Pay Commission to Employees

The Govt. of Maharashtra vide GR No. FDC-2012/CR-249/F-5 dt. 15.05.2013 has accorded approval for payment of arrears of VIth Pay Commission for the period from 01.01.2006 to 31.12.2009 in three installments. Payment has been made during the year 2013-14.

Note 38. Compensation Claim

During the year, the Compensation claims of the properties/plantations of the Company of Rs. 4807.71 Lac (Previous year Rs.1030.46 lacs) have been accounted for as per the directives of the Board.

Note 39. Accounting of Sale of Material in the areas of Mansinghdeo Wildlife Sanctuary

Amount received from sale of material from the areas under Mansinghdeo Wildlife Sanctuary transferred to Forest Deptt. in Nagpur F.P.Dn. is shown as other payable to C.C.F. Wildlife M.S. Nagpur for Rs. 106.40 lac under other current liabilities after deducting the expenses incurred as per directives of the Hon'ble Supreme Court.

Note 40. Interest on un-utilized Funds

No provision of interest on the amounts remaining to be paid to Govt. and other un-utilised Govt. funds under certain activities being carried out has been made in absence of any directives from the Govt.

Note 41. Micro, Small and Medium Enterprises Development Act 2006

Based on the information available with the Company, there are no suppliers/Contractors/Service providers who are registered as Micro, Small or Medium enterprise under the Micro, Small and Medium Enterprises Development Act 2006, as at 31.3.2014.

Note 42. Segment Reporting – AS-17

The Company's main activity is raising plantation, and hence there are no separate reportable segment as per the Accounting Standard 17 (AS - 17).

Note 43. Related Party Transactions – AS-18

In respect of disclosure on related party transactions as per Accounting Standard 18 issued by the Institute of Chartered Accountants of India, it is stated that the following officers are the related party as Managing Directors. There are no related party transactions except the payment of salary and allowances etc. during the year.

<u>Sr.</u>	<u>Name of Officer</u>	<u>Period</u>	<u>Salary. & Allow.</u>
<u>No.</u>	<u>Year 2012-13</u>		<u>(Rs. in lac)</u>
1	Shri P.J. Thosare	01.04.2012 to 31.08.2012	10.52
2	Shri Sarveshkumar	01.11.2012 to 31.03.2013	9.72
<u>Sr.</u>	<u>Year 2013-14</u>		
<u>No.</u>			
1	Shri Sarveshkumar	1.4.2013 to 30.4.2013	3.25
2	Shri A.K. Nigam	13.6.2013 to 31.3.2014	19.47

Note 44. Earning per Share – AS-20

As per Accounting Standard-20, Basic Earning Per Share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average equity shares outstanding during the period. Details are as under:

Earning Per Share	2013-14	2012-13
Net Profit after tax and Provision for Mandatory Reserve	Rs. 6,469.60 lac	Rs. 3,195.64 Lac
Weighted Average No of Equity Shares (Nos)	27,87,691	27,83,686
Diluted No of Equity Shares (Nos)	3,22,41,803	3,22,39,599
Basic Earning Per Share	Rs. 232.07	Rs. 114.80
Diluted Earning Per Share (Refer Note 22)	Rs. 20.06	Rs. 9.91

Note 45. Deferred Tax Asset & Liabilities – AS- 22

Particular	(Rs. in Lac)	
	31.03.2014	31.03.2013
Deferred tax assets:		
Provision for Gratuity & Leave encashment	50.01	96.11
Provision for Doubtful Debts	3.30	2.07
Provision for Doubtful Rent	0.09	-
Depreciation on Fixed Asset	3.61	-
	57.01	98.18
Deferred tax liability:		
Depreciation on Fixed Asset	-	0.94
Deferred tax assets / (liabilities) (net)	57.01	97.24

Note 46. Investments

Current investment comprises of short term deposit with banks for not more than one year from the date on which such investment is made. Short term deposit amounting to Rs.409.60 lac (Previous year 85.55 lac) have been pledged with Banks for obtaining bank guarantee.

Note 47. Impairment of Asset – AS- 28

Company has assessed the assets at balance sheet date, to see whether there is an indicator for impairment of assets as per Accounting Standard – 28. There is no indicator that an asset is impaired at balance sheet date.

Note 48. The disclosure as per Accounting Standard 29 is as follows:

Provision of Income Tax –	(Rs. in Lac)	
	2013-14	2012-13
Opening Balance	5076.00	4946.00
Additions during the year	1800.00	1340.00
Total:	6876.00	6286.00
Less: Adjustment during the year	-	1210.00
Closing Balance	6876.00	5076.00

The provision for Income Tax of Rs. 1800.00 Lac has been made on the basis of bifurcation between Agricultural and Non-Agricultural revenue worked out after taking into account all identifiable items of income and expenses under the two categories of income. Common revenue expenses are apportioned to each category on the basis of gross receipts in each activity arrived at before such apportionment. The Company treated the Turnkey Income as Agricultural Income while making necessary provision. However, as a matter of abundant precaution, the advance Income Tax has been paid as per the basis of assessment accepted by the Deptt.

Note 49. Contingent Liabilities

Contingent liabilities not provided for and the claims against the Company not acknowledged as debts:-

- a) i) Municipal and other local taxes on some of the lands, buildings etc. owned by / in possession of the Company pending assessment and due to non-acceptance of liability in some cases:- Amount not quantified.
- ii) The Municipal tax liability in respect of Depot Division Ballarshah of Rs. 168.76 Lac (Previous year Rs.151.21 lac) for the year 1992-93 to 2013-14 not accepted by the Company, pending appeal with the appropriate authority.
- iii) Land revenue, if any.
- b) Estimated amount of contracts remained to be executed at the date of Balance Sheet on capital account not provided for Rs. Nil .
- c) i) Provident fund liability if any towards eligible labours for earlier years.
- ii) Damages / Dues levied by Provident Fund Commissioner, Nagpur for irregularity in payment/non payment relating to contributory fund of labours by the Company of Rs.3616 lac (Previous year Rs.3034.13 lac) pertaining to Gondia, West Chanda, Central Chanda, Depot Dn. Ballarshah, Bramhapuri Pranhita and Markhanda F.P. Divisions, where action for cases are in Progress, subject to further decision as directed by the CPF appellate Tribunal New Delhi.
- iii) Gratuity liability towards labours if any.
- iv) The liability of Rs. 26.34 Lac (Previous year Rs.26.34 lac) worked out in the matter of retrenched labours of Kinwat Division as per the order of the Hon.High Court Aurangabad Bench.
- d) i) The liability of Penalty, Interest etc. if any and deferred/pending in Sales Tax/MVAT assessment.
- ii) The Liability of Income Tax of Rs. 326.89 lac (Previous year Rs.305.13 lac) approximately Lac for the A.Y. 2002-03 to A.Y. 2014-15 in the light of the matter raised by the Income Tax Department in the H'ble High Court, Nagpur

Bench, Nagpur for the A.Y. 2002-03 to bring the Misc. receipts, claims by the Company for tax liability purpose.

- e) Various demands by employees and labours pending adjudication, not being ascertainable.
- f) Contingent loss if any due to non physical verification of standing trees in the plantation areas.
- g) Non determination of consideration related to seed farms refer to Note No. 30 - Not Quantifiable.
- h) Liability of Cess on gross receipt of the Company as per section 441A of the Companies Act 1956-Amount not quantifiable as notification under said section is awaited.
- i) Difference in salary & wages due to implementation of Vth Pay Commission Rs.2846.93 Lac approx., subject to the decision of the writ petition filed by employees union in the Nagpur bench of Bombay High Court for its implementation with effect from 1.1.96 to 31.3.2004 subject to approval of the Govt. in this regard.
- j) The liability on account of CPF contribution in respect of retired employees on arrears of VI th Pay commission of Rs. 167.50 Lac approximately.

Note 50. Miscellaneous / Other

- a) Individual balances under various accounts under Trade receivables, accounts receivable and other debit balances receivable are unconfirmed.
- b) The cash & bank balance includes the unremitted revenue of Rs. 3.22 Lac (Previous year Rs. 3.22 Lac) towards the robbery of cash in Gondia Forest Project Division. The action of departmental enquiry in the matter is yet not finalized.
- c) Short Term Loans and Advances include disallowed vouchers of Rs. 4.04 Lac (Previous year Rs. 3.94 Lac) recoverable from the employees.
- d) The Company has not made any provision for land revenue if any, payable on the land already under occupation of the Company.

Note 51. Incidence after Balance Sheet date

Order of the Employees Provident Fund appellate Tribunal, New Delhi against the order passed by RPFC Nagpur under Section 7 A & 7 B of the EPF Act.

The Provident Fund Commissioner Nagpur has passed orders to remit the CPF dues u/s 7 A & 7 B of EPF Act in West Chanda, Central Chanda, Markhanda, Pranhita, Depot Division, Bramhapuri, & Gondia Forest Project Division amounting

to Rs. 3616 lac. The Company has made appeal against the orders passed by RPFC Nagpur through respective Divisional Managers with EPF Appellate Tribunal New Delhi. The Tribunal has passed the orders in favour of the Company in respect of West Chanda/Central Chanda/ Markhanda/ Depot Dn./Pranhita F.P.Dn. setting aside the order passed by RPFC Nagpur on the ground that, the orders were passed without identification of employees to beneficiaries. And the matter has been remanded back to RPFC Nagpur for fresh - adjudication.

Note 52. Grouping/ Regrouping

The previous year's figures in Balance Sheet, Profit and Loss Account and supporting schedules thereof have been rearranged and regrouped wherever necessary.

Signature to Note Nos.1 to 52 forming an integral part of the Balance Sheet and Statement of Profit and Loss Account.

For and on behalf of the Board of Directors,

(A.K. Nigam)
Managing Director

(CA Kaustubh Vinay Bhamburkar)
Incharge Company Secretary

Director

PLACE: NAGPUR
DATE : 18.12.2014

As per our Report of even date.

For Shah Baheti Chandak & Co.
Shenawai,
Chartered Accountants,
F.R. No 109513 W

For Chandak Khanzode &
Chartered Accountants,
F.R.No 112415 W

(CA. Nitin Agrawal)
Partner
M. No.139353

(CA Aniruddha Shenwai)
Partner
M. No. 036853

PLACE : NAGPUR
DATE : 18.12.2014