

ODISHA STATE SEEDS CORPORATION LIMITED

(A Government Undertaking)



43rd ANNUAL REPORT 2020-21

Regd Office :
Samantarapur, Bhubaneswar-751002

Tel-MD 0674-2340573, Fax-2340096

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ODISHA STATE SEEDS CORPORATION LTD

(A GOVERNMENT UNDERTAKING)
SANTARAPUR, BHUBANESWAR - 751002.
Tel - 0674 - 2340573, 2340170, Fax - 2340096
Email ID: mdosscltd456@gmail.com



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HEAD OFFICE

Odisha State Seeds Corporation Ltd
Santarapur, Bhubaneswar-751002
ZONAL OFFICES

Zonal Manager OSSC Ltd, Bargarh, At -Seed Processing Plant, Ekamra Chhak, Via-Tora, Po-Sarsara, Dist-Bargarh- 768040. (Mobile No 9438918520) E-Mail ID	Zonal Manager OSSC Ltd, Balasore, At Industrial Estate, In front of ITI field, AT/Po-Angargadia, Balasore-756001 (Mobile No 9438918526) E-Mail ID
Zonal Manager OSSC Ltd, Berhampur, AT-RITE Campus, Rangeilunda, Near Berhampur University, Dist-Ganjam-760001. (Mobile No 9438918531) E-Mail ID	Zonal Manager OSSC Ltd, Bhawanipatna, At-Arkabahali Agriculture Farm, Bhawanipatna, Dist-Kalahandi, Pin-766001 (Mobile No. 9438918546) E-Mail ID
Zonal Manager OSSC Ltd, Bhubaneswar, At-DRG Seed Store, CNI Complex, Near KIIT, Bhubaneswar,-751024 (Mobile No. 9438918552/) E-Mail ID	Zonal Manager OSSC Ltd, Boudh, At-Satyam Vihar, Butupali, Boudh-762014 (Mobile No. 9438918564) E-Mail ID
Zonal Manager OSSC Ltd, Cuttack, At-Govt. Cold Storage Campus, Canal Road, Ranihat, College Square, Cuttack-753003 (Mobile No. 9438918552) E-Mail I.D	Zonal Manager OSSC Ltd, Jeypore At-Gandhi Chhak, Near DCB Bank, Jeypore, Dist-Koraput-764001. (Mobile No. 9438918540) E-Mail I.D



ACTIVITIES OF ODISHA STATE SEEDS CORPORATION LTD

Seed is the basic and primary input for Agriculture Production. The Odisha State Seeds Corporation Limited came into existence and incorporated on 24th February, 1978 under the Companies Act, 1956 with main objective to produce, multiply, procure, process and supply Breeder, Foundation and Certified seeds to improve production and productivity in the State. OSSC is the Nodal Agency catering to the need of farming organization through Debtor organizations like Director of Agriculture and Food Production Odisha, Director of Horticulture, Departmental Farms and Private firms engaged in Seed utilization. OSSC procures Breeder Seeds which is allocated by Govt. of India in Agriculture Co-operation Department (Seed division) as the breeder seed is the most precious resource of the farmers and farming community. Supply, production, procurement, processing, reservation and promotion of seed developmental activities take a major role in Agricultural scenario. Good seed of improved varieties is one of the most important agricultural inputs for obtaining increased crop production and giving economic benefit to the farmers. The OSSC Ltd has been implementing the “Seed Village Programme” as **“Mo Bihana Yojana”** for production of certified paddy and non-paddy seeds through seed growers Besides procuring seeds from the Growers under the Seed Village Programme, the OSSC procures certified seeds from Govt. Farms, OUAT, MOU farms, National Seeds Corporation and other National/State level Seeds Corporations for meeting farmers need for quality seeds. The Certified seeds of different varieties of paddy, pulses and oil seeds etc, are sold to the farmers of the State through authorized Private dealers of OSSC and PACS/LAMPS through DBT implemented by Government of Odisha from kharif -2016 .

MANDATE

OSSC Ltd is working with the following mandates:

- Timely supply of quality seeds in each season i.e. Kharif and Rabi in different Chief District Agriculture Officer (CDAO) through PACs and Private Dealers network of OSSC as per the indent of the Director of Agriculture & Food Production, Odisha through DBT mode.
- To arrange and supply vegetable seeds.
- To take up Production and demonstration Programmes in the Growers’s field.
- To produce Foundation & Certified seeds for the State’s requirements.
- To make the State self sufficient in the field of production and distribution of quality seeds.
- Processing of raw seeds available under seed production programme.
- Install and operate required processing plants as per State policy and requirement of OSSC Ltd.
- Construction of flat ventilated seed store for storage of seed scientifically to ensure proper germination.



II

LIST OF THE BOARD OF DIRECTORS OF OSSC LTD.FOR THE YEAR 2020-21

Sl	Name of the Director	Designation
1.	Er. Iswar Chandra Panigrahi	Chairman
2.	Dr. M. Muthukumar, IAS, DA.& FP, Odisha, BBSR	Director
3.	Sri Rohit kumar Lenka IFS Director of Horticulture, Odisha, Bhubaneswar	Director
4.	Sri A.K Sethi, OAS Additional Secretary to Govt Public Enterprises Deptt., Odisha, Bhubaneswar	Director
5.	Sri S.B Rout, Additional Secretary to Govt, Finance Deptt, Odisha, Bhubaneswar	Director
6.	Prof. K.C Barik Dean of Research, OUAT, Bhubaneswar	Director
7.	Sri Subrata Kumar Mishra Director, OSSOPCA, Bhubaneswar	Director
8.	Sri Kiran Kumar Parida Agriculturist, Agriculture Deptt, Odisha	Director
9	Sri V.K Gaur, CMD National Seeds Corporation Ltd	Director
10	Sri P.K Pattnaik, Regional Manager, NSC Ltd, Kolkata	Director
11	Sri Ashok Kumar Baral, Grower Shareholder Representative	Director
12	Sri Jyoti Ranjan Mishra, OAS(SB) Managing Director, OSSC Ltd	Managing Director



III

OBJECTIVES OF OSSC LTD

- To implement National Seed Programme for State Seed Project

- To undertake the production of Certified seeds of all these kinds and varieties coming under the purview of the Seed Act, and quality seeds of other kinds of varieties.

- To process Certified seeds on Scientific and Commercial lines.

- To install, manage and operate processing plants and seed storage facilities.

- To make arrangements for supply of foundation seeds to grower shareholders through the arrangement with N.S.C, O.U.A.T, C.R.R.I, etc
&

- To undertake distribution of seeds to the farmers at reasonable price both through Government agencies as well as own outlets and to supply sufficient quantity of seeds to support agricultural production programme



L.No.5094
Dt.08.08.2022

NOTICE

Notice is hereby given that the 44th. Annual General Meeting & 43rd. Adjourned Annual General Meeting of the Share holders of the company will be held on 30.08.2022 at 11.30 A.M and 12.00 P.M respectively at the Registered Office of the company at Santrapur, Bhubaneswar-2 to transact the following business.

TO RECEIVE, CONSIDER AND ADPOT THE DIRECTORS' REPORT, PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDING 31.03.2022 THE BALANCE SHEET AS ON THAT DATE, THE AUDITORS' REPORT THEREON TOGETHER WITH THE COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA."

"TO RECEIVE, CONSIDER AND ADPOT THE DIRECTORS' REPORT, PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDING 31.03.2021, THE AUDITED BALANCE SHEET AS ON THAT DATE, THE AUDITORS' REPORT THEREON TOGETHER WITH THE COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA."

THE BOARD RESOLVED THAT DIVIDEND ON EQUITY SHARE @ OF 11% AND ON CUMULATIVE PREFERENCE SHARES @ 11% BE PAID TO THE SHARE HOLDERS OF THE CORPORATION FOR THE YEAR 2020-21.

"APPROVAL OF DIRECTOR'S IN THE BOARD OF OSSC LTD IN PURSUANCE OF NOTIFICATION NO.AGR-GU-OSSC-0004-2014/13663/A&FE DATE 06.07.2022 OF DEPARTMENT OF AGRICULTURE AND FARMERS EMPOWERMENT ODISHA."

- " ANY OTHER BUSINESS THAT MAY ORDINARILY BE TRANSACTED AT THE ANNUAL GENERAL MEETING WITH PERMISSION OF THE CHAIR."

By order of the Board of Directors

Sd/ S.K Mishra
Company Secretary

Note:-

1. The above meeting is scheduled to be held on 30.08.2022 in view of procedural compliance under Section-96 101,102,163 and other applicable provisions of the companies Act,2013.
2. The Share holders are requested to register their e-mail address / mobile no. with the nearest Zonal Manager, of OSSC Ltd for participation in the meeting through Electronic / OVAM Mode.

To

All the Members of the Board of Directors of OSSC Ltd / all the Grower shareholders of OSSC / M/s Dash and Associates, Chartered Accountant, Bhubaneswar/ Registrar of Companies, Odisha Cuttack.



DIRECTORS' REPORT

To

The Share-holders,
Odisha State Seeds Corporation Ltd.,
Bhubaneswar.

The Board of Directors have pleasure in presenting the Directors Report of the Company together with the Financial Statements ,Auditors Report and the Report of the C& AG of India for the year ended March-31,2021

1. FINANCIAL RESULTS:

The working results for the year under report along with that of the previous year are as follows.

Sl. No	Particulars	Figures for the financial year 2020-21(in Rs)	Figures for the financial year 2019-20 (in Rs.)
I	Revenue from operation	1948816549.00	1708170484.00
II	Other Income	60275589.00	55646159.00
III	Increase/Decrease in stock	127674661.00	86684819.00
IV	Total Revenue	2136766799.00	1850501462.00
V	Expenses		
VI	Purchase	1773846763.00	1452726219.00
VII	Employee Benefit Expenses	80089043.00	90555547.00
VIII	Financial costs	471566.00	737151.00
IX	Depreciation and Amortization Expenses	13816466.00	13306175.00
X	Other Administrative Expenses	237285857.00	230278674.00
XI	Total Expenses	2105509695.00	1787603766.00
XII	Profit before exceptional and extraordinary items & tax (IV-XI)	31257104.00	62897696.00
XIII	Profit before Tax	31257104.00	62897696.00
XIV	Current Tax	Nil	Nil
XV	Profit after tax	31257104.00	62897696.00
XVI	Dividend on Equity & 11% Cumulative Preference Shares @ 11%	2890338.00	2887808.00
XVII	Profit (+)/Loss(-) Transferred to Reserve & Surplus	28366766.00	60009888.00

Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement. This is the Profit & Loss Statement referred to in our Report of even date



2. OPERATIONAL PERFORMANCE:

The Corporation has earned a profit of Rs 3,12,57,104.00 in the financial year 2020-21 as compared to profit of Rs.6,28,97,696.00 in the year 2019-20. The gross profit ratio to sales is 2.34% in the year 2020-21 as compared to 4.50% in the financial year 2019-20.

3. CAPITAL STRUCTURE.

(Rs. In Lakh)

	2020-21	2019-20
Authorised Capital	1000.00	1000.00
Paid up Capital	262.75	262.53

4- DIVIDEND

The Board of Directors recommended for payment of dividend @ 11% on both preference and equity shares to the Share holders of the Corporation during the financial year 2020-21.

5- BRIEF DESCRIPTION OF THE COMPANY'S STATE OF AFFAIRS

Your Company has achieved a turnover of Rs.194,88,16,549.00 on sale of 573043.00 qtls of different crop/ varieties of both standard and sub-standard seeds during this year as against the turnover of Rs.1708170484.00 during the previous year. This is due to higher uptake of seeds by the dealers and PACS under DBT. The Corporation has also supplied the seeds under different schemes of the Agriculture and F.E Department, Govt. of odisha

(Quantity in quintals)

Sl.	Crop	2020-21		2019-20	
		Purchases	Sale	Purchase	Sale
1	Paddy	512402	426953	436099	394675
2.	Wheat	0	0	0	0
3	Pulses	27896	27864	24340	24600
4.	Oil Seeds	22365	22412	19426	19715
5	Dhanicha	6234	6210	15666	15657
5.	Others	4146	3945	2042	2075
		573043	487384	497573	456722

1. PRODUCTION

During the financial year 2020-21 the Corporation has taken up production programme of Certified seeds successfully. The quantity of certified seeds produced and procured is given below.

(Quantity in quintals)

Sl.	Crop	2020-21	2019-20
1	Paddy	396776	363753
2	Pulses	9482	12556
3	Oil Seeds	4473	4760
4	Others	418	3
	Total:-	411149	381072

7- PROCESSING & STORAGE

Processing of different seeds produced under Seed Production Programme i.e' **MO BIHANA YOJANA'** has been done successfully in the Processing Plants of the Corporation. At present, the processing & Storage capacity created by OSSC Ltd. is given below. Plant capacity calculated for single shift/working hour/120 days of processing

A) SEED PROCESSING PLANTS

Sl	Plant	Capacity in Qtls	Capacity Utilisation	Sl	Plant	Capacity in Qtls	Capacity Utilisation
1	Balasore	16800	21600.8	19	Sonepur	0	
2	Bhadrak	33600	11884	20	Anugul	8400	1294
3	Keonjhar	16800	1325	21	Bargarh	50400	23847
4	Gohira	8400	4307	22	Barikel	16800	4858
5	Shyamakhunta	16800	8668	23	Sundargarh	16800	11856
6	Cuttack	16800	9772	24	Sambalpur	16800	2453
7	Nimakana	16800	4329	25	Deogarh	8400	943
8	Kendrapara	16800	5633	26	Kuchinda	16800	1344
9	Jajpur	16800	7456	27	Bolangir	16800	11697
10	Dhenkanal	16800	5421	28	Bhawanipatna	33600	18236
11	Satasankha	16800	8889	29	Nuapara	16800	4537
12	Santarapur	16800	17042	30	Randapali	33600	10675
13	Patia	8400	12114.5	31	Kotpad	8400	3419
14	Nayagarh	0	2892	32	Rayagada	16800	3434
15	Rangeilunda	16800	13460	33	Dabugaon	16800	3680
16	Babanpur	16800	19988.5	34	Umerkote	8400	6180
17	Parlakhemundi	33600	6035	35	Mathili	8400	4416
18	Boudh	16800	7518		Total Capacity	302400	281203.00

**B) SEED STORAGE GODOWNS**

Sl	District	Godown Area	Storing Capacity in Qtls	Sl	District	Godown Area	Storing Capacity in Qtls
1	Anugul	6300	4200	16	Kendrapara	8700	5800
2	Balasore	18950	12633	17	Keonjhar	12600	8400
3	Bargarh	58764	39176	18	Khurda	50944	33963
4	Bhadrak	16920	11280	19	Koraput	23920	15947
5	Bolangir	16920	11280	20	Malkanagiri	4320	2880
6	Boudh	12600	8400	21	Mayurbhanja	18900	12600
7	Cuttack	27875	18583	22	Nawarangpur	13920	9280
8	Deogarh	4320	2880	23	Nayagarh	12540	8360
9	Dhenkanal	6300	4200	24	Nuapara	11300	7553
10	Gajapati	8400	5600	25	Phulbani	6300	4200
11	Ganjam	50580	33720	26	Puri	20840	13893
12	Jagatsighpur	10620	7080	27	Rayagada	7800	5200
13	Jajpur	12360	8240	28	Sambalpur	25240	18826
14	Jharsuguda	0	0	29	Sonepur	18900	12600
15	Kalahandi	21900	14600	30	Sundargarh	18000	12000
		272809	181873			254224	171502
		Total			Area in sft	527033	
					Qty in Qtls	353375	

STATUTORY COMPLIANCE UNDER COMPANIES ACT-2013**8. DEPOSIT:**

The Company has neither accepted nor renewed any deposits during the year under Review

9. Loans, Guarantees and investment by the Company

Your Company had not granted any loans, whether directly or indirectly nor had it given any guarantee or provided any security covered under section 186 of Companies Act, 2013. During the year, your Company had not made any investment covered under section 186 of Companies Act, 2013.



10. RELATED PARTY TRANSACTIONS:

As per the provision of Section 188 of the Companies Act-2013 the same were not attracted as there are no materially significant related party transactions made by the Company during the year under review with promoters, Directors or other designated persons which have a potential conflict with the interest of the company at large. Thus the disclosure in Form AOC-2 is not required.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE INFLOW AND OUT-GO ETC:

Conservation of energy:

Energy conservation measures taken - The Company has continued its energy conservation measures particularly at Processing Unit level as per detailed below

1. (a) Fuel: laid down on limits of consumption of petrol/diesel per vehicle per month 140 ltrs.
- (b) For better and more economical service the following measures are taken. For every 5000 kms, change of engine oil ,lubricants& oil filters are being taken.
2. **Equipment:**
Maintenance is being done regularly.
3. **Electrical Appliances:**
All lights, fans, ACs, Water Coolers, electrical appliances etc are being strictly used only as and when they are essentially required.

RESEARCH & DEVELOPMENT (R&D)

The Odisha State Seeds Corporation Ltd does not have a regular R&D Section/Division in its structure.

1. Specific areas where R&D is carried out by the Corporation: NIL
2. Benefits derived : NIL
- b) Additional investment and proposals - Need based additional investments are made as and when required.
- c) Impact of measures- In a) & b) above resulted in avoidance of wastages thereby achieved reduction of power consumption.

**Technology absorption:**

The Company is engaged in the production and distribution of seeds to the farmers. The Company has adopted Inventory Management Software as technology absorption initiatives during the year.

Foreign exchange inflow and out-go etc:

During the year under consideration there were no foreign exchange earnings and outgo.

12. INTERNAL FINANCIAL CONTROL:

Your Company has in place adequate internal financial controls commensurate with the size and nature of its business. The Company has an Internal Audit and Vigilance Division which conducts the internal audit of the operations of the Company through the external professional firms and ensures compliance with the policies, procedures and statutory requirements. The Management duly considers the recommendations of the Internal Auditors, Statutory Auditors and Government Auditors. The effective internal controls ensure that the Company's assets and interests are safeguarded.

13. CORPORATE SOCIAL RESPONSIBILITY POLICY:

The Company does not meet the eligibility criteria defined under the provisions of section 135 of the Companies Act, 2013 and hence Corporate Social Responsibility has not been approved by the Board.

Auditors:**14.1 STATUTORY AUDITORS:**

M/s DASH & Associates, Chartered Accountants, Bhubaneswar, was appointed as Statutory Auditors by the Comptroller and Auditor General of India (C&AG), for the year 2020-21. They have audited the accounts and submitted the report.

Further Comptroller and Auditor General of India (C&AG) have appointed M/s. DASH & Associates, Chartered Accountants, Bhubaneswar as Statutory Auditors for the financial year 2021-22.



CORPORATE GOVERNANCE

15. Directors and Key Managerial Personnel:

15.1 Directors:

CHANGES IN MANAGEMENT.

The Directors wish to place on record their warm appreciation for the valuable services rendered by the Directors, Sri Kailash Chandra Parida Director OSSOPCA Chhitranjan Sahoo Agricultureist, and Prof R.C Patra Dean of research OUAT , B. Nageswar Rao Pattanaik Independent Director , Kiran Bihari swain Independent Director , during their tenure in the Board of OSSC Ltd.

16 Number of Meetings of the Board:

During the financial year 2020-21 four meetings of the Board of Directors were held on **31.8.20, 22.12.20, 19.3.21 , 31.3.2021**

17-BOARD COMMITTEES:

The Board has constituted four Sub Committees with specific mandates and are playing the role and performing the functions of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The reconstitution of the existing Sub Committees is made in conformity with the applicable provisions of the Companies Act, 2013. The Sub-committees are named as below.

1. Committee for Stakeholders Relationship;
2. Committee for Purchase/ Fixation of Procurement and Selling Rates/ Disposal of Seeds for non-Seed Purpose etc;
3. Committee for Audit;
4. Committee for Departmental Promotion

18. Declaration by Independent Directors:

During the financial year 2020-21 no Independent Directors are continuing in the Board of Directors of the Corporation .

19-FORMAL ANNUAL EVALUATION:

Your company is a State Public Sector Enterprise governed by the Government of Odisha. The MCA vide notification dated 05/06/2015, has exempted the Government Company from the formal annual evaluation by the Board on its own performance pursuant to Section 134 (3) (p) of the Companies Act, 2013.

**20- RISK MANAGEMENT POLICY:**

The major challenges your Company facing are severe competition from the private seed Companies, frequent changes in the cropping pattern and seasonal conditions. Your Company has been able to evolve strategies for mitigating the risks through better management and operational practices.

21- DIRECTORS' RESPONSIBILITY STATEMENT:

In compliance with the provisions of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013, your Directors hereby state that:

- a) In the preparation of the annual accounts for the year ended 31-03-2021, all the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- b) They had 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 as at March 31, 2021 and of the profit and loss of the Company for the period ended on that date;
- c) The Company had taken proper and due care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities;
- d) They had prepared the annual accounts on going concern basis; and
- e) They had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

22- COMPLIANCE OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION ON AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees during the year under review. Further, during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

23- KEY MANAGERIAL PERSONNEL:

There were Managing Director, DGM(Finance) and the Company Secretary as the Key Managerial personnel of the Company as per Section 203 of the Companies Act-2013.

**24- SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint venture or Associated Company

25- EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS, PRACTICING COMPANY SECRETARY AND CAG IN THEIR REPORTS

The observations made by the Auditors of the Company in their report read with the Notes of Accounts and clarification thereon are part of the Directors Report.

26 MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT:

There is no occurrence of material change and commitment made between the end of financial year and date of this report which has affected the financial position of the Company.

27- SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

The Arbitration Tribunal has passed orders vide ARBP-17 and ARBP-18 of 2015 which would impact the going concern status of the Company and its future operations. The Corporation has filed appeal before the Hon'ble High court of Odisha vide ARBA No.49 of 2018 & ARBA N0.25 of 2019 as against the orders passed by the District Judge Court, Khurdha and presently the matter is under sub-judice in the Hon'ble High court of Odisha ..

28- SHARES**Buyback of Shares**

The Company has not bought back any equity shares during the current year.

Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

Bonus Shares

No Bonus Shares were issued during the year under review.

Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.



29. DEVELOPMENT OF INFRASTRUCTURE:

29.1 Construction of Projects under RKVY

OSSC had taken up execution of projects for Construction of semi drying yard Strengthening of Seed Processing Plant and Modernizations of Seed Processing Plant out of the grants sanctioned under RKVY during the year-2020-21

30- FUTURE OUTLOOKS.-

The Corporation has planned to phase out the varieties of seeds more than ten years old and to replace with new released high yielding varieties for adoption of the same by the Farmers inside the State. More of the varieties are of stress tolerant varieties.

31- PARTICULARS OF EMPLOYEES.

The total number of employees in all categories as on dt.31.03.2021 was 83 as against 96 nos during the year 2019-20 The Directors wish to place on record their warm appreciation for dedicated and sincere efforts of employees of the Corporation at all level.

32- ACKNOWLEDGEMENT.

The Directors express their sincere gratitude to Government of India, State Government, Principal Secretary to Govt, Agriculture & Farmers' Empowerment Department, Directorate of Agriculture & Food Production, Odisha, National Seeds Corporation Ltd, New Delhi, Odisha University of Agriculture & Technology, Bhubaneswar, other State Seeds Corporations, Odisha State Seed Organic Product Certification Agency, Bhubaneswar and Central Rice Research Institute, Cuttack for their continued co-operation and support to the Odisha State Seeds Corporation Ltd. The Directors acknowledges with thanks the support and co-operation received from State Bank of India., The Directors are grateful to the Comptroller & Auditor General of India, Accountant General, Odisha and M/s. DASH & ASSOCIATES, Chartered Accountants, Bhubaneswar for their valuable co-operation, guidance and assistance.

Managing Director
SD/-
Sri Jyoti Ranjan Mishra ,OAS (SAG)

Director
SD/
Sri Ashok Kumar Baral



Reply of the Management to Auditors Report To the Members of the Accounts of Odisha State Seeds Corporation Ltd. for the year ended 31.3.2021

Annexure –A to the Auditors Report.

1.(a)The Fixed Asset Register with proper information regarding, addition, location , rate of depreciation and date of addition has been prepared and submitted to Auditors for verification .It is also mention here that Asset register are being maintained Zone wise.

1(b) Physical verification of Fixed Assets are made along with the seed stock verification by the inter Zonal officials two times in a year i.e at the end of each season. No material discrepancies are found during verification for the financial year 2020-21

(c) The Title deeds of Immovable properties are held I the name of Company Except.

(a) Title of 4 nos of leasehold industrial sheds at Balesore & Jeypore at a cost of Rs.11.07 lakh & 2.48 lakh respectively has been recorded in the name of Odisha State Seeds Corporation Ltd.

(b) godowns at Keonjher,Dhenkanal,Mayurbhanja & Sundergarh has been built in the land handed over by concerned Chief District Agriculture Officer/Krushhi Vigyan Kendra as per Govt. order.

(c) No Comments.

(d) No comments

(ii) In respect of inventories

Physical verification of inventories and spares are done half yearly i.e after end of season i.e in September & March. The closing stock is finalized after finalization of stock account .The stock account is prepared after due reconciliation with stock register.

(iii) No Comments

(iv) No Comments

(v) No Comments

(vi) No Comments

(vii)(a) Necessary steps are taken during 2021-22 for depositing Labour Cess & Royalty.



Sl No	Ledger Head	Balance as per ledger(Rs)	Corresponding Payment(Rs)
1	TDS on Contractor	352782.65	57468.00
2	TDS Salary	261868.00	0
3	TDS(GST)	264387.00	505648.00
4	Professional Tax	99800.00	24575.00
5	GPF	620647.00	156600.00
6	Employees Contribution to EPF	1164214.20	738874.00

The above matters will look into during finalization of account 2021-22.

- The case is pending in the High Court of Orissa since March 2002.
- No Comments
- No Comments
- No Comments

(c) Noted for future guidance

viii. No Comments

ix. No Comments

x. No Comments

xi. No Comments

xii. No Comments

xiii. No Comments

xiv. No Comments

xv. No Comments

xvi. No Comments

Annexure-B

Directions under section143(5)of the Companies Act.2013 forming an integral part of Audit Report -: No Comments

Annexure-C

A. EQUITY AND LIABILITIES

1. Share Capital (Cschedule-1)-Rs.2,62,75,800.00

No Comments



2. Long Term Borrowings(Schedule-3)-Rs.19835373.00

The Corporation availed Rs.14.91 Crore as Short Term Loan from Govt. of Odisha. The Corporation has repaid the total principal amount of Rs.14.91 crore and Rs.8.67 crore towards interest on above loan. Rs.1,98,35,373.00 is the balance over due interest for which the Corporation has requested to Govt. of Odisha for wave out vide letter No.3717 dt.7.7.17, 781 dt.4.2.2022, 2178 dt.20.4.2022 & 3239 dt.31.5.2022. No Communication has not received from Govt. For the above reason the amount is continuing in Financial Statements.

3. Short Term Borrowings(Schedule-4)-Rs.100,00,00,000.00

Noted for Future guidance.

4. Trade Payable(Schedule-5)-Rs.78,67,30,681.00

Necessary reconciliation is in progress. After reconciliation is complete the same will be produced before audit for verification. Steps will be taken to obtain the balance confirmation certificate from the creditors.

Trade Payables relates to goods purchased and services received in the normal course of business. Accordingly creditors are accounted for. However the observation of audit will be followed from coming years.

5. Other Current Liabilities(Schedule-6) Rs.22,40,60,331.00

5.1 Earnest Money Deposit Rs.3,90,12,566.00

The Debit Balance of Rs.1894665.98 relates to refund or the credit amount has been recorded in different head of account like Central Insecticides & fertilizers (EMD) & Central Insecticides(EMD) though the account represent as same but recorded separately of Rs.1000000/- .Hence necessary reconciliation will be made during 2021-22 & rectification entries will be made.

5.2 Security Deposit- Rs.3,75,89,445.00

The Debit balance of Rs.92,16,986.00 of different parties relates to refund to the parties but the credited amount has been recorded in other head of account like amount paid to Khirachora Seeds (MOU) wrongly accounted to Khirachora seeds(SD) of Rs.20,00,000/- on 26.5.2018. Hence necessary reconciliation will be made during 2021-22 & rectification entries will be made.



5.3 The corporation has not deposited Labour Cess amounting to Rs.886877.00 and .Royalty amounting to Rs.611414.00as on 31.3.2021.During the year 2021-22 Rs.440964.00 deposited by the corporation towards Labour Cess on9.8.2021 and Rs.492521.00 deposited on 20.9.2021 towards Royalty account. Steps are being taken to deposit the balance amount during 2022-23.

6. Short Term Provision (Schedule-7)- Rs.11,24,94,938.00

Necessary Steps will be taken to close /adjust the Provision of Bonus of Rs.19394/- and dividend Tax of Rs.749058.00 during 2021-22.

7. The corporation incurred loss of Rs.15.74 crore for the year 2016-17 Which will adjusted against profit earned in subsequent years for seven years or total adjustment of loss Hence detail adjustment of profit earned in subsequent years are as below.

Profit for 2017-18-Rs.0.24 crore

Profit for 2018-19 Rs.6.02 crore

Profit for 2019-20 Rs 6.29 crore

Balance amount of loss of Rs.3.19 crore remained for adjustment of profit for the year 2020-21 and the profit earned for the financial year 2020-21 is Rs.3.13 crore. However the observation of the auditor regarding applicability of part-II of Schedule-III of the Companies Act-2013 will be followed in subsequent years.

B. ASSETS.

1Fixed Assets (schedule-8)- 32,53,77,412.00

Provision of liability of Rs.3058339/- towards construction of godown at Nuapada and subsequent account under Capital work in progress could not made during 2020-21. Necessary entry of Rs.3058339/- towards construction of godown at Nuapada accounted during 2021-22

Fixed Asset Register of all Zones are maintained at HO level and same have been updated .and submitted to audit for verification.

2.Inventories(Schedule-13)-Rs.79,13,70,810.00

- Necessary steps will be taken for verification of inventory by external agency.
- Closing stock of seeds includes both standard and sub-standard. Fail stock is not included in valuation though corporation is the custodian of stock as the stocks will be taken back by the grower .

Necessary steps will be taken for verification of inventory by third party.



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3. Trade Receivable(Schedule-14)- Rs.42,69,32,543.00

Reconciliation of Trade Receivable is in Progress. The Balance confirmation certificate will be obtained after reconciliation is over

Steps will be taken to separate other receivable included with Trade Receivable will be shown separately.

4. Short Term Loan & Advances(Schedule-16) Rs.28,76,50,922.00

Steps are taken for adjustment/recovery of old outstanding advance. In most of the cases old outstanding advances are recovered from their salary in monthly instalment. Old outstanding also adjusted from arrear claim and also from retirement claim.

4.1. Advance and other dues with staff. Rs.4,79,55,089.00

Advance to staff includes the cost of foundation seeds utilized for production programme not deposited in office, cost of fail seed cost recovered from seed growers not deposited in office and non-submission of deposit-slip against sale of seeds through dealers and PACS are being duly reconciled and necessary adjustment/rectification entry made in next year.

4.2 Advances to growers(ISOPOM) incentive on Oil Seeds)- Rs.2,04,71,775.00

Necessary adjustment will be made after due reconciliation.

4.3 Rs.66,09,058.00 refunded by the Sales Tax Department out of the deposit of Rs.93,09,753.00 during 2021-22 i.e on 11.8.2021. Necessary steps are being taken to refund back of Rs.2700695.00 from the sales Tax Department. Regarding other deposit necessary steps are taken to reconcile the amount with Sales Tax Department.

4.4 Noted for future guidance.

4.5. Income Tax Deposit Of Rs.10,59,74,028.00

Income Tax Assessment has been completed up to Assessment Year 2009-10(F.Y.2008-09) The above deposit includes Rs.4,82,14,334.00 for the Assessment Year 1998-99 & 1999-2000 Balance amount paid as Advance Tax for different Assessment Year. As Assessment is pending since 2010-11 adjustment of advance tax is pending. However steps will be taken to reconcile the above amount.

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**5. Other Current Assets(Schedule-17)****Rs.74,66,337.00**

The amount of Rs.10.99 lakh is due to be realized from Government of Odisha against repair of Government damaged during super cyclone 1999 which subsequently used by OSSC ltd. Balance amount is also due from Government of Odisha against leave salary paid to Government employees working in OSSC on deputation.

C. Profit & Loss Statement**1. Revenue from Operation(Schedule-18)-194,88,16,549.00**

Sales accounted basing on the seeds supplied up to the year ending 31.3.21. Generally the GST return of March 21 actually prepared and filed in April-21. Hence there will be the difference between sales accounted as per Profit & Loss Statement and sales as per GST Return.

2. Other Income(Schedule-19) Insurance Claim Rs.41,11,547.00

Insurance Claim against damage of Seed stock at Satsankha godown did not accept by the Insurance Company as the building was C.C.Roof . As per the policy of Insurance Company seeds damaged due to water sprayed through sky light due heavy wind in Supper Cyclone Fani not accepted by Insurance Company.

Secondly

The insurance coverage period from 30.5.2018 to 29.5.2019 . The valuation of closing stock was made as per the procurement price of paddy seeds plus other incidental charges as applicable during 2017-18.. The valuation of closing stock at the time Super Cyclone" Fani" occur was made as per the procurement price plus other incidental charges as applicable during 2018-19. Hence there will be difference and same is termed as under insurance by the Insurance Company and it is not the fault of the management.

D. Others

1. No Comments
2. Noted for future guidance.
3. Noted for future guidance
4. Noted for future Guidance

ANNEXURE-D**1. Schedule-15-Cash & Equivalent****Rs.1160697195.00**

(i) Bank balances in the financial statement are as per the balances in the bank statement as all the sale proceeds received through Bank could not reflected in Cash Book. The difference



between the Bank balances as per Bank Statement and Cash Book maintained by the Corporation credited to Sundry Debtors (Escrow)A/c and Sundry Debtors(Canara) A/c For SBI(OT)ESCROW A/c and Canara Bank, Samantarapur respectively.

(ii) In case of unit offices the Bank balance also taken in financial statement as per the Bank Statement and the difference accounted under the head liabilities for expenses.

(iii) The Bank Statement of Odisha State Co-operative Bank Could make available from the Bank. In Case of SBI(OT) RKVY A/c the bank provide only current balance which submitted to audit. The balances of SBI(OT) RKVY, Odisha State Co-Operative Bank A/c & Axis Bank will be reconciled with Bank statement and same will be provided to audit.

Both SBI (Khandagiri) and Andhra Bank ,Lewis Road are in-operative and Bank statement available up to last transaction provided to audit for verification.

(iv) Necessary Step will be taken to obtain the balance confirmation certificate of the Fixed Deposit Balance during 2021-22.

(v) The Calculation of Leave Salary of deputation employees is made as per the authorization slip received from AG(Odisha).The calculation of leave encashment of Corporation employees is done at the time of retirement and this method is being followed consistently.

(vi) Provision of gratuity for each financial year is done as per the Gratuity Act.1972 basing on the existing regular employees as on 31.3.21.

(vii) Noted for future guidance.

(viii) Please refer Sl.9 of CONTINGENT LIABILITIES AND NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR 2020-21

ANNEXURE-E

- **Management' Responsibility for Internal Financial Controls**

No comments

- **Auditor's Responsibility**

No comments

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

No comments



- **Inherent limitations of Internal Financial Control over Financial Reporting**

No comments

Qualified Opinion

1. Noted for future guidance

2. Noted for future guidance

3. The company maintain record so as to ensure reasonable assurance of transactions and are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles.

4. Noted for future guidance

5. The Company takes appropriate steps for timely and proper compliance brought by CAG Audit and Statutory Audit.

6. No Comments

7. The Company is taking proper care for correct and adequate provision /liabilities against advance or adjustment of earlier period expenses.

8. Noted for future guidance.

9. The Company is maintaining proper record for addition of assets with location and proper identification in an orderly manner as well as conducting periodic physical verification of fixed assets.

10. The Company have an internal control system for preparation of Bank reconciliation Statement and proper recording of Bank transaction in its Bank Accounts barring few accounts such as Odisha Co-operative Bank, SBI(OT)RKVY & Axis bank. It is due to non-availability of Bank Statements as on 31.3.2021.

11. Bank Balance statements as on 31.3.2021 of all Bank s are available except three Banks such as Odisha State Co-operative Bank, SBI(OT)RKVY & Axis Bank.

12. Statutory dues in all category are being deducted and also deposited regularly in appropriate authority within stipulated time period.

13. No Comments.

14. The Company have an appropriate internal control for deduction of TDS as per income Tax Act 1961.

15. No Comments.



INDEPENDENT AUDITORS' REPORT

To

THE MEMBERS OF ODISHA STATE SEEDS CORPORATION LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **ODISHA STATE SEEDS CORPORATION LIMITED**, which comprise the balance sheet as at March 31' 2021, and the Statement of Profit & Loss and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in "Basis for Qualified opinion" in Annexure-C and "Disclaimer of Opinion" in Annexure-D" of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31' 2021, its Statement of Profit and Loss and cash flows for the year ended on that date.

Basis for opinion

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

Key Audit Matters

We draw attention to the following notes on the financial statements considering the same as key audit matters.



1. All the Branches of the Company are required to be audited under Sec. 143(8) of the Companies Act' 2013. However Branch Accounts of the Company are not available to us for audit.
2. Observation of the internal audit are not considered since internal auditor is appointed after the authentication of the Accounts.
3. SBI(OT) Escrow, Revolving Fund is not reconciled as on 31.03.2021. The difference of Rs. 23,73,71,603.27. is debited to Sundry Debtors (Escrow) A/C in toto. The above difference includes Rs.13,71,31,012.31 is carried forward from the previous year. Similarly Canara Bank A/C is also not reconciled as on 31.03.2021 and the difference of Rs.1,60,07,785.09 in the said A/c during the year is debited to Sundry Debtors (Canara Bank) A/C in toto.

Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act,2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.



This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the **Companies Act, 2013**, we are also responsible for expressing our opinion on whether the company has adequate internal



- financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by the **Companies (Auditor's Report) Order, 2016** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit excepting matters described in **"Basis for Qualified opinion" in Annexure-C and "Disclaimer of Opinion" in Annexure-D"**
 - (b) Subject to comments given in **Annexure 'C'** and **Annexure 'D'** of our report, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) Accounts of all the Branches of the Company are required to be audited under Sec 143(8) of the Companies Act' 2013. However the accounts of the branches is merged with HO without audited for the year ended 31.03.2021.
 - (d) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
 - (e) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 excepting non-compliances of AS-2, AS-3, AS-15.
 - (f) Adoption of Accounts for the Financial year 2019-20 is made after authentication of Accounts for the year 2020-21.
 - (g) As per the notification number GSR 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs Section 164 (2), as regards the disqualification of Director is not applicable to the Company since it is a Government Company.



- (h) Any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected there which has been reported under various para in our report.
- (i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure-E. Our report expresses a qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- a. The Company has disclosed the impact of pending litigations on its financial position in the financial statements vide note no 1(b) to (v),1(vi) and 16-18;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There were pending amount which is required to be transferred, to the Investor Education and Protection Fund by the Company.
3. In terms of sub section (5) of section 143 of the Companies' Act 2013 we give in the **Annexure 'B'** a statement of the direction issued under the aforesaid section by the Comptroller and Auditor General of India.

Place: Bhubaneswar
Date: 20.05.2022

For Dash & Associates
Chartered Accountants
FRN. -317012E

CA. N.R. Biswal, FCA
Partner
Membership No. 058679
UDIN:22058679AJMBQO8253



Annexure-E

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ODISHA STATE SEEDS CORPORATION LIMITED.

Reports on the Financial Controls under clause(i) of sub section 3 of Sec. 143 of the Companies Act.2013 (The Act)

We have audited the internal financial controls over Financial Reporting of Odisha State Seeds Corporation Limited (The Company) as of 31st March'2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance Note on Audit of internal financial controls over financial reporting ("The Guidance Notes") and the standards on Auditing to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls are operated effectively in all matter respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exist and testing and evaluating the design and operating effectiveness of internal control based on



assessed risk. The procedures selected depend on the auditors judgements, including the assessment of the risks of material misstatement of the financial statement whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

The Company's Internal Financial Controls over Financial Reporting is a process design to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes this policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable details, accurately and fairly reflects the transactions and dispositions of assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of managements and Directors of the company and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial Controls over Financial Reporting

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



Qualified Opinion

According to information and explanations given to us and based on our audit, **the following material weaknesses have been identified in the operating effectiveness** of the Company's internal financial controls over financial reporting as on 31st March' 2021:-

- Non-establishment or non-design of proper system of reporting criteria of internal financial controls based on the internal control over financial reporting considering the essential components of internal controls stated in the guidance note on "Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India since inception may not ensure an ordinary and efficient conduct of its business including adherence to Company's policies and the safeguarding of its assets and the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information and presentation thereof as required under the Companies Act, 2013.
- The Company did not have appropriate internal control system for compliance of majority of the accounting standards of ICAI which could potentially result in to improper and inconsistent disclosure / lack of reliability of the financial statements.
- The Company did not have an appropriate internal control system for maintenance of records in reasonable details accurately and fairly reflecting the transactions and disposition of the assets of the Company so as to ensure reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditure of the Company are being made only in accordance with authorisation of management and directors of the Company.
- The Company did not have an appropriate internal control system for timely and expeditious clearance/reconciliation/adjustment of old and dormant accounts of assets and liabilities which potentially could result into some changes in financial position and requiring substantial write off or write back or substantial adjustment in future affecting the liquidity of the Company in future.
- The Company does not have an appropriate internal control system for timely and proper compliance of repeated averse comments brought out by CAG Audit and Statutory Audit which could potentially result in some changes in the financial statements.



- The Company did not have an integrated ERP/SAP system including third party evaluation or system audit. Tally software package used by the Company are interfaced through software links or multiple manual interventions at many places leaving gaps between them. This could potentially result in to impaired financial reporting.
- The Company did not have an appropriate internal control system to ensure the correct and adequate provision / liabilities against advances or adjustment of earlier period expenses out of payments during the current year. This could potentially result in accounting of same expenses either twice or omission or erroneous adjustment and may impair financial reporting.
- The Company did not have an appropriate internal control system for periodic physical verification of inventory by an external auditor including reconciliation of stock records with financial ledger and timely identification and accounting of shortage / damage or misappropriation of stock / loss due to natural calamity as well as improper valuation of stock which may impair financial report.
- The Company did not have an appropriate internal control system for recording the fixed assets location wise, with proper identification in an orderly manner as well as conducting periodic physical verification of fixed assets (both own assets and assets created out of grant). This could result in to timely non identification of shortage / theft or pilferage of obsolete and unserviceable items which ultimately cause financial loss to the Company.
- The Company did not have an appropriate internal control system regarding preparation of Bank reconciliation statement and properly recording of Bank transactions in its Books of Accounts.
- The Company did not have an appropriate internal control system regarding obtaining of bank statement and balance confirmation certificate.
- The company did not have an appropriate internal control system for accounting of recovery and deposit of all the statutory dues as prescribed under different statues. This could result in to impaired financial reporting as well as it may attract various penal consequences as prescribed under different statues casing financial loss to the Company.
- The Company did not have an appropriate internal control for payment, adjustment and reconciliation of Advance to staff account which was carried forward since long.



- The Company did not have an appropriate internal control for deduction of TDS as per Income Tax Act 1961.
- Details of risk identification, implementation measures to mitigate the loss arising from such risk and verification of the efficacy of control measures and the steps taken for the discrepancies noticed including modification of control measures have not been furnished to us.

A 'material weakness' is a deficiency or a combination of deficiencies, internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except **for the effects / possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria**, the company has in all material respects does not have an internal control system over financial reporting so as to be called adequate and as such we opine that the internal financial control over financial reporting were not operating effectively as on March 31,2021. Particularly in the absence of proper documentation on the internal control over financial reporting criteria to be established by the Company, the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the 31st March'2021 financial statements of the Company and these material weaknesses do not affect our opinion on the financial statements of the Company.

Place: Bhubaneswar
Date: 20.05.2022

For Dash & Associates
Chartered Accountants
FRN. -317012E

CA. N.R. Biswal, FCA
Partner
Membership No. 058679
UDIN : 22058679AJMBQO8253

**ANNEXURE - A****ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Refer to in paragraph-1 "Other Legal & Regulatory Requirement" of our Report of even date)

In respect of Fixed Assets:-

1. (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.

(b) As explained to us, fixed assets have been physically verified by the Seeds Production Officer of concerned unit. However the Physical verification report has not been produced before the audit for verification. The organization has not reconciled the book balance with reference to the physical balance. In absence of which the material discrepancies, if any could not be verified and ascertained. Hence, no provision has been made in the books of accounts for material discrepancies, if any.

(c) The title deeds of immovable properties are held in the name of the company except.

- a) 4 nos. of leasehold industrial sheds at Balasore and Jeypore at a cost of Rs.11.07 lakh and Rs.2.48 lakh respectively from IDCO during the year 1990-91 remains in physical custody of the corporations in respect of which lease deeds are yet to be executed. (Note-4).
- b) Likewise the title deed of land at Keonjhar, Dhenkanal, Mayurbhanja and Sundargarh has not been executed in favour of the Corporation. (Note-5).
- c) In case of 8 nos. of storage godown taken from DA&FP Odisha as part of NSP-III against Grant-in-Aid, the transfer deed of the same is yet to be executed. (Note-6).
- d) In case of possession of 12 processing plants taken from DA&FP, (O) as part of NSP-III against Grant-in-Aid to be provided by Govt. of Odisha the transfer deed of the same is yet to be executed. (Note-7).



ii) In respect of Inventories:-

As explained to us, the physical verification of inventories/stores and spares has been done by the management at reasonable intervals. However the Physical verification report has not been produced before the audit for verification. The organization has not reconciled the book balance with reference to the physical balance. In absence of which the material discrepancies, if any could not be verified and ascertained. Hence, no provision has been made in the books of accounts for material discrepancies, if any.

iii. The company has not granted any loans, secured or unsecured to any companies. Firms or other parties covered in the register maintained under section 189 of the Companies Act'2013. In view of the above it not applicable to this company.

iv. According to information and explanation given to us there are no such loan, investment, guarantees and security has been given by the corporation for which there has been no violation of section 185 and 186 of the companies Act 2013.

v. In our opinion and according to the information and explanation given to us, the company has complied with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the companies Act and the rules framed there under where applicable.

vi. As explained to us, the cost records maintained by the Company as prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act . However such reports are not available for our verification. Hence we are unable to form any opinion regarding maintenance of cost records and their accuracy or completeness.

vii. According to the information and explanations given to us in respect of statutory dues :

- According to the information and explanations given to us and based on the records of the company examined by us, though the company is regular in depositing the statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, GST&other statutory dues, as applicable, with the appropriate authorities in India except Labour Cess amounting to Rs.8,86,877.00 and Royalty amounting to Rs.6,11,414.00 is to be deposited as on 31.03.2021. In some cases, due to wrong recording of transactions, actual payment varies against the corresponding ledger balance . The details are as follows :



(Amount in Rs.)

Sl. No.	Ledger Head	Balance as per ledger	Corresponding payment
1	TDS on Contractor	352782.65 Dr.	57468.00 Cr.
2	TDS Salary	261868.00 Cr.	0.00
3	TDS (GST)	264387.00 Cr.	505648.00 Cr.
4	Professional Tax	99800.00 Cr.	24575.00 Cr.
5	GPF	620647.00 Dr.	156600.00 Cr.
6	Employees Contribution to EPF	1164214.20 Dr.	738874.00 Cr.

- According to the information and explanations given to us and based on the records of the company examined by us, the company has not been deducted TDS on Advertisement Expenses of Rs.5,35,174.00. Further the company has not been deducted TDS on Dealer Commission. As per the information available to us, dealer commission includes reimbursement of cost towards transportation and loading and unloading of seeds. Therefore the company has not been deducted TDS on Actual Dealer commission.
 - As per the information and explanations given to us, and as has been disclosed by the company vide note no.1 there are certain appeal cases on statutory dues preferred by the company and those are pending at various appellate authorities. However, company has unable to produce the documents related to the same before the audit for verification of its viability. Following are the details related to the same.
 - Demand of employees State Insurance Corporation of Rs.3,82,413/- up to the end of March,2002 has been disputed by the corporation and appeal is pending with Hon'ble High Court.
 - Sales Tax:- Sales Tax assessment has been completed up to 2003-04. Sales tax authorities have demanded Rs.55,02,643.00 towards sales tax for different years up to the year 2000-01 which is disputed by the corporation and appeals have been filed against the above demand which are still pending. An amount of Rs.38,75,403.00 has been paid against the above demand as demand tax.
 - A sum of Rs.4,68,86,167.00 has been paid by the Corporation to the Income Tax authorities during the year 2004-05,2005-06 and 2008-09 and kept in Income tax Deposit A/c. The Corporation have filed appeal with ITAT against orders of CIT Appeal. The ITAT while disposing the appeal directed to approach CBDT to exercise the powers u/s 119(2)(b) to condone delay in filing return and allow to carry forward losses and depreciation.



The Corporation has moved CBDT to allow carry forward of the business loss and depreciation for the Assessment year 1991-92-96-97. The matter is pending with CBDT for which no provision has been made towards Income tax for aforesaid amount.

- The Income Tax authorities have raised demand on the Corporation to the tune of Rs.9,87,318.00 against which the Corporation has gone on appeal and the matter is under sub-judice. As against the aforesaid demand the Corporation has deposited a sum of Rs.8,65,695.00 and the amount has been shown as Income Tax Deposit under Schedule-16 Short Term Loans and Advances.

c) There are certain amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the companies Act 1956(1 of 1956) (now Companies Act 2013) and rules made there under has not been transferred to such fund during the year.

- viii. According to information and explanation given to us, the company has not defaulted in repayment of loans and borrowings to financial institution, bank, Govt during the year under audit. The company has not raised funds from issue of debentures.
- ix. To the best of our knowledge and belief and according to the information & explanations given to us in our opinion the loans raised were prima facie used for the purpose for which they were raised. There is no such money raised by way of initial public offer or further public offer (including debt instruments).
- x. To the best of our knowledge and belief and according to the information and explanations given to us no material fraud on or by the company was noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanation given by the management the managerial remuneration has been paid or provided in accordance with the requisite approval mandated by the provision of section 197 read with Schedule V to the Companies Act.
- xii. In our opinion, the company is not a Nidhi company. Therefore the provisions of clause 4(xii) of the order are not applicable to the company.
- xiii. In our opinion and according to the information & explanations given to us there are no such transactions with the related parties as explained in section-177 and 188 of companies Act-2013.



- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. According to the provision of Section 42 of the companies Act, 2013 are not applicable to the company and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transaction with Directors or persons connected with him. Accordingly the provisions of section 192 of the companies Act 2013 are not applicable to the company and hence not commented upon.
- xvi. In our opinion the company is not required to be registered under section 45 IA of the Reserve Bank of India Act 1934 and accordingly the provision of clause 3 (xvi) of the order are not applicable to the company and hence not commented upon.

Place: Bhubaneswar

Date: 20.05.2022

For Dash & Associates
Chartered Accountants
FRN. -317012E

CA. N.R. Biswal, FCA
Partner
Membership No. 058679
UDIN: 22058679AJMBQO8253



ANNEXURE-C

ANNEXURE TO THE INDEPENDENT AUDITORS REPORT

Referred to in “Basis of Qualified Opinion” paragraph of our Independent Auditors’ Report to the Members of Odisha State Seeds Corporation Limited on the Financial Statements for the year ended 31st March’2021, We report that :

▪ **EQUITY AND LIABILITIES**

1. Share Capital (Schedule-1) Rs.2,62,75,800.00

The organisation has reported wrongly in minutes book for forfeiture of 4098 nos partly paid up shares of Rs.102770.00 instead of 4204 nos shares of Rs.85210.00 which was mentioned in the balance sheet FY 2018-19. During the FY 2019-20 the company has transferred Rs.85210 from partly paid up share and Rs.17560.00 from share deposit account to Share Forfeiture account. The reason of difference was not clarified by the company to the previous auditor. The same is also not clarified to us. So we are unable to comments on this matter. The Share Certificates are not produced for our verification.

○ **Long term borrowings (Schedule-3) Rs.1,98,35,373.00**

The organisation has reported Interest Accrued & due on Short Loan from State Govt amount to Rs.1,98,35,373.00’ since long without any adjustment.

○ **Short Term Borrowing (Schedule-4) - Rs.100,00,00,000.00**

“Short Term Borrowings “of Rs.100.00 crore is Shown under Non-Current Liabilities instead of “Current Liabilities “in the Balance Sheet. As a result Non-Current Liabilities overstated by Rs.100.00 crore and Current Liabilities under stated by Rs.100.00 crore for the year under audit.

○ **Trade payable (Schedule -5) Rs.78,67,30,681.00**

Balance of trade payable (sundry creditor for goods has not been confirmed and reconciled. The amount under this head as on 31.3.2021 has been accumulated from year to year. Further in absence of balance confirmation letters from concerned creditors the correctness of balance as reflected in the financial statement can not be ascertained properly.



As per schedule-III of the Companies Act-2013 “Trade Payable” relates to goods purchased or services received in the normal Course of Business only. However “**Trade Payable**” of Rs.78,67,30,681/-includes other payables, which are in fact not ‘**Trade Payables**’The same is required to be shown separately. Ageing schedule & details of outstanding to MSME’s and others is not provided in ‘**Trade Payable**’ as on 31.3.21.

○ **Other Current Liabilities (Schedule-6) -** Rs. 22,40,60,331.00

5.1 Earnest Money Deposit Rs. 3,90,12,566.00

EMD includes Rs.18,94,665.98 (Dr) balance of different parties. This represents that the corresponding receipt is not recorded neither during the year nor earlier year against EMD refunded to different parties. Therefore EMD is understated by Rs.18,94,665.98.

5.2 Security Deposit Rs. 3,75,,89,445.00

Security Deposit includes Rs.92,16,986(Dr) balance of different parties. This represents that the corresponding receipt is not recorded neither during the year nor earlier year or wrong posting has been made against Security Deposit paid to different parties. Therefore Security Deposit is understated by Rs.92,16,986(Dr).

5.3 The corporation has not deposited Labour Cess amounting to Rs.8,86,877.00 and Royalty amounting to Rs.6,11,414. as on 31.03.2021

○ **Short term provision (Schedule-7)- Rs.11,24,94,938.00**

The provision for bonus of Rs.19,394.00 and provision for dividend tax of Rs.7,49,058.00 are brought forward since long ago. The corporation required to adjust/pay the same after taking proper approval.

○ The Deferred Tax Liability(Net)/ Deferred Tax Assets (Net) & Provision for Tax are not provided for in the Accounts for the FY 2020-21 violating part-II of Schedule-III of the Companies Act-2013.



▪ **ASSETS**

1. Fixed assets (Schedule- 8) - Rs.32,53,77,412.00

Amount incurred on Construction of Seed Storage Godown at Nuapada of Rs.3058339/- is not recorded in the books of account. Therefore liability for expenses (Mr.Tanaya Kumar Agarwal, Contractor) and Capital Work – In - Progress Account is understated by Rs.30,58,339/-.

Fixed Asset Register is not updated and physical verification of assets is not done either by the management or by the external agency for the financial year 2020-21.

2. Inventories (Schedule -13) Rs.79,13,70,810.00.

- During the verification and as per the data provided to us for calculation of inventory it is found that the closing stock of seeds of both standard and substandard has been duly accounted for and valued properly. However physical verification of inventory is not made by the external agency.
- As per the Point No.21 of notes on account the quantitative details are given below after verification of stock account.

Opening balance	qtls	270848.00
Add purchases	qtls	573043.00
Total receipt	qtls	843891.00
Less sale	qtls	487384.00
Book Balance	qtls	356507.00
Less physical	qtls	355801.00
Balance	qtls	706.00
Shortage qty.	qtls	706.00

It is to mention here that closing stock is valued only on the standard and substandard stock available. No valuation is made for failed stock available on 31st March though OSSC is custodian of the stock.

The Corporation has designed and implemented inventory Management software with the help of NIC, Bhubaneswar for proper management of inventory in the Corporation. However, though the Corporation is dealing with huge quantity of seed no third party verification was made.

Physical Verification is not made by any external auditor. However the Physical Verification report is not available for our verification.



3. Trade Receivable(Schedule-14)- Rs. 42,69,32,543.00

Balance of trade receivable accounts have not been confirmed and not reconciled. The provision made should be accounted for after taking approval from the Board of Director.

As per schedule-III of the Companies Act'2013 "Trade Receivable" relates to goods sold or services rendered in the normal Course of Business only. However "Trade Receivable" of Rs.42,69,32,543/-includes other receivable which are in fact not 'Trade Receivable'. The same is required to be shown separately in the Balance Sheet. Ageing schedule & classification of Trade Receivables as 'considered good' and 'Considered doubtful' is not provided as on 31.3.21

4. Short Term Loans and Advances (Schedule-16) - Rs.28,76,50,922.00

Loans and Advances includes some advances either disputed or outstanding since long without any adjustment or recovery. Neither any provision nor recovery against these doubtful advances have been made during the year 2020-21.The party wise Reconciliation is required to be made. In some cases Advances shows Credit Balance which requires reconciliation/adjustment. In some cases after due approval by the Board necessary provision may be made.

4.1 Advance and other dues with staff - Rs.
4,79,55,089.00

Advances & OD with staff of Rs.4,79,55,089.30 includes Rs.85,96,708.95(Cr) as on 31.3.21. This means Employees will get Rs. Rs.85,96,708.95(Cr).As information available to us, Advance includes Shortage cost of seed stock recovery from employees ,value of fail seed cost returned to growers for which cost of seeds debited to concerned employee if the cost not recovered from growers and non-submission of deposit slips by sale centre in-charge against sale of seeds to dealers & PACS cases The Corporation does not taken any steps/action for recovery or booking of expenses against the said advances carried forward in the books of account since long.

4.2 Advance to growers (ISOPOM incentive on Oilseeds) - Rs.2,04,71,775.00

The amounts relates to more than four years is need adjustment after proper verification and approval.



4.3 There are certain deposits like sales tax refundable, sales tax deposits and demand tax (VAT) amounting to Rs.1,35,26,636.00 which have been continuing as such since long without any adjustment. Out of the above amount the record relating to payment of Rs.93,09,753.00 only could be made available .

4.4 In case of any loan and advances has not been adjusted or settled within one year, the same should be categorised as long term instead of short term.

4.5 Income Tax deposit Rs.10,59,74,028.00

Income tax Deposit is not reconciled.

5 Other current assets (Schedule-17) - Rs.74,66,337.00

The “Other Current Asset” includes a sum of Rs.25,88,162.00 under the head “Sundry dues realizable” which has been brought forward since long ago. The yearwise break up of Rs.25,88,162.00 could not be produced by the Corporation in absence of which it is difficult to comment on the correctness of the amount so reflected in the financial statement.

▪ **Profit and Loss Statement**

1. Revenue from Operation (Schedule-18) - Rs. 194,88,16,549.00

As information available to us, Annual Value of outward supplies as per GST return is Rs.1631656181/- against Revenue from Operation shown in the Books of Account of Rs. 194,88,16,549.00. The same is not reconciled with Books of Accounts.

2. Other Income (Schedule-19) Insurance Claim -Rs. 41,11,547.00

Insurance claim on stock of seeds of Rs.7476565/- for Cyclone Funnny of Pipil, Ghatikia & Satsankhagodowns were made. However loss assessed for Rs.45,79,430/- due to exclusion of claim of Satsankha godown for **non-inclusion in the Insurance policy** . Further Rs.4,37,752/- is deducted due to under insurance. Therefore the organization suffered a loss of Rs. 33,37,887/- due to negligence.

3. Professional Tax

The Corporation does not pay the Professional Tax as mandated by the GST ACT.



D. Others

1. Action taken on the comments of C&AG of India on the accounts of 2019-20

Comptroller and Auditor General of India have decided not to conduct supplementary Audit of the financial statements of Odisha State Seeds Corporation Limited for the year ended 31st March'2020 and as such there is no comment u/s 143(6)(b) of the Act.

2. Part-II of the Schedule-III of the Companies Act'2013 is not duly followed. Additional Regulatory Information as required under provision of paragraph 'y' of schedule -III has not been provided in the Financial Statement as on 31.3.2021 of the Companies Act,2013
3. The Internal Auditors are appointed after authentication of the accounts for the financial year 2020-21. Therefore accounts are authenticated before submission of the internal Audit report for the FY 2020-21. Observations, if any, are not considered in the Accounts. Internal Audit is not Commensurate with size of the Company
4. As per Schedule-III of Companies Act, 2013, the Company has not shown Earning per Equity Share in the Profit and Loss statement.

Place: Bhubaneswar
Date: 20.05.2022

For Dash & Associates
Chartered Accountants
FRN. -317012E

CA. N.R. Biswal, FCA
Partner
Membership No. 058679
UDIN : 22058679AJMBQO8253

**ANNEXURE-D****ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in "Basis of Disclaimer of Opinion" paragraph of our Independent Auditors' Report to the Members of Odisha State Seeds Corporation Limited on the Financial Statements for the year ended 31st March' 2021, We report that :

**1. REF : Schedule-15- Cash & Cash Equivalent -
Rs.116,0697195.00**

- (i) SBI(OT) Escrow, Revolving Fund is not reconciled as on 31.3.21. The difference of Rs.8,42,32,806.02 in the said A/c during the year is debited to Sundry Debtors(Escrow)A/C in toto. Besides the same Rs.13,71,31,012.31 is carried forward from the previous year is included in Sundry Debtors(Escrow) A/c which is still un reconciled . Canara Bank A/C is also not reconciled as on 31.3.21 and the difference of Rs.1,60,07,785.09 in the said A/c during the year is debited to Sundry Debtors(Canara Bank)A/C. Sundry Debtors(Escrow)A/C and Sundry Debtors(Canara Bank)A/C are two fictitious accounts. Therefore Sundry Debtors account as on 31.3.21 is overstated by Rs.23,73,71,603.27 for above reason.
- (ii) In case of SBI Bargarh ,SBI Bhawanipatna, SBI Cuttack, SBI Jeypore is not reconciled as on 31.3.21 and the difference of Rs.13,51,119/- during the year credited to "**Liability for Expenses**". Therefore "**Liabilities for Expenses**" is overstated by Rs. Rs.13,51,119/-.
- (iii) Bank Statement for A/c No.9075001028019243of Odisha State Co-operative Bank ,A/c No.3912252428of SBI(OT)RKVY A/C,A/c No.3828286274 of SBI Khandagiri & A/c No.8381101100141 of Andhra Bank is not available for verification as on 31.3.21. There is a difference of Rs.25,00,048/-& Rs.10,450 between the bank balance and Bank statement as on 31.3.21of Axis Bank A/c &SBI(OT) RKVY A/c 39212252428 respectively required reconciliation.
- (iv) The Corporation has shown total fixed deposit amounting to Rs.543,38,597/- in the books of accounts. Balance confirmation from bank not available for verification.



- (v) The provision of leave encashment liability based on actuarial valuation as required by Accounting Standard-15 issued by the Institute of Chartered Accountants of India has not been made.
- (vi) The liability on account of gratuity has not been determined actuarially as required by Accounting Standard-15. Hence, the quantum of excess/short provision if any made for the year as well as on accumulative basis has not been ascertained.
- (vii) As per the Accounting Standard-3(Cash Flow Statement) cash equivalent only includes highly liquid investment having maturity less than three months. But the company has taken fixed deposit whose maturity period is more than three months as cash & Cash equivalent for preparation of Cash Flow statement .
- (viii) The balance confirmation of Sundry Debtors, Sundry Creditors, Advance to Suppliers and some bank account are not obtained. Hence in the absence of which, it is not possible to comment on the correctness of such balances as reflected in the financial statements.

Place: Bhubaneswar
Date: 20.05.2022

For Dash & Associates
Chartered Accountants
FRN. -317012E

CA. N.R. Biswal, FCA
Partner
Membership No. 058679
UDIN : 22058679AJMBQO8253

**ANNEXURE-B**

Referred to in our Independent Auditors' Report of even date to the members of Odisha State Supplies Corporation Limited on the financial Statements for the year ended 31st March'2021

Directions under Section143(5) of the Companies Act'2013 forming an integral part of Audit Report(Refer to Paragraph of our Report of even date)

Sl No.	Directions	
A.	General Directions	Observations
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications if any may be stated.	Yes, The Company has the system in place to process all the accounting transactions through IT system.The Company maintains its accounting transactions in Tally software. However in most of the cases the ledger balances generated in computer system are not tallied with the subsidiary ledgers/Individual files maintained manually. We are unable to quantify the financial implications. However we have pointed out some of such financial implications in various points of our audit report.
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/ loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? if yes the financial impact may be stated. Whether such cases are properly accounted for? (in case .the lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	There is no restructuring of an existing loan or cases of waiver/ write off of debts/ loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan.
3	Whether funds (grants/subsidy etc) received/ receivables for specific schemes from Central/State Government or its agencies were properly accounted for /utilizes as per its term and condition ?list the cases of deviation.	Funds (grants / subsidy etc) received / receivables for specific schemes from Central/ State Government or its agencies were properly accounted for / utilized as per its term and condition.



B.	Company/Sector Specific Sub-Direction	Observations
1	Whether the Company has an effective mechanism for disbursement of loans/subsidies/agro inputs and agriculture machineries to beneficiaries and recovery thereof(loans) along with interest, if any, from beneficiaries?	As per information and explanation given to us, the point is not applicable to the Company for the year under audit.
2	The grants/subsidies received for implementation various schemes are accounted for as per the accounting standards and utilized for indented purpose.	As per information and explanation given to us Grant/subsidies received from Government are solely utilized for the indented purpose during the year under audit.
3	Cases of wrong accounting of interest earned on account of non utilization of amounts received for certain projects/schemes may be reported.	No such cases were found during the year under audit.
4	Report the cases of diversion of grants/subsidies received from Central/State Govt. or their agencies for performing certain activities.	No such cases of diversification were found during the year under audit.
5	Whether the stock of seeds packing/certification materials and other items has been taken on basis of stock records after adjustment of shortage/excess found on physical verification and whether due consideration has been given for deterioration in the quality of old stocks which, may result into over valuation of stock?	In absence of third party physical verification of stock of seed packing / certification materials, the stock position as reported by concern SPO and supervisor is taken into account at the year-end for valuation purpose. Since the packing materials are valued at weighted average method instead of FIFO method it is not ascertainable whether due consideration has been given for deterioration in quality of old packing materials at the time of valuation.



6	Whether all the agriculture produce procured are properly stored and adequately insured. If any insurance claims are rejected, the details may be reported.	In absence of third party physical verification of stock of agricultural produce procured it is not ascertainable whether the produced are properly stored. In case of insurance coverage of agricultural produced adequate insurance coverage is taken for the year under audit. However insurance Premium of Rs.3,582/- is excess paid by the Company to the insurer against the policies taken during the year (i.e. Cheque issued of Rs.11,30,369/- instead of Rs.11,26,787/-). Due to under insurance during the year 2019-20 Rs.4,37,752/- is deducted from the claim amount against damage in cyclone Fani for the Pipili & Ghatikia Store (i.e. stock at risk was Rs.66,34,16,555/- against sum insured of Rs.60,00,00,000/-). Also insurance claim of Santasankha Store amounting to Rs.18,57,908/- is rejected by the insurer due to the store is not covered under the policy.
7	Examine pricing policy framed by the Company to ensure that all cost components are covered.	As explained to us, the marketing department of the Company is responsible for framing the pricing policy considering all cost components with approval of management and appropriate authority.
8	Whether the cost incurred on abandoned project has been written off?	As informed to us, no project was abandoned during the year under audit.
9	Report on the extent of utilisation of plant and machinery and its obsolescence, if applicable.	As informed to us, all processing plant and machinery are utilized during the year. However extent of capacity utilisation of plant and machinery is not available.



10	Whether the company has an effective system of recovery of dues in respect of its sales activities and the dues outstanding and recoveries there against have been properly recorded in the books of accounts.	The Company has an effective system of recovery of dues in respect of its sales activities. However the dues outstanding and recoveries are not properly recorded.
11	Whether the land owned by the Company is encroached under litigation, not put to use or declared surplus? Details may be provided.	According to explanation given to us, there is no encroachment and litigation over the land owned by the Company.

Place: Bhubaneswar

Date: 20.05.2022

For Dash & Associates
Chartered Accountants
FRN. -317012E

CA. N.R. Biswal, FCA
Partner
Membership No. 058679
UDIN : 22058679AJMBQO8253



COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of Odisha State Seeds Corporation Ltd for the year ended 31st March'2021 in accordance with the direction and sub-direction issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act'2013 and certify that we have complied with all the directions and sub-directions issued to us.

Place: Bhubaneswar
Date: 20.05.2022

For Dash & Associates
Chartered Accountants
FRN. : 317012E

(CA. N. R. Biswal, FCA)
Partner
Membership No. 058679
UDIN: 22058679AJMBQO8253



14.2 Comments of the Comptroller and Auditor General of India (C&AG):

**OFFICE OF THE ACCOUNTANT GENERAL (AUDIT-1)
ODISHA, BHUBANESWER**

LetterNo.,AMG-1/Tech/Accts/OSSCL/2020-21/2022-23/115 dt.8.7.22

To
The Managing Director,
Odisha State seeds Corporation Limited,
Samantarapur, Bhubaneswer.

Sub-Comments of the Comptroller and Auditor General of India under Section 143(6) (b) of the Companies Act, 2013 on the accounts of Odisha State Seeds Corporation Limited for the year ended 31 March 2021.

Sir,

I enclose the Comments of the Comptroller and Auditor General of India under Section 143(b) of the Companies Act, 2013 on the accounts of Odisha State Seeds Corporation Limited for the year ended 31 March 2021. Three copies of the Annual Reports for the year 2020-21 placed before the Annual General Meeting of the Company may please be furnished to this office indicating the date of the meeting.

Yours faithfully

**Sd/-
Deputy Accountant General/AMG-1**



Comments of the Comptroller and Auditor General of India under Section 143(6) (b) of the Companies Act,2013 on the Financial Statements of Odisha State Seeds Corporation Limited for the year ended 31 March 2021.

The preparation of financial statements of Odisha State Seeds Corporation Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act,2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on Auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 20th May 2022.

I, on behalf of the Comptroller and Auditor General of India have decided not to conduct the supplementary audit of the financial statements of Odisha State Seeds Corporation Limited for the year ended 31 March 2021 and as such have no comment to make under Section 143(6) (b) of the Act.

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

Place: Bhubaneswar
Date-8.7.2022

Sd/-
(RAJ KUMAR)
ACCOUNTANT GENERAL (AUDIT-1)



ODISHA STATE SEEDS CORPORATION LIMITED

(A GOVERNMENT UNDERTAKING)
SANTRAPUR, BHUBANESWAR-751002
BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Sch. No.	Figures as at the end of Current reporting Period	Figures as at the end of Previous reporting period
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	26,275,800.00	26,252,800.00
(b) Reserves and Surplus	2	852,102,988.00	827,476,353.00
(2) Share Application money pending allotment			
(a) Share Deposit		509,358.00	446,358.00
(b) Share Forfeiture A/c		102,770.00	102,770.00
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	19,835,373.00	19,835,373.00
(4) Short Term Borrowings	4	1,000,000,000.00	457,387,010.00
(4) Current Liabilities			
(b) Trade Payables	5	786,730,681.00	502,298,807.00
(c) Other Current Liabilities	6	224,060,331.00	263,774,922.00
(d) Short-Term Provisions	7	112,494,938.00	111,508,505.00
Total Equity & Liabilities		3,022,112,239.00	2,209,082,898.00
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	8		
(i) Gross Block		470,515,656.00	449,664,567.00
(ii) Depreciation		145,138,244.00	131,321,778.00
(iii) Net Block		325,377,412.00	318,342,535.00
(f) Capital-Work-in-Progress		22,617,020.00	4,944,693.00
(2) Current Assets			
(a) Current investments			
(b) Inventories	13	791,370,810.00	669,813,704.00
(c) Trade receivables	14	426,932,543.00	449,205,880.00
(d) Cash and cash equivalents	15	1,160,697,195.00	511,958,095.00
(e) Short-term loans and advances	16	287,650,922.00	250,015,003.00
(f) Other current assets	17	7,466,337.00	4,802,988.00
Total Assets		3,022,112,239.00	2,209,082,898.00
NOTES TO ACCOUNTS			
<i>Schedules referred to above and notes attached there to form an integral part of Balance Sheet</i>			
<i>This is the Balance Sheet referred to in our Report of even date.</i>			

Sd/-Sri S.K Mishra
Company Secretary-cum-
DGM Finance, OSSC Ltd

Sd/ J.R Mishra
Managing Director, OSSC
Ltd

Sd/ Er. I.C Panigrahi,
Chairman, OSSC Ltd

M/s DASH & Associates,
Chartered Accountant,
Bhubaneswar



ODISHA STATE SEEDS CORPORATION LIMITED				
(A GOVERNMENT UNDERTAKING)				
SANTRAPUR, BHUBANESWAR-751002				
PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2021				
Sr. No	Particulars	Sch. No.	<i>Figures as at the end of current reporting period</i>	<i>Figures as at the end of Previous reporting period</i>
I	Revenue from operations	18	1,948,816,549.00	1,708,170,484.00
II	Other Income	19	60,275,589.00	55,646,159.00
	Increase/Decrease In Stock		127,674,661.00	86,684,819.00
III	III. Total Revenue (I +II)		2,136,766,799.00	1,850,501,462.00
IV	<u>Expenses:</u>			
	Purchase		1,773,846,763.00	1,452,726,219.00
	Operational Expenses	23	122,617,672.00	120,735,398.00
	Employee Benefit Expense	20	80,089,043.00	90,555,547.00
	Financial Costs	21	471,566.00	737,151.00
	Depreciation and Amortization Expense	22	13,816,466.00	13,306,175.00
	Administrative Expenses	23	7,909,052.00	10,439,127.00
	Selling Expenses	23	106,759,133.00	99,104,149.00
	Total Expenses (IV)		2,105,509,695.00	1,787,603,766.00
V	Profit before exceptional and extraordinary items and tax	(III - IV)	31,257,104.00	62,897,696.00
VII	Profit/Loss before extraordinary items and tax (V - VI)		31,257,104.00	62,897,696.00
IX	Profit before tax (VII - VIII)		31,257,104.00	62,897,696.00
	Current Tax			
	Dividend for Equity Shares & 11% Cumulative Pref.Shares		2,890,338.00	2,887,808.00
	Profit after Tax		28366766.00	60,009,888.00
XVII	Profit(+)/Loss(-) transferred to Reserve and Surplus		28,366,766.00	60,009,888.00
	Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement			
	This is the Profit & Loss Statement referred to in our Report of even date.			

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Bhubaneswar



ORISSA STATE SEEDS CORPORATION LIMITED

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2021

Schedule : 1 Share Capital

Sr. No	Particulars	Current Year	Previous year
1	<u>AUTHORIZED CAPITAL</u>	-	-
	750,000 Equity Shares of Rs. 100/- each.	75,000,000.00	75,000,000.00
	250,000 11%cumulative preference share of Rs.100/-each.	25,000,000.00	25,000,000.00
		100,000,000.00	100,000,000.00
2	<u>ISSUED</u>	-	-
	270,000 Equity Shares of Rs. 100/- each.	27,000,000.00	27,000,000.00
	90,000 11%cumulative preference share of Rs.100/-each.	9,000,000.00	9,000,000.00
		36,000,000.00	36,000,000.00
3	<u>SUBSCRIBED AND CALLED UP</u>	-	-
	19609600(2018-19-200300)Equity shares of Rs.100/-each.	19,609,600.00	19,609,600.00
	66432 (2010-11: 66432) 11% cumulative preference shares of Rs. 100/-each.	6,643,200.00	6,643,200.00
		26,252,800.00	26,252,800.00
	PAIDUP SHARE CAPITAL		
5	<u>EQUITY SHARES</u>	-	-
	19096(2019-20)196326 shares of Rs.100 each	19,632,600.00	19,609,600.00
		19,632,600.00	19,609,600.00
6	<u>PREFERENCE SHARES</u>	-	-
	11% CUMULATIVE PREFERENCE SHARES		
	66432 (2010-11);66432) shares of Rs.100 each	6,643,200.00	6,643,200.00
		6,643,200.00	6,643,200.00
	Total in	26,275,800.00	26,252,800.00

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Schedule : 2 Reserve & Surplus			
Sr. No	Particulars	Current Year	Previous Year
1	Capital Reserve	80,000,000.00	80,000,000.00
8	Other Reserve		
(a)	Grant-in-Aid (Reserve)	393,800,603.00	361,872,882.00
(b)	Grant-in-Aid(RKVY)	289,514,150.00	325,507,205.00
	Grant-in-Aid(SMSP)	5,126,382.00	5,500,000.00
	Grant-in-Aid(Computer)	698,821.00	
9	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	69,534,287.00	9,524,399.00
	Add: Profit for the period after tax & Dividend	28,366,766.00	60,009,888.00
	Less-Transfer from Current Account of Banks	14,938,021.00	14,938,021.00
	Total in `	852,102,988.00	827,476,353.00
Schedule : 3 Long Term Borrowings			
Sr. No	Particulars	Current Year	Previous year
	Unsecured loan	-	-
	Interest Accrued & due on Short Loan from State Govt.	19,835,373.00	19,835,373.00
	Total in `	19,835,373.00	19,835,373.00
Schedule : 4 Short Term Borrowings			
Sr. No	Particulars	Current Year	Previous Year
	Bonds / Debentures		
	Secured loan	-	-
	Cash Credit(State Bank of India)	-	-
	(On Hypothecation of stock of raw materials and stock in process)	-	142,612,990.00
1	Loan Repayable on Demand	-	-
	Interest Free Loan received from State Govt.	1,000,000,000.00	600,000,000.00
	Total in `	1,000,000,000.00	457,387,010.00

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Schedule : 5 Trades Payable			
Sr. No	Particulars	Current Year	Previous year
1	Creditors for goods	786,730,681.00	502,298,807.00
	Balance c/d	786,730,681.00	502,298,807.00
Schedule : 6 Other Current Liabilities			
Sr. No	Particulars	Current Year	previous year
1	Liabilities for Construction	94,036.00	94,036.00
2	Liabilities for expenses	56,497,173.00	85,773,423.00
3	Sales tax payable	3,795,659.00	4,133,219.00
4	Security deposit	37,589,445.00	34,262,117.00
5	Earnest money deposit	39,012,566.00	37,513,566.00
6	Recovery from staff to be deposited	970,902.00	4,861,414.00
7	Unpaid salary & allowances	53,849,421.00	61,659,192.00
8	Advance from customers	30,400,173.00	33,019,838.00
9	Dues payable to staff received from govt.	79,153.00	79,153.00
10	Royalty(contractor)	611,414.00	811,333.00
	Labour CESS	886,877.00	1,032,561.00
11	Unpaid dividend	5,338.00	5,338.00
12	Advance from OUAT for construction of seed store	1,646.00	1,646.00
13	Tax deducted at source	266,349.00	527,907.00
14	Advance for construction of seed testing laboratory	179.00	179.00
	Total in `	224,060,331.00	263,774,922.00

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**Schedule : 7 Short Term Provisions**

Sr. No	Particulars	Current Year	Previous Year
1	<u>Provision For Employees Benefit</u>	-	-
	Gratuity Payable	50,435,540.00	52,339,445.00
	Provision For bonus	19,394.00	19,394.00
2	<u>Others</u>	-	-
	Provision fof Dividend	5,715,886.00	2,825,548.00
	Provisison For Income tax	55,575,060.00	55,575,060.00
	Provision for Dividend Tax	749,058.00	749,058.00
	Total in `	112,494,938.00	111,508,505.00

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ODISHA STATE SEEDS CORPORATION LTD

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2021

Schedule : 8 Fixed Asset Asper Companies Act 2013

Sr. No	Particulars	Gross Block		Depreciation					Net Block		
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV 31.3.21	WDV 31.3.20
	Tangible Assets										
	Land (Lease hold)	1900704.00			1900704.00	331276.00	19199.00		350475.00	1550229.00	1569428.00
	Building- Leasehold	1856558.00			1856558.00	595641.00	22640.00		618281.00	1238277.00	1260927.00
	Building-Free hold	226560693.00	8611062.00		235171755.00	40108519.00	3731686.00		43840205.00	191331550.00	186452174.00
	Plant & Machinery	109639456.00	8733467.00		118372923.00	52952641.00	4032111.00		56984752.00	61388171.00	56686815.00
	Computer	7658088.00	30000.00		7688088.00	6809197.00	420721.00		7229918.00	458170.00	848891.00
	Office Equipments	1838921.00	567695.00		2406616.00	881246.00	98270.00		979516.00	1427100.00	957421.00
	Books & Library	121766.00			121766.00	121766.00			121766.00		
	Tent Tarpoline & Durry	163600.00			163600.00	163600.00			163600.00		
	Furniture Fixture	78758816.00	2908865.00		81667681.00	13847690.00	4938213.00		18785903.00	62881778.00	64911126.00
	Farm Equipment	1571600.00			1571600.00	683322.00	74651.00		757973.00	813627.00	888278.00
	Bi-cycle	10706.00			10706.00	10706.00			10706.00		
	Vehicle	19583659.00			19583659.00	14816174.00	478975.00		15295149.00	4288510.00	4767485.00
	SUB TOTAL (A)	449664567.00	20851089.00		470515656.00	131321778.00	13816466.00		145138244.00	325377412.00	318342545
	Previous Year	417257350.00	32592049.00	184832.00	449664567.00	118006807.00	13306175.00	8796	131321778.00	318342535.00	299250543

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Bhubaneswar



Schedule : 13			
Inventories			
Sr. No	Particulars	Current Year	Previous Year
1	Raw Material		
2	Work-in-Progress		
3	Finished Goods		
4	Stock-in-Trade		
	Seeds (at cost.)	693,419,580.00	605,303,884.00
	Condemned seeds (at lower of cost or realizable value)	79,551,662.00	39,676,260.00
	Standing crops (at cost)	-	316,437.00
		772,971,242.00	645,296,581.00
	Seed Treating Chemical	5,356,166.00	13,741,830.00
	Packing materials	13,043,402.00	10,775,293.00
		18,399,568.00	24,517,123.00
	Total	791,370,810.00	669,813,704.00
Schedule : 14 Trade Recievables			
Sr. No	Particulars	Current Year	Previous Year
1	Outstanding for more than six months	-	-
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	211,863,550.00	174,235,253.00
	c) Doubtful	35,762,856.00	35,762,856.00
2	Others	247,626,406.00	209,998,109.00
	a) Secured, Considered Good :	-	
	b) Unsecured, Considered Good :	215,068,993.00	274,970,627.00
	Total	462,695,399.00	484,968,736.00
	Less : Provision for Doubtful Debt	35,762,856.00	35,762,856.00
	Total	426,932,543.00	449,205,880.00

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Bhubaneswar



Schedule-15-Cash & Cash Equivalent			
Sr. No	Particulars	Current year	Previous Year
1	Cash-in-Hand	-	-
	Cash Balance	698,402.00	767,574.00
	Sub Total (A)	698,402.00	767,574.00
2	Bank Balance	-	-
	Balance in schedule banks	-	-
	Current account	4,746,065.00	2,556,580.00
	Savings bank account	390,956,942.00	237,782,638.00
(A)	Total Current & Saving Bank Balance	395,703,007.00	240,339,218.00
	Fixed Deposit in SBI (OT) towards Margin Money for availing Cash Credit Loan	54,338,597.00	44,338,597.00
(B)	Total Fixed Deposit Amount	54,338,597.00	44,338,597.00
(C)	SBI(OT) ESCRO ,Revolving Fund	669,083,488.00	206,544,447.00
(D)	OSCB, Main Branch	1,458,276.00	5,118,403.00
(E)	SBI(OT)BBSR,Dividend A/c	821,019.00	822,317.00
(F)	SBI(OT)BBSR,Dealer Subsidy	38,281,520.00	13,322,438.00
(G)	SBI(OT)BBSR GEM	312,886.00	705,101.00
		709,957,189.00	226,512,706.00
	Total	1,160,697,195.00	511,958,095.00

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Bhubaneswar



Schedule :16 Short Terms Loans and Advances

Sr. No	Particulars	Current Year	Previous year
1	Loans & Advances from related parties		
2	Others		
	<i>Advance Recoverable in cash or in kind or for value to be considered good</i>		
	Advance against purchase of goods	29,269,016.00	29,270,270.00
	Advance to Growers (ISOPOM Incentive on Oil Seeds)	20,471,775.00	20,471,775.00
	Advance to Growers(Payment against Fail Stock)	31,507,351.00	18,598,066.00
	Advance and other dues with staff	47,955,089.00	26,338,577.00
	Prepaid expenses	51,650.00	73,201.00
	sales tax Refundable	341,480.00	341,480.00
	Sales tax deposit	3,875,403.00	3,875,403.00
	Income tax deposit	105,974,028.00	103,234,276.00
	Demand Tax(VAT)	9,309,753.00	9,309,753.00
	Registrar Khorda District Civil Court(SD)	35,009,121.00	35,009,121.00
	Deposits	3,886,256.00	3,493,081.00
	Total	287,650,922.00	250,015,003.00
Schedule :17 Other Current Asset			
Sr. No	Particulars	Current Year	Previous Year
1	Interest Receivable	4,878,175.00	2,214,826.00
2	Sundry dues realisable	2,588,162.00	2,588,162.00
	Total	7,466,337.00	4,802,988.00

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Bhubaneswar



Schedule-18 Revenue from Operations			
Sr. No	Particulars	Current Year	Previous Year
1	Income From Sale of Seed	1,948,816,549.00	1,708,170,484.00
	Total	1,948,816,549.00	1,708,170,484.00
Schedule : 19 Other Income			
Sr. No	Particulars	Current Year	Previous Year
1	Interest on (Fixed & Savings)Deposit	7,356,621.00	4,894,772.00
	Processing Charges	14,759,940.00	6,041,372.00
	Sale of Tender Paper	496,700.00	262,964.00
	House Rent	54,350.00	52,884.00
	Office Rent(BMC)	969,690.00	939,379.00
	Shortage Recovery	39,944.00	4,639.00
	Miscellaneous Receipts	325,343.00	234,502.00
	Arrangement & Supply of HDPE bags to Govt. Agency	1,948,562.00	1,463,363.00
	Gunny Cost recovered From Growers	1,907,769.00	1,450,378.00
	Insurance Claim(Fani-Seed Stock)	4,111,547.00	1,499,336.00
	Insurance Claim(Godown-Pkd)	-	616,258.00
	Insurance Claim(vehicle)	-	365,000.00
	Profit on Auction sale of vehicle	-	120,460.00
	Production Incentive on Oil Seeds(NFSM)		8,560,012.00
	Production Incentive(OSSC Share)	17,644,205.00	20,323,752.00
	Recovery of Interest & Godown Rent on Sale of Sub-standard Seeds	21,966.00	
	Depreciation on Fixed Assets Purchased out of Grant in aid	10,638,952.00	8,817,088.00
	Total in `	60,275,589.00	55,646,159.00

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Schedule : 20 Employment Benefit Expenses			
Sr. No	Particulars	Current Year	Previous Year
1	Salaries, Wages(administrative), Unutilized leave ,Subsistance Allowence	63,557,189.00	66,486,877.00
2	Leave salary & pension contribution	3,935,853.00	1,129,910.00
3	Contribution to provident fund	5,911,261.00	5,766,847.00
4	Contribution to GIS/EDLI	139,025.00	94,898.00
5	Administrative charges for PF	260,675.00	240,326.00
6	Gratuity	6,285,040.00	16,836,689.00
	Total in `	80,089,043.00	90,555,547.00
Schedule :21 Financial Cost			
Sr. No	Particulars	Current Year	Previous Year
1	Interest on Cash Credit Facility	471,566.00	737,151.00
	Total in `	471,566.00	737,151.00
Schedule :22 Depreciation & Amortization			
Sr. No	Particulars	Current Year	Previous Year
1	Depreciation	13,816,466.00	13,306,175.00
	Total in `	13,816,466.00	13,306,175.00

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Schedule : 23 Other Administrative Expenses			
Sr. No	Particulars	Current Year	Previous Year
	<u>OPERATIONAL EXPENSES</u>	-	-
	Transport & Carriage	5,342,890.00	4,602,982.00
	Loading & Unloading	20,203,354.00	17,544,290.00
	Electricity & Water charges	5,365,715.00	6,309,892.00
	Wages	15,882,818.00	14,048,995.00
	Consumable Stores	1,170,215.00	620,861.00
	Packing Materials	30,043,322.00	32,128,964.00
	Custom Processing Charges		83,874.00
	Production Tags	987,840.00	
	Repair & Maintenance to Plant & Machinery	1,422,788.00	2,039,369.00
	Generator Running Expenses	215,842.00	576,432.00
	Generator Repair Maintenance	46,146.00	
	Truck Running Expenses	4,134,024.00	3,206,511.00
	Truck Repair & Maintenance	698,014.00	918,145.00
	Toll Tax	42,240.00	109,795.00
	Fertilizer & Pesticide	398,085.00	361,998.00
	Tractor Running Expenses	145,966.00	166,164.00
	Hire charges of Tractor	77,345.00	135,240.00
	Tractor Repair & Maintenance	24,720.00	115,803.00
	Seed Certification Expenses	12,863,187.00	10,353,182.00
	Seed Treating Chemicals	23,553,161.00	27,412,901.00
		122,617,672.00	120,735,398.00

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Ltd

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Chairman, OSSC Ltd

M/s DASH & Associates,
Chartered Accountant
Bhubaneswar

**Schedule : 23 Other Administrative Expenses**

ADMINISTRATIVE EXPENSES	Current Year	Previous Year
Advertisement Expenses	535,174.00	773,544.00
Bank Commission	8,134.00	366,825.00
Conveyance	10,704.00	8,970.00
Directors sitting fees		66,641.00
Entertainment Expenses	43,524.00	70,810.00
Filing Fees	25,500.00	167,100.00
Insurance	1,514,024.00	1,625,243.00
Legal Expenses	50,068.00	402,825.00
Miscellaneous Expenses	42,319.00	43,741.00
News paper & Periodicals	26,829.00	15,501.00
Postage & Telegram	15,323.00	33,869.00
Printing & Stationary	548,956.00	422,281.00
Rates & Taxes	308,965.00	211,330.00
Rent	88,000.00	221,000.00
Repair & Maintenance to building	1,106,104.00	1,411,981.00
Repair & Maintenance(General)	938,728.00	1,174,675.00
Repair & Maintenance Computer	219,228.00	418,058.00
Seminar & Meeting Expenses/Training	3,700.00	90,731.00
Statutory Audi Fees	59,000.00	59,000.00
Internal Audit fees	59,000.00	59,000.00
Tax Audit Fees	17,000.00	17,000.00
VAT Audit Fees	15,000.00	15,000.00
Certification Audit Fee	10,000.00	10,000.00
GST Audit Fees	15,000.00	15,000.00

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**Schedule : 23 Other Administrative Expenses**

	<u>ADMINISTRATIVE EXPENSES</u>	<u>Current Year</u>	<u>Previous Year</u>
	Concurrent Audit Fees		81,000.00
	Auditors TA & Other Expences	75,000.00	77,500.00
	Telephone Expenses	275,208.00	669,838.00
	Travelling Expenses	62,730.00	139,843.00
	Hier Charges of vehicle	1,160,268.00	1,082,152.00
	Vehicle Repair & maintenance	126,149.00	161,327.00
	Vehicle Running charges	461,241.00	527,342.00
		7,909,052.00	10,439,127.00
	<u>SELLING EXPENSES</u>	<u>Current Year</u>	<u>Previous Year</u>
	Compensation	11,703.00	30,000.00
	Dealer commission	81,522,338.00	69,193,908.00
	Transport & carriage	20,418,947.00	24,400,697.00
	Storage & warehousing	4,616,295.00	5,479,544.00
	Sales incentive on sale of seeds through Own-Out let	189,850.00	
		106,759,133.00	99,104,149.00

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CASH FLOW STATEMENT AS PER AS-3			
	Cash Flow From Operational Activities	Current Year (2020-21)	Previous Year 2019-20
(a)	Net Profit Before Tax	31,257,104.00	62,897,696.00
	Adjustment for		
	Depreciation	13,816,466.00	13,306,175.00
	Interest Paid	471,566.00	737,151.00
	Interest Received	-7,356,621.00	-4,894,772.00
	Adjustment to P/L(Reserve) against difference in Un-reconciled Banks		
	Operating Profit before Working Capital changes	38,188,515.00	72,046,250.00
	Adjustment for:-		
	Inventories	-121,548,067.00	-70,384,853.00
	Sundry Debtors	22773337.00	331,086,573.00
	Other Assets	-2,663,349.00	2,971,081.00
	Loans and Advances	-37,635,919.00	-24,254,306.00
	Liabilities & Provisions	245320193.00	32,130,211.00
	Cash Generated from Operations	106246195.00	343,594,956.00
	Net Cash Flow from Operating Activities	144434710.00	343,594,956.00
(b)	Cash Flow from Investing Activities		
	Purchase of Fixed Assets	-20851089	-32,407,217.00
	Capital-Work-in-Progress	-17672327	6,586,093.00
	Interest Received	7356621	4,894,772.00
	Increase in Share Deposit	63000	-15,560.00
	Share Forfeiture A/c	-102770	-102,770.00
	Provision for Dividend	-2890338	-2,887,808.00
(c)	Net Cash Flow from Investing Activities	-34096903.00	-23,932,490.00
	Cash Flow from Financial Activities		
	Share Capital		
	Grants Received/Returned	-3740131.00	16,182,912.00
	Proceeds/Return of long Term Loan	0	0
	Repayment/Generation of Secured Loan	542612990.00	-
	Interest Paid	-471566.00	7,37,151.00
	Net Cash Flow from Financial Activities	538401293.00	264,556,160.00
	Net increase in cash and cash equivalent Activities(a+b+c)	648739100.00	55,106,306.00
	Add-Opening Balance of Cash and Cash Equivalents	511,958,095.00	456,852,289.00
	Closing Balance of Cash and Cash Equivalents	1160697195.00	511,958,095.00
	Earning Per Share		
	Net Profit after Tax available for equity Share Holders	31257104	62897696
	Weighted average number of equity shares of Rs.100/-each outstanding the year.	196226	196096
	Earning Per Share	159.29	320.75

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CONTINGENT LIABILITIES AND NOTES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR 2020-21

Contingent Liabilities

01 (a)

- i. Dividend of Rs.2837274/- on 11% Preference Share and also on Equity Shares has been paid on the profit of 2010-11 and the same has been Accounted for in 2011-12 as per the decision in 131st.Meeting of the Board of Directors held on 07.09.2012 and paid during 2012-13.
 - ii. Dividend on 11% Cumulative Preference Shares amounting to Rs.21467014/-/-up to 2018-19 not provided in account during 2018-19 except 2010-11.
 - iii. Dividend on Equity Shares and 11% Preference Shares for the year 2019-20 has been provided in Account @11% amounting to Rs.2887808/-.
 - iv. Dividend on Equity Shares & 11% Preference Shares for the year 2020-21 has been provided in account @11% amounting to Rs2887808/-
- b) Employees State Insurance Corporation has claimed Rs.382413.00 up to end of March-2002 towards ESI dues in respect of Cold Storage, Cuttack & Bhubaneswar. The Corporation applied for the exemption of the applicability of the ESI Act to Corporation but Govt. has expressed its inability to exempt the Corporation from the purview of the ESI Act. The Corporation has obtained a stay order from the Hon'ble High Court vide OJC No.2166/97 on 10.2.97 directing the ESI authorities not to take any coercive action until further orders. Liability has been provided for Rs382413/- and Rs137208/- has been paid up to March -2003 against the above demand and has been kept in Deposit Account till finalization of the ESI matter.
- c) Sales Tax Assessment has been completed up to 2003-04. Sales tax authorities have demanded Rs. 55,02,643/- towards sales tax for different years up to the year 2000-2001 which is disputed by the Corporation and appeals have been filed against the above demand which are still pending. An amount of Rs.38,75, 403/-has been paid against the above demand as demand tax.
- d) The Sales Tax Assessment for the year 2004-05 has been completed by the Sales Tax Authorities and the Corporation has paid Rs.426862/- as per the assessment order received on 19th.November,2008.
- e) During the year 2011-12 an amount of Rs.9309753/ has been paid to Sales Tax Department against the demand of VAT tax by Sales Tax Authorities from 2005-06 to 2008-09 against the demand of Rs13.96.Crore. and accounted under Loans Advances (Sch-16)

- f) The income tax authorities have demanded Rs.4,82,14,334.00 towards income tax and surcharge for assessment years 1998-99 and 1999-2000. The details of which are given below.

Particulars	Assessment Years		Total
	1998-99	1999-2000	
Tax & surcharge	1,23,95,236	1,14,46,414	2,38,41,650
Interest u/s 234(A)	6,19,760	5,72,320	11,92,080
Interest u/s 234(B)	1,34,79,780	97,00,824	2,31,80,604
Total Demand	2,64,94,776	2,17,19,558	4,82,14,334

- g. A sum of Rs. 46886167.00 has been paid by the Corporation to the Income Tax authorities during the year 2004-05 , 2005-06 & 2008-09 and kept in Income Tax Deposit A/c. The Corporation have filed appeal with ITAT against orders of CIT-Appeal. The ITAT while disposing the appeal directed to approach CBDT to exercise the power U/s 119(2)(b) to condone delay in filing return and allow to carry forward losses and depreciation. The Corporation has moved CBDT to allow carry forward the business loss and depreciation for the Assessment Year 1991-1992-96-97. The matter is pending with CBDT for which no provision has been made towards Income Tax for the aforesaid amount.
- h. The Income tax authorities have raised demand on the Corporation to the tune of Rs.9,87,318/- against which the Corporation has gone on appeal and the matter is under sub-judice. As against the aforesaid demand the Corporation has deposited a sum of Rs.8,65,695/- and the amount has been shown as Income tax Deposit under Schedule-16 - Short Term Loans & Advances.
- i. The Income Tax Authorities have assessed of Rs.1290969/- for the Assessment Year 2005-06 towards Income Tax. The Income Tax liability on the profit for the year has been calculated at Rs.1055354/-. The balance amount of Rs.225615/- has been accounted for during 2005-06 under **Prior Period Adjustment** account. An amount of Rs.490000/- has been paid as advance tax.
- j. The Income Tax Authorities have assessed Rs.1528124/-for the Assessment year 2006-07 against which Rs.1461000/- has been deposited as advance tax. An amount of Rs.1123995/-has been provided in accounts as Income Tax provision during the year 2005-06 and balance amount of Rs.404529/- has been provided in the account of 2008-09.
- k. The Income Tax Assessment for the Assessment year 2009-10 has not been completed by Income Tax Authorities. However an amount of Rs.2948507/- has been provided in for the year 2008-09. An amount of Rs.5777011/- has been paid as advance income tax during 2008-09 & Rs.3500000/- paid during the financial year 2009-10).

- l. The Income Tax Assessment for the Assessment year 2010-11 has not been completed by the Income Tax authorities. However, an amount of Rs.3606440/- has been provided in the accounts. An amount of Rs.7000000/-has been paid as advance tax
- m. The Income Tax Assessment for the Assessment year 2011-12 has not been completed by the Income Tax Authorities. However, an amount of Rs.7281420/-has been provided in account. An amount of Rs.3000000/- has been paid as advance tax.
- n The Income Tax Assessment for the Assessment year 2012-13 has not been completed by the Income Tax. Authorities. However, an amount of Rs4630437/-has been provided in account .during the year 2012-13 No advance tax has been paid against the above demand.
- o The Income Tax Assessment for the Assessment Year 2013-14 has not been completed by the Income Tax Authorities .An amount of Rs.2246273/-has been provided in account during the Financial Year 2012-13 towards Income tax. Rs.5000000/-has been paid as advance income Tax
- p The Income Tax Assessment for the Assessment Year 2014-15 has not been completed by the Income Tax Authorities .An amount of Rs.2246273/-has been provided in account during the Financial Year 2013-14 towards Income tax. Rs.519135/- has been paid as advance income Tax.
- q The income tax Assessment for the Assessment Year 2015-16 has not been completed by the Income Tax Authorities An amount of Rs.1563094/- has been provided in Account.Rs.334143/- has been paid as Income Tax.
- r. The income tax Assessment for the Assessment Year 2016-17 has not been completed by the Income Tax Authorities An amount of Rs.1307925/- has been provided in Account.Rs.1190027/- has been paid as advance Income Tax.
- s The income tax provision for the Assessment year 2017-18 has not been provided due to business loss of Rs.260166271.00 .The Assessment for the Assessment year 2017-18 has been completed. On 26.11.2019..The Income Tax Authority has finalized the Assessment and accepted the loss Rs.157028574.00
- t. The Income Tax Provision for the Assessment year 2018-19 has not provided in accounts for the financial year 2017-18 as the business loss of the Assessment year 2017-18 will be carry forward for next seven years.
- u The Income Tax Provision for the Assessment year 2019-20 has not provided in accounts for the financial year 2018-19 as the business loss of the Assessment year 2017-18 will be carry forward for next seven years.
- v The Income Tax Provision for the Assessment Year 2020-21 has not provided in accounts for the financial year 2019-20 as the business loss for the Assessment year 2017-18 will be carry forward for next seven years.



- (vi) The Income tax provision for the Assessment Year 2021-22 has not been provided in the accounts for the financial year 2020-21 as the business loss for the Assessment year 2017-18 will be carry forward for next seven year.
02. The Corporation accepted Assets, Stores and Spares transferred by State Govt. at Rs.6002051/-. Out of the above a sum of Rs.60.02 lakh has been allotted towards equity shares against the assets transferred. The balance amount of Rs.51.00 has been treated as share deposit. The transfer deed in respect of immovable property has not been executed.
03. The OSSC took possession of four nos. of Govt. Agriculture farms located at Bargarh, Barikel, Parmanpur and Babanpur of Bargarh & Ganjam district with effect from 1.6.91. Similarly, the Corporation took possession of the Govt. Agriculture Farm at Barpalli of Bargarh district on 1.6.92. The assets and stores of the above mentioned farms transferred by Government have not been valued till date. The depreciation has not been charged on the assets of the farms transferred by the Govt. The transfer deed is yet to be executed.
04. The Corporation purchased 4 nos. of leasehold industrial sheds at Balasore and Jeypore at a cost of Rs.11.07 lakh and Rs.2.48 lakh respectively from IDCO during the year 1990-91. The lease hold deed of the same has not been executed.
05. The Corporation has constructed storage godown at a cost of Rs.422516.00 at Keonjhar, Dhenkanal, Mayurbhanja and Sundergarh on land provided by the State Govt. The title deed of the land has not been executed in favour of the Corporation
06. The Corporation has taken possession of eight storage godowns at a cost of Rs.56.00 lakhs from D A & FP (O) as part of NSP-III implementation against Grant-in-Aid of Rs.238/- lakhs to be provided by Govt. of Orissa. The Storage godowns treated as assets created out of Grant-in-aid and treated accordingly following the policy of govt. grant for Fixed assets.. The transfer deed of the same is yet to be executed.
07. The Corporation has taken possession of twelve processing plants at a cost of Rs.60.00 lakhs from D A & FP (O) as part of NSP-III implementation against Grant of Rs.238/- lakhs to be provided by Govt. of Orissa. The Processing plants treated as assets created out of grant in aid and treated accordingly following the policy of govt. grant for Fixed assets. The transfer deed of the same is yet to be executed.
08. Audit fee of Statutory Auditors has been provided at Rs.50,000.00/- plus GST on the basis of the recommendations of the Board of Directors to the Comptroller and Auditor General of India
09. Balance in the accounts of Sundry Debtors, Sundry Creditors , Loans and Advances to the staff are subject to confirmation.

10. During the year an amount of Rs73804003/- has been paid towards Salary & Allowances for the year 2020-21 as per Schedule-20
11. Grant in Aid either in the nature of capital or revenue are taken in to account only on receipt basis. During the year 2020-21 amount of Rs6898821.00- received towards Capital Grant-in-Aid and accounted under Reserve & Surplus. The details of Opening Balance of Reserve & Surplus, Addition during the year ,amount utilized during the year and closing balance as on 31.3.21 are as below.

Reserve Surplus					
Sl	Particulars	Opening Balance as on 1.4.20	Addition During the Year	Deduction of Depreciation on assets purchased out of Grant-in-Aid	Balance as on 31.3.21
1	Capital Reserve	80000000.00			80000000.00
2	Grant-in Aid Reserve	361872882.00	42566673.00	10638952.00	393800603.00
3	Grant-in-Aid(RKVY)	325507205.00	6200000.00	42193055.00	289514150.00
4	Grant –in-Aid(Quality Testing Machinery)	5500000.00		373618.00	5126382.00
5	Grant-in-Aid(P.E DEPTT)		698821.00		698821.00
	Balance Brought forward from Previous Year	69534287.00	28366766.00		97901053.00
5	Less- Transferred from Current A/c un-reconciled difference	-14938021.00			-14938021.00
		827476353.00	77832260.00	53205625.00	852102988.00

12. An amount of Rs17672327.00 has been added to Capital Work-in-Progress during 2020-21

Sl	Particulars of Capital-Work-in-Progress	Opening Balance as on 1.4.20	Addition during the year	TOTAL	Transferred to Fixed Assets	Balance Capital-Work-in-Progress as on 31.3.21
1	Construction of 1000MT godown at Baripada-3	2777974.00		2777974.00		2777974.00
2	Construction of Storage godown at Nuapada		2890642.00	2890642.00		2890642.00
3	Costruction of Processing Plantn Building at Kuchinda		6563763.00	6563763.00		6563763.00
4	Construction & Modernisation of Seed Store, Sonepur		8217922.00	8217922.00		8217922.00
7	Construction of Seed Storage Godown at Jeypore	2166719.00				2166719.00
	TOTAL	4944693.00	17672327.00	22617020.00		22617020.00



13. Qtl.1433.71 of both Paddy and non-paddy seeds found shortage during 2013-14 in Bolangir Processin Plant under the jurisdiction of SPO Bhawanipatna , The value of above shortage quantity comes to Rs.3463111/- .The Managing Director ordered for inquiry of above shortage. The inquiry is under progress and the accounting treatment will be made after receive of the inquiry report.
14. The un-reconciled difference of 7(seven)no. of Banks amounting to Rs.14938021/- will be reconciled in subsequent years and the amount has been accounted under Reserve & Surplus during 2019-20. The detail Bank Balances in Current A/c and Savings A/care given below.

Sl	Name of the Bank	Name of the Unit	Balance as per Ledger	Balance as per PassBook	Difference transferred to Reserve Surplus A/c
Current Account					
1	SBI,Bhanjavihar	BMR	774282.67	774282.67	
2	Allahabad Bank,	BGH	5718027.00	0	5718027.00
3	BAGB Barplli	BGH	2179555.00	0	2179555.00
4	BAGB,Padampur	BGH	1268659.00	0	1268659.00
5	SBI Attabira	BGH	3772270.8	0	3772270.8
6	SBI,Bargarh	BGH	908066.76	0	908066.76
7	Union Bank of India Sambalpur	BGH	486924.2	0	486924.2
8	SBI Nuapada	BGH	604518.24		604518.24
9	SBI Balesore	BLS	18143.12	18143.12	
10	SBI Bapujinagar	HO	3249403.94	3249403.94	
11	SBI Butupali	Boudh	699013.92	699013.92	
13	Andhra Bank	Ho	5221.51	5221.51	
	TOTAL		19684086.16	4746065.16	14938024
Savings Account					
1	SBI Bargarh Savings A/c	BGH	122223.54	122223.54	
3	Axis Bank Savings A/c	HO	2106933.18	2106933.18	
4	SBI,Bhawanipatna(Savings)	BPT	336924.98	336924..98	
5	SBI,Cuttack Savings A/c	CTC	443307.50	443307..5	
6	SBI Jeypore Savings A/c	Jyp	1088009.5	1088009.5	
7	SBI KIT(SPO BBSR)	BBSR	394152.63	394152.63	
8	SBI Khandagiri	BBSR	98502.5	98502.5	
99	SBI Nayagarh	BBSR	2470.5	2470.5	
10	SBI (Old Town)savings A/c	HO	119927533.00	119927533.00	
11	SBI (Old Town)RKVY A/c(2)	HO	157819031.00	157819031.00	
11	SBI(OT) Breeder & Foundation	HO	4572351.94	4572351.94	
12	Canara Bank(Current-Flexi)	HO	96920208.04	96920208.04	
13	Canara Bank(savings Flexi)	HO	7125294.00	7125294.00	
	TOTAL		390956942.31	390956942.31	

- 15.(b) Production Incentive on production of paddy certified seeds of Rs.17644201/- received during 2020-21 for the year 2019-20 accounted for during 2020-21.
- 16 The Corporation filed application under Section 34 of the Arbitration and Conciliation Act.1996 before the District Judge ,Khurda for stay of the arbitral award passed by the Hon”ble Arbitrator in the Administration Proceedings No.17/2015and 18/2015 .By the order of the District Judge the Arbitral Award was stayed .The matter is under subjudice.
- 17 The financial implication as per the award passed by the Hon”ble Arbitrator in case of ARBP-18/2015(presently ARBP 32/2017) comes to Rs.15,55,21,482/- .Similarly the financial implication as per the award passed by the Hon”ble Arbitrator in case of ARBP 17/2015(presently ARBP 31/2017) comes to Rs.2,12,98,766/-,which has been challenged in District Judge ,Khorda. Presently The Corporation has challenged the decision of District Coaut Khorda and a case in the High Court Of Odisha.
- 18.. Insurance Claim of Rs.1030788/-against damage of Qtl.2331.80 Paddy Sub-standard seeds at Haldidiha godown under SPO Balesore Zone on 30.5.16 damaged due to storm and rain vide Insurance Claim No.273085 & Policy No.448452 .The Insurance Company M/s SBI General Insurance Company Ltd. settled the claim of Rs.361616/- which is not acceptable to Corporation. The Corporation has filed the Consumer case against the Insurance Companyin District Consumer Dispute Redressal Court,Khorda vide Case No.160/25.5.19.
- Similarly Insurance Claim of Rs.1217050/- against theft of Qtl.946.20 of paddy sub-standard seeds in K.A.R.Raju godown at Kotpad under SPO Jeypore Zone on 9.5.17 against Insurance Claim No.397765. The Insurance Company M/s SBI General Insurance Company Ltd. has not settled the issue. The Corporation has filed the Consumer Case against the Insurance Company in District Consumer Dispute Redressal Court ,Khorda vide Case No.161/30.5.19.The Corporation filed a case in the Court of Judicial Majistrate First Class, Kotpad on dt.25.5.2019
- The Corporation has also filed a case in Kotpad First Class Majistrate Court against the decision of Kotpad police as the case is false regarding theft of Qtl.946.20 and responsibility will be fixed after the decision of court.
19. The Interest on SBI(OT) RKVY Current Flexi A/c for the year 2018-19 & 2019-20of Rs.22159682.00 has been accounted under Grant-in-Aid (Revenue) Account as the amount will refunded to Government.
20. The interest on Escrow(Revolving) Account for the year 2019-20 of Rs.21534708.00 has been accounted under Grant in(Revenue) account as per the observation os AG(Odisha) audit during 2018-19.

21. Information required pursuant to the provisions of Paragraph 3 and 4 Part II of Schedule VI of the Companies Act.

Class of Goods-Seeds		2020-21	2019-20
Purchases	(Qty in Qtls)	573043.00	497573.00
	(Value in Rs.)	1773846763.00	1452726219.00
Opening stock	Qty in Qtls	270848.00	230714.00
	(Value in Rs.)	644980144.00	558199104.00
Closing stock	Qty in Qtls	357213.00	270848.00
	(Value in Rs.)	772971242.00	644980144.00
Turnover	Qty in Qtls	487384.00	456722.00
	(Value in Rs.)	1948816549.00	1707934832.00

Purchase Value excludes the cost of 1080.00 quintals (Previous year:-1215.00Qtls) of processed seeds produced in Corporation's own farm.. Similarly 7.00 quintals of processed seeds (Previous year 11.00 Quintals) utilized in Corporation's own farm is excluded from the turnover value. closing stock and opening stock exclude standing crop. . Shortages of Qtl.706.00 will be accounted for after due inquiry.

III. Details of Packing Materials.

Packing materials		2020-21	2019-20
Purchases	(Qty in Nos.)	3164900	1575000
	(Value in Rs.)	32311431.00	16707325.00
Opening stock	Qty in Nos.)	852142	2094746
	(Value in Rs.)	26238266.00	26238266.00
Closing stock	Qty in Nos)	1044749	852142
	(Value in Rs.)	13043402.00	10775293
Consumption	Qty in Nos)	2972293	2692604
	(Value in Rs.)	30043322.00	32128964.00

IV. Expenditure in foreign currency

Nil

- © Figures pertaining to the previous year have been re-grouped and rearranged wherever necessary and rounded to the nearest rupees.

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Chairman, OSSC Ltd

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Bhubaneswar



SCHEDULE – T

ACCOUNTING POLICIES FORMING PART OF ACCOUNTS

PURCHASES

The Corporation makes purchases the processed seeds from the growers i.e.,

a. Purchases of processed seeds

Unprocessed seeds are received from the registered growers in Corporation plants for processing. Processed and passed seeds are only taken into account for purchases.

SALES

1. All stock of seeds those are delivered against store delivery challans / cash Memo till last day of the accounting year are accounted for as sales.
2. Free supplies and own consumption of seeds are not evaluated.

CLOSING INVENTORY

1. Stock of processed seeds and substandard seeds are valued at lower of cost or market value. The cost component consists of procurement price, cost of processing, Seed Treating Chemicals, packing, Certification charges., Internal Transport & godown Rent for valuing standard closing seed stock at the end of the year.
2. Standing crops are valued on the basis of estimated cost of procurement of seeds.
3. Farm produces included in closing stock of seeds are not distinguished and valued at 1 and 2 above.
4. Shortages found on physical verification of stock will be accounted after due investigation.
5. Packing materials are valued at weighted average cost. No valuation is done for unserviceable, once used HDPE Gunny bag and damaged packing material

STORES & SPARES

Actual consumption of consumable stores and printing stationery during the year 2019.20 accounted for

GRATUITY

Gratuity is provided in accordance with the Provision of Gratuity Act, 1972. Actuarial valuation of the gratuity and other retirement benefits have not been made.



FIXED ASSETS

1. Fixed assets are accounted for on historical cost less depreciation. Depreciation is charged on straight line method as prescribed under section 123 of the Companies Act, 2013(Previously1956). The rates of depreciation on fixed assets are as per rates prescribed in Schedule-XIV of the Companies Act with effect from the year 1987-88. Up to the year1986-87 the rates of depreciation were as per Income tax Rule.
2. Building includes factory building and depreciation is charged at the prescribed rate under the Companies Act 2013 for the factory building and other buildings.
3. Value of tarpauline, durry and coir-mats are written off at 50% rate assuming life of these at two years.
4. Cost of capital assets created out of Grant in aid has been credited to Grant in aid Reserve a/c. Depreciation on those assets is also charged against those reserves.
5. Premium in respect of lease hold land and lease hold building paid at the time of purchase is written off on the basis of the period of leas

Sd/-Sri S.K Mishra
Company Secretary-cum-
DGM Finance, OSSC Ltd

Sd/ J.R Mishra
Managing Director, OSSC Ltd

Sd/ Er. I.C Panigrahi,
Chairman,OSSC Ltd

M/s DASH & Associates,
Chartered Accountant
Bhubaneswar



STATEMENT PURSUANT TO PART-IV OF SCHEDULE TO THE COMPANIES ACT, 2013

Balance sheet abstract and Company's General Business Profile**Registration details**

Registration No.	757	State Code:	15
Balance Sheet Date	31.3.2021		

Capital raised during the year (Rupees)

Public Issue	NIL	Rights issue	NIL
Bonus issue	NIL	Private Placement	NIL

Position of mobilization and deployment of Funds (Rupees)

Total Liabilities	3022112239.00	Total Assets	3022112239.00
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Source of Funds

Paid up capital-	26275800.00	Reserve & Surplus-	852102988.00
Secured Loans- -	NIL	Unsecured Loans -	1019835373.00
Accumulated profit-	82963032.00		

Application of funds

Net fixed Assets -	347994432.00	Investment	NIL
Net Current Assets-	1550832857.00	Misc. Expenditure	NIL

Performance of Company

Turnover-	1948816549.00	Total Expenditure-	2105509695.00
Profit before Tax-	31257104.00	Profit after tax -	31257104.00
Earning per share	159.21	Dividend per share	-Not Yet Declared

Generic names of product service of the Company

Item Code No.	NA
Product description	NA

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