

H.P.STATE CIVIL SUPPLIES CORPORATION LIMITED,

(A State Government Undertaking)

Block No. 16&17 SDA Commercial Complex

Kasumpti, Shimla-171009






35th ANNUAL REPORT

2014-2015

BALANCE SHEET AS AT 31ST MARCH, 2015


Particulars	Note No.	Figures as at the end of 31.03.2015 (Amount in Lacs')	Figures as at the end of 31.03.2014 (Amount in Lacs')
I. EQUITY AND LIABILITIES			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	1	351.50	351.50
(b) Reserves and Surplus	2	3,068.71	2,941.37
<u>(2) Non Current Liabilities</u>			
(a) Other long term liabilities	3	420.24	370.85
<u>(3) Current Liabilities</u>			
(a) Short-Term Borrowings	4	389.00	66.20
(b) Trade Payables	5	8,416.72	7,505.22
(c) Other Current Liabilities	6	31,276.21	29,405.41
(d) Short-Term Provisions	7	140.86	232.42
Total		44,063.24	40,872.97
II. ASSETS			
<u>(1) Non-Current Assets</u>			
(a) Fixed Assets			
- Tangible Assets	8	636.73	718.92
- Capital work in progress		12.38	31.38
<u>(2) Current Assets</u>			
(a) Inventories	9	10,749.97	12,543.03
(b) Trade receivables	10	231.23	307.90
(c) Cash and cash equivalents	11	14,510.10	14,796.40
(d) Short-term loans and advances	12	852.61	618.66
(e) Other Current Assets	13	17,070.22	11,856.68
Total		44,063.24	40,872.97
Significant Accounting Policies and Notes on Accounts	1 to 8 1 to 32		

For and on behalf of the Board

(Arvind Sharma) (CA Ajay Mahajan) (Sumit Khimta) (Priyatu Mandal) (Amitabh Avasthi)
 Company Secretary Financial Advisor Executive Director Director Managing Director

As per our Report of even date attached
 FOR J. K. JAIN & ASSOCIATES
 CHARTERED ACCOUNTANTS



 (Arun Kumar Goyal)
 Partner
 M No. 525830
 FRN - 004025N

PLACE : SHIMLA

DATE : 14/10/2015

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2015

Sr. No	Particulars	Note No.	Figures as at the end of 31.03.2015 (Amount in Lacs')	Figures as at the end of 31.03.2014 (Amount in Lacs')
I	Revenue from Operations	14	119,702.54	121,609.86
II	Other Income	15	2,366.93	1,621.09
	Total Revenue (I + II)		122,069.47	123,230.95
IV	<u>Expenses:</u>			
	Cost of goods sold	16	116,818.67	118,316.24
	Employee Benefit Expense	17	3,721.61	3,305.42
	Finance Costs	18	42.30	15.98
	Depreciation and Amortization Expense	19	164.67	112.11
	Other Expenses	20	975.30	984.99
	Total Expenses (IV)		121,722.55	122,734.73
V	Profit before exceptional & extraordinary items & tax	(III - IV)	346.92	496.21
VI	Prior Period Adjustments	21	-42.07	94.24
VII	Profit before Tax but after prior period adjustments	(V - VI)	304.85	590.45
VI	<u>Tax expense:</u>			
	Provision for Tax		98.91	191.57
VII	Profit/(Loss) for the period		205.94	398.88
VIII	Earning per equity share: (In Rs.)			
	(1) Basic		585.90	1,134.81
	(2) Diluted		585.90	1,134.81

Significant Accounting Policies
and Notes on Accounts

1 to 8
1 to 32

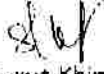
For and on behalf of the Board



(Arvind Sharma)
Company Secretary



(CA Ajay Mahajan)
Financial Advisor



(Sumit Khimta)
Executive Director

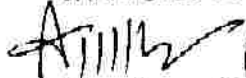


(Priyatu Mandal)
Director



(Amitabh Avasthi)
Managing Director

As per our Report of even date attached
FOR J. K. JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS



(Arun Kumar Goyal)
Partner
M No. 525830
FRN - 004025N



PLACE : SHIMLA

DATE : 14/10/2015

H.P.STATE CIVIL SUPPLIES CORPORATION LIMITED,SHIMLA-171009
Notes on Financial Statement for the year ended on 31st March, 2015

Note No : 1 Share Capital

Sr. No	Particulars	Amt in 'lacs	
		Current Year	Previous Year
1	SHARE HOLDER'S FUND		
	SHARE CAPITAL		
	AUTHORIZED SHARE CAPITAL		
	80,000 Equity Shares of Rs. 1,000/- each. (Previous Year 80,000 Equity Shares of Rs 1,000/- each)	800.00	800.00
		800.00	800.00
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL		
	35,150 Equity Shares of Rs. 1,000/- each, Fully paid up (Previous year 35,150 Equity Shares of 1,000/- each)	351.50	351.50
	Total	351.50	351.50

1.1 The details of Shareholders holding more than 5% shares:

Sr. No	Name Of Shareholders	Current Year	Previous Year
1	Additional Chief Secretary(FCS&CA) to the govt. of H.P.	No. of Shares (%) 34937 (99.00%)	No. of Shares (%) 34937 (99.00%)

1.2 The reconciliation of the number of shares outstanding is set out below:

Sr. No	Particulars	Current Year	Previous Year
		No. of Shares	No. of Shares
1	Equity Shares at the beginning of the year	35,150	35,150
2	Add: Shares issued during the year		
	Equity Shares at the end of the year	35,150	35,150



Note No : 2 Reserve & Surplus

Sr. No	Particulars	Current Year	Previous Year
1	Capital Reserves		
(A)	Vehicles	0.06	0.10
	Opening Balance		
	(-) Un- utilised subsidy amount refunded to Govt		
	(+) Subsidy received during the year	0.02	0.04
	(-) Depreciation on Commercial vehicles for the year	0.04	0.06
	Total (A)		
(B)	Godowns	67.54	71.09
	Opening Balance		
	(-) Un- utilised subsidy amount refunded to Govt		
	(+) Subsidy received during the year	3.37	3.55
	(-) Depreciation for the year	64.17	67.54
	Total (B)		
(C)	Oil Tanks	1.67	1.94
	Opening Balance		
	(-) Un- utilised subsidy amount refunded to Govt		
	(+) Subsidy received during the year	0.23	0.27
	(-) Depreciation for the year	1.44	1.67
	Total (C)		
(D)	Computer	0.01	0.01
	Opening Balance		
	(-) un- utilised subsidy amount refunded to Govt		
	(+) Subsidy received during the year	0.00	0.00
	(-) Depreciation for the year	0.00	0.01
	Total (D)		
	Total (A+B+C+D)	65.66	69.28
2	Surplus (Profit & Loss Account)		
	As per last Balance Sheet	2,872.09	2,514.06
	Add: Profit for the period	205.94	398.88
		33.03	-
	Less : excess carrying amount of Fixed Assets written off	35.15	35.15
	Less : Proposed Dividend	6.80	5.70
	Tax on Proposed Dividend		
	Total	3,003.05	2,872.09
	Grand Total	3,068.71	2,941.37

**Note No 3 : Other long term liabilities
(Unsecured)**

Sr. No	Particulars	Current Year	Previous Year
1	Working Capital Advance* (Advance given by H.P Govt for the implementation of State subsidized Scheme)	420.24	370.85
	Total (A)	420.24	370.85

*Note Amt. payable by the co. to HP Govt. on a/c of handling receipts of Manerga Cement @ Rs. 1/- per bag

**Note No: 4 Short Term Borrowings
(Secured)**

Sr. No	Particulars	Current Year	Previous Year
1	Cash Credit from Bank (Secured against hypothecation of stocks & Govt. guarantees)	389.00	66.20
	Total (A)	389.00	66.20



Note No : 5 Trade Payables

Sr. No	Particulars	Current Year	Previous Year
1	Others	8,416.72	7,505.22
	Total	8,416.72	7,505.22

5.1 The company has not received any information from its suppliers regarding registration. Under the micro small and medium enterprises development act 2006. Hence the information required to be given in accordance with section 22 of the said act is not ascertainable and not disclosed.

5.2 Trade Payables have not been reconciled & balances are subject to reconciliation.

Note No: 6 Other Current Liabilities

Sr. No	Particulars	Current Year	Previous Year
1	Employee Pension Fund	100.00	100.00
2	Advance from Govt. Deptts./Customers	17,643.02	19,301.20
3	Security Deposits	2,070.16	3,003.92
4	Advance subsidy received from Govt.	4,336.69	2,798.55
5	Other payable	7,126.34	4,201.74
	Total	31,276.21	29,405.41

6.1 During the year a provision of Rs.100.00 lac (previous year Rs. 100.00 lac) has been made under the pension fund scheme approved by the government of HP vide letter no. FDS-A (4) 6/2004 dated 31.08.2007, payable to employees superannuation fund, total fund transferred to employees superannuation fund and accumulated as on 31.03.15 amounting to Rs.1600.00 lac. The said pension scheme for employees of the corporation is however, pending for approval with the RPFC Shimla.

6.2 Other payable includes a sum of Rs.342.39 lacs (previous year Rs.313.54 lacs) payable to banks being unlinked amounts under reconciliation with the banks. As and when respective details are available, necessary adjustments shall be made in the accounts.

6.3 During the year liability of ex-gratia (in lieu of Bonus) payable to staff amounting to Rs.95.85 lacs (Previous year Rs.23.73 lacs) has been provided in the accounts @ Rs. 15000/- per employee.

6.4 The liquidated damages amounting to Rs.1.28 lac (P.Y. Rs.3.36 lacs) deducted from the suppliers towards non fulfillment of the supplies schedule, out of the total amount deducted Rs.0.32 lac has been shown as payable under the head "Other payable" and balance Rs.0.96 lac treated as revenue as per the policy.

6.5 Provision for rent of godowns payable has been made on estimated basis in certain cases, pending actual rent assessment by the competent authority.

6.6 Adv. from govt. depart./customers have not been reconciled and balances are subject to reconciliation.

Note No : 7 Short Term Provisions

Sr. No	Particulars	Current Year	Previous Year
1	Provision for Tax	98.91	191.57
2	Proposed Dividend	35.15	35.15
3	Corporate Dividend Tax	6.80	5.70
	Total	140.86	232.42



H.P. STATE CIVIL SUPPLIES CORPORATION LIMITED, SHIMLA-171009

(A State Government Undertaking)

(Amount in **₹ Lacs**)

Note No. 5 Fixed Asset											
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	Deductions / Previous years write offs	Value at the end	WDV as on 31.03.2015	WDV as on 31.03.2014
A	Tangible Assets										
1	Land	23.65			23.65					23.65	23.65
2	Building	776.05	52.79		830.84	363.51	48.54	10.22	412.05	418.79	414.34
3	Godown & Store Equipments	99.93	0.57		100.50	79.65	4.53	1.47	94.40	8.10	20.28
4	Weighing Equipment	31.23	0.20		31.98	25.02	3.35	0.07	29.84	2.14	6.76
5	Electric Appliances	15.94	1.22		17.06	11.46	1.75	0.35	13.28	3.78	4.48
6	Electric Equipments	8.25			8.25	7.66	0.14	0.35	8.15	0.10	0.59
7	Electric Equipments	23.24			30.24	23.87	1.62	3.29	28.78	1.46	6.37
8	Furniture & Fixture	163.10	3.53		166.63	133.55	9.91	0.14	145.60	24.03	29.55
9	Vehicles	454.64	22.30		510.23	355.73	41.36	0.20	397.09	113.14	133.91
10	Computers including software	337.78	20.33		378.11	258.99	57.29	17.29	333.57	44.54	78.79
	TOTAL (Current Year)	1,978.36	120.84	1.71	2,097.49	1,259.44	168.29	33.03	1,460.76	636.73	718.92
	(Previous Year)	1,796.12	182.24		1,978.36	1,143.45	115.98		1,259.44	718.92	652.86
B	Capital Work in Progress	31.38	10.18	29.18	12.38					12.38	31.38
	Previous year	13.75	27.00	9.38	31.38					31.38	13.75

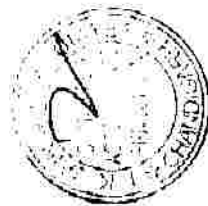
8.1 The Title of the office building at Mandi and land of Petrol Pump Gagrel & Kingal godown at Bhabanagar Pooch, Kullu, Theog, shango and medicine shop, Theog, Rohru, Dharamshala, Baijnath, Dehra, Nalagarh, Karsog, Kullu, Raigarh, Nahan, Kangra, Nurpur, Rampur, Tanda, Chamba & A. m does not vest with the corporation

8.2 During the year 2001-02 State Govt. had transferred 62 constructed godowns & 25 godowns under construction to the Corporation on token money of Rs. 2/- only.

8.3 The Corporation has taken building on lease & had paid a sum of Rs. 85.32 lacs towards lease money in previous years. The depreciation is being provided on the building at the rates prescribed in the companies Act as the lease is perpetual.

8.4 The Capital Work in progress includes Rs. 12.37 lacs (Previous year 31.37 lacs) spent for the construction of godowns. The Title & possession of the land is not vested with the Corporation.

8.5 The Depreciation for the current year has been charged as per schedule II prescribed under section 123 of the Company Act 2013.



Note No: 9 Inventories

Sr. No	Particulars	Current Year	Previous Year
1	Closing Stock	9,879.91	11,789.85
2	Stock in transit	869.69	746.49
3	Stationery in hand at cost	0.37	6.69
Total		10,749.97	12,543.03

9.1 Inventories are valued as per method described in significant accounting policies.

9.2 The closing stock of commodities purchased under TPDS Policy (State Subsidized Scheme) valued at purchase price excluding VAT.

9.3 Closing stocks have been taken on the basis of physical verification of stocks conducted at the close of the year. The shortages determined have been classified into normal shortages (for which no financial entries have been passed) & abnormal godown shortages of Rs. 13.26 lacs (Previous year Rs. 22.43 lac) have been shown as recoverable from the employees.

9.4 (a) Items of different sizes, qualities, & nature have been clubbed for the purpose of valuation as per past year practice, keeping in view the fact that the corporation deals in large numbers of misc items with relatively small value. In some cases of institutional supplies, purchases & sales have been booked under different heads.
(b) In the field offices, value of stocks of stationery has not been taken into account being of negligible value.

9.5 Inventory includes slow moving stock costing Rs. 4.02 lacs (previous year Rs. 7.81 lacs)

**Note No: 10 Trade Receivables (Unconfirmed)
(Unsecured, Considered good)**

Sr. No	Particulars	Current Year	Previous Year
1	<u>Outstanding for more than six months</u>	35.61	166.46
2	<u>Others</u>	195.62	141.44
Total		231.23	307.90

10.1 The Company has sent letter of balance confirmation to the parties but only a few have responded so far. So the balance in the party accounts whether in debit or credit are subject to reconciliation.



Note No : 11 Cash & Cash Equivalent

Sr. No	Particulars	Current Year	Previous Year
1	Cash-in-Hand		
	Cash Balance	3.75	1.24
	Balance with PDCs	152.70	134.29
	Stamps in hand	0.02	0.00
	Remittances in Transit	88.78	32.99
	Cheques, DDs in hand	1.17	49.37
	Imprest with PDCs	16.80	14.34
	Sub Total (A)	263.22	232.23
2	Bank Balance with Scheduled Banks		
	Current Accounts	909.97	1,442.20
	Saving Bank Accounts	3.21	3.15
	Collection Accounts	198.76	232.26
	Cash Credit Accounts (Dr balance)	2,030.24	5,814.72
	Margin Money	33.88	2.38
	Fixed Deposits	10,653.75	6,608.52
	FDRs jointly with suppliers	3.36	3.36
	Sub Total (B)	13,833.17	14,106.59
3	Bank Balance with Non-Scheduled Banks		
	HP State Coop Bank Ltd.		
	Cash/Credit Accounts (Dr balance)	115.99	107.05
	Collection/Current Accounts	107.27	37.44
	Savings Bank Accounts	1.32	0.75
	The JCCB Ltd.		
	Cash/Credit Accounts (Dr balance)	13.28	177.08
	Collection/Current Accounts		4.10
	The KCCB Ltd.		
	Cash/Credit Accounts	112.45	92.34
	Collection/Current Accounts	56.11	23.40
	Savings Bank Accounts	5.83	2.46
	Himachal Gramin Bank		
	Collection/Current Accounts	1.46	12.96
	Sub Total (C)	413.71	457.58
	Total [A+B+C]	14,510.10	14,796.40

11.1 Balances with banks includes margin money & given against borrowing/guarantees / other commitments for the year are Rs.33.88 lacs (Previous year Rs.2.38 lacs)



Note No : 12 Short Terms Loans and Advances

(Unsecured , Considered Good)

Sr. No	Particulars	Current Year	Previous Year
1	Loan to Staff	20.51	26.79
2	Advances to Suppliers	600.28	492.43
3	Other Loans & Advances	197.56	67.54
4	Security Deposits	34.26	31.90
	Total	852.61	618.66

Note No : 13 Other Current Assets

Sr. No	Particulars	Current Year	Previous Year
1	Interest accrued but not due	131.50	117.78
2	Prepaid Expenses	22.24	21.04
3	Income Tax Advance/recoverable	668.81	626.48
4	Shortages recoverable from Staff	20.04	25.90
5	Claims recoverable	1,196.38	200.09
6	Freight Subsidy recoverable from FCI	1,948.61	2,042.02
7	Other Recoverable	13,082.64	8,823.37
	Total	17,070.22	11,856.68

- 13.1 Other recoverable under "other Current Assets" include a sum of Rs. 72.96 lac (previous year Rs.201.15 lac) recoverable from Banks.
- 13.2 Balance in debit/credit representing amounts/subsidies recoverable from/payable to various Government and other parties are subject to confirmation.
- 13.3 Variation in claims and other recoverable pending with various agencies shall be accounted for in the year of settlement.
- 13.4 The State Govt. has implemented state subsidized scheme w.e.f. 01.04.07. As per the scheme three type of Pulses, Iodized salt, two types of edible oils, APL rice and Wheat Atta are being sold at reduced rates fixed by the State Govt. The differential amount between landed cost and realized amount will be reimbursed by the State Govt. The reimbursement claims of 106.73 Crore, Rs. 74.52 crore, 129.84 crore, 185.51 crore, 154.42 crore & 172.98 crore for the financial years 2009-10 to 2014-15 respectively have been submitted with the Department of FCS&CA. The reimbursement claims for the year are subject to confirmation by the State Govt.
- 13.5 The Central Government has implemented the PDS Sugar Scheme vide letter No. 19(2)2013 SP. Dated 17-5-2014. As per the Scheme PDS Sugar are being sold @ 13.50 per Kg. to BPL & Antodya families and 19.50 per qtl. to APL families. The difference amount between cost value and realized value will be reimbursed by the Central Government @18.50 per qtl. and remaining difference, if any, amount will be reimbursed by the State Government as per their letter No FDS-F(6)-5/2012-III dated 4.7.2014.
- 13.6 The Central Govt. implemented the National Food Safety Act(NFSA) vide letter No. FDS-A(3)02/2009-1 dated 28-09-2013 as per the scheme Rice, R.G.A.Y and Wheat R.G.A.Y are being sold @ Rs. 3/- per kg. and Rs. 2/- per kg respectively to Antodya families only and the difference between landed cost and sale price will be reimbursed by the State Government.
- 13.7 In the opinion of the Board the value of current assets, loans and advances, if realized in the ordinary course of business shall not be less than the amount at which the same have been stated in the Balance Sheet.



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H.P. STATE CIVIL SUPPLIES CORPORATION LIMITED, SHIMLA-171009
Notes on Financial Statement for the year ended on 31st March, 2015

Note No. 14 Revenue from Operations		Current Year	Previous Year
Sr. No.	Particulars		
1	Sale of Products	119,702.54	121,609.86
	Total	119,702.54	121,609.86

Note No. 15 Other Incomes		Current Year	Previous Year
Sr. No.	Particulars		
1	Truck Income	406.24	297.96
2	Rent received (godown/building)	2.41	0.74
3	Handling Charges	392.05	387.35
4	L.P.G inspection charges	41.36	24.22
5	Interest received from Banks (Gross)	810.01	635.01
6	Interest received from others (Gross)	5.72	8.74
7	Commission received	13.91	1.20
8	Claims received	754.03	125.56
9	Profit on sale of fixed assets	8.35	0.00
10	Miscellaneous Income	131.76	135.95
11	Medicines freight received	1.09	3.36
	Total	2,366.93	1,621.09

15.1 Corporation has been authorized by the Government of Himachal Pradesh to mobilize the supply of cement under MINREGA vide its letter No. 1485-1586 dated 3.6.2010 and accordingly the Corporation has charged the handling charges vide its letter No. 7459-7467 dated 7.6.2010 to the Government of H.P.

15.2 During the year Corporation has functioned as handling Agent of Government Departments/Institutions for supply of cement, medicines, G.I/D.I Pipes & Uniforms to Education department as per the decision of the State Government.

Note No. 16 Cost of Goods sold		Current Year	Previous Year
Sr. No.	Particulars		
1	Opening Stock	11,789.85	5,234.69
2	Purchases	142,544.65	145,725.54
3	Expenditure (Subsidy)	5,717.61	5,354.73
4	Freight (Transport & Handling Charges)	50.88	32.74
	Total (A)	160,103.11	157,447.59
	Less:		
5	Stock Shortages recovered	27.33	33.76
6	Amount reimbursed (Subsidy)	32,637.74	26,659.01
7	Freight subsidy received from FCI	739.46	648.74
8	Closing stock	9,679.91	11,789.85
	Total (B)	43,284.44	39,131.36
	Total (A-B)	116,818.67	118,316

16.1 The purchases and sales of wheat (custom bonding) amounting to Rs. 128.53 crores (previous year Rs. 127.91 crores) represents purchase of wheat from FCI and sold to Mills at cost price against quota allotment for corresponding purchase of Wheat ATTA from the Mills.



Note No. 17 Employee Benefit Expenses

Sr. No	Particulars	Current Year	Previous Year
1	Salaries and Wages	2713.26	2581.01
2	Contribution to provident and other funds	434.74	424.35
3	Staff Welfare Expenses	530.08	265.07
4	Medical Reimbursement	43.53	35.00
Total		3721.61	3,305.42

1/3 Salaries and wages includes remuneration paid to managing director. (Nil) (PY Rs 5.44 lacs)

Note No. 18 Financial Cost

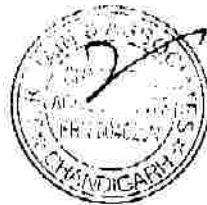
Sr. No	Particulars	Current Year	Previous Year
1	Interest Expenses	40.03	12.11
2	Bank Charges	2.27	3.87
Total		42.30	15.98

Note No. 19 Depreciation & Amortised Cost

Sr. No	Particulars	Current Year	Previous Year
1	Depreciation	168.29	115.97
	Less: Dep met out of Capital Reserve	3.62	3.87
Total		164.67	112.11

Note No. 20 Other Expenses

A Administration Expenses		Current Year	Previous Year
Sr. No	Particulars	Current Year	Previous Year
1	Rent	252.68	215.16
2	Electricity & Water charges	40.11	41.42
3	Travelling expenses Directors	4.20	0.23
4	Travelling expenses Managing Director	0.38	0.61
5	Travelling Expenses (Staff & Others)	57.57	56.39
6	Postage, Telephone & Telegram Expenses	41.50	38.97
7	Printing & Stationery	56.09	57.46
8	Repair & Maintenance Building	32.20	26.53
9	P.O. & Maintenance of vehicles and others	252.04	219.97
10	Legal & Professional Charges	12.69	10.19
11	Insurance Charges	28.52	30.94
12	Rent Rates, Taxes, Fees & S. Tax	19.33	17.41
13	Recruitment & Training Expenses	0.00	1.79
14	Newspaper, Books & Periodicals	0.63	0.84
15	Auditors Travelling Allowance	1.57	1.51
16	Misc Expenses	9.83	2.20
19	Chief Ministers relief Fund	31.00	93.00
20	Relief Fund Others	14.92	0.00
21	Computer Repair	11.17	17.07
22	Excess Provision Written off	9.68	1.70
Total		874.11	833.38



B Selling & Distribution Expenses

Sr. No	Particulars	Current Year	Previous Year
1	Incentive/Commission	77.78	87.07
2	Business promotion	4.18	4.81
3	Advertisement	18.37	59.26
Total		100.33	150.94

20.1 Payment to Auditors :

Sr. No	Particulars	Current Year	Previous Year
1	Statutory Audit Fees	0.75	0.60
	Add. Service Tax	0.11	0.07
Total		0.86	0.67
Total		975.30	985

Note No. 21 Prior Period Adjustments

Sr. No	Particulars	Current Year	Previous Year
1	Excess Provision of Previous years written back	69.48	94.24
2	Less Expenses pertaining to Previous years	111.55	0.00
Total		42.07	94.24



Note No: 22 Contingent liabilities

i) Claims against the Corporation not acknowledged as debts	Rs. 1429.97 lac (previous year 344.97 lac)
ii) Estimated amount of contracts remaining to be executed on capital account not provided for	Rs. 40.41 lac approx (previous year 40.41 lac)
(b) Others	
i) Bank Guarantee to Suppliers	Rs. 33.88 lac (previous year 2.38 lac)
ii) In respect of liability towards pending Income Tax, Service Tax & Sales Tax appellate proceedings.	Rs. 620.28 lacs (previous year 445.83)

23. Liabilities, if any, in respect of pending assessment of sales tax/VAT have not been provided being undetermined.

24. Liabilities, if any, in respect of late deposit of tax deducted at source and Service Tax have not been provided being undetermined.

25. One truck of the Corporation had met with an accident at Pagmoh on 22.8.97 in which 18 persons died. Legal heirs of the 17 deceased have lodged claims for Rs. 149.00 lac against the Corporation under Motor Vehicle Act for grant of compensation. The Corporation had made provision of Rs. 90.00 lac as compensation payable during the year 1998-99. Balance amount is shown under "Contingent Liabilities". Now the Hon'ble Court has decided all the cases and given verdict against the Corporation. Accordingly, the Corporation has paid the liabilities in 13 cases amount to Rs. 76.05 lac and partial payment of Rs. 2.00 lac in rest of four cases. The balance liability will be paid as and when the demand received from Insurance Company as per the directions of the Hon'ble Court.

26. Provision of the differential amount of levy sugar margin fixed by the Govt. of India for the financial year 2003-04 and financial year 2004-05 vide their letter dated 21st July, 2006 has not been made in the accounts due to non-conveying of final margins by the Govt. of India.

27. Payment to statutory auditor..... Rs. 75,000/-

Add: Service tax Rs. 10,500/-

Total:- Rs. 85,500/-

28. Details pertaining to AS-18 on "Related Party Disclosure" issued by ICAI are as under:-

During the year the remuneration and sumptuary allowances paid to Managing Director & Directors of the Corporation and advance recoverable as on 31.3.2015 is as given below:-

S.N.	Name of Vice Chairman	Sumptuary allowance	Advance as on 31.3.2015
1	(Vice Chairman)	-Nil-	-Nil-



Sr.No	Name	Salary paid	Advance as on 31.3.15
1	Dr. Amandeep Garg, IAS (MD) (1.4.2014 to 22.11.2014)	-Nil-	-Nil-
2.	Sh. Priyatu Mandal, IAS (M.D.) (26.11.2014 to 31.03.2015)	-Nil-	-Nil-

29. Figures for the previous year have been regrouped/re-casted wherever necessary, to make them comparable with the figures of the current year.

30. Cash Flow Statement as required by "AS 3" Cash Flow Statement is enclosed.

31. Deferred tax in accordance with Accounting Standard 22 "Accounting for taxes on Income" has not been recognized since there are permanent differences in accounting for grant in subsidies received for fixed assets acquisitions as per Balance Sheet (refer accounting policy 3 (b) and as allowed by Income Tax Act, 1961.

32. Figures are rounded off to the nearest Rupees in lacs.

33. Notes 1 to 32 form an integral part of the Balance Sheet and the Profit and Loss Account have been duly authenticated.


(Arvind Sharma)
Company Secretary


(CA Ajay Mahajan)
Financial Advisor


(Sumit Khimta)
Executive Director


(Priyatu Mandal)
Director



(Amitabh Avasthi)
Managing Director

As per our report of even date attached

For J.K. Jain & Associates,
Chartered Accountants



Firm Registration No. 004025N


(Arun Kumar Goyal)
Partner

Membership No. 525830

Place : Shimla

Date: 14/10/2015

17 -

HIMACHAL PRADESH STATE CIVIL SUPPLIES CORPORATION LIMITED, SHIMLA-171009
(A State Government Undertaking)

SIGNIFICANT ACCOUNTING POLICIES

1. SYSTEM OF ACCOUNTING

The Corporation follows accrual basis of accounting. The accounts are prepared on a historical cost basis and as a going concern concept. Accounting Policies not referred specifically otherwise, are consistent with generally accepted accounting principles.

2. REVENUE RECOGNITION

Sales comprise of sales of goods and exclude VAT

3. FIXED ASSETS

- a) Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation (including other expenses related to installation.)
- b) In case of Assets acquired under subsidies/grants, cost of asset is shown at gross value & grant thereon is treated as Capital Reserve. The depreciation on these fixed assets is met out of capital reserve over the period proportionately.

4. DEPRECIATION ON FIXED ASSETS

- a) Depreciation is charged on useful life and nature of assets prescribed under Section 123 (Schedule -II) of the Companies Act, 2013.
- b) Depreciation is charged on pro-rata basis from the date of addition or as the case may be, up to the date on which the asset has been sold, discarded, demolished or destroyed.



5. INVENTORIES

a)	Method of Valuation	In case of principal and subsidized items at the latest cost excluding VAT plus average freight or net realizable value whichever is less
i)	Subsidized Items (TPDS)	In case of other items: at weighted average cost.
ii)	New TPDS Policy (State Subsidized Scheme)	At actual cost.
iii)	Sugar under PDS (Central/State Subsidized Scheme)	At actual cost
iv)	Medicines	At actual cost
v)	Damaged /obsolete	At Retail Shops of Corporation. At estimated realizable value.
vi)	Empties	At realizable value or as fixed by Management
b)	Stock-in-transit	At cost.

6. RETIREMENT BENEFITS

A) GRATUITY

The liability towards gratuity as at the year-end is ascertained on the basis of actuarial valuation. Difference between estimated liability and the corpus available in the "Cash Accumulation Scheme" is partially provided for and charged off to revenue. The State Govt. vide their office memorandum No. Fin.(Pen.)A(3)-1/09-Part-I dated 14th October,2009 enhanced the gratuity payment limit from Rs. 3.5 lacs to Rs. 10.00 lac to the retirees from January,2006. The liability for the enhanced value could not be provided due to non receipt of actuarial evaluation from LIC.

B) PROVIDENT FUND

Contribution to the Provident Fund is made in accordance with the provisions of the Provident Fund Act, 1952.

LEAVE ENCASHMENT

Leave encashment benefits are accounted for on accrual basis as per actuarial valuation difference between estimated liability and the corpus available in the "Cash Accumulation Scheme" is partially provided for and charged off to revenue. The State Govt. vide their Office Memorandum No. Fin.(Pen.)A(3)-1/09-Part-I dated 14th October,2009 allow the Leave Encashment payment to the retirees at a revised pay & allowances from January,2006. The liability for the enhanced value could not be provided due to non receipt of actuarial evaluation from LIC.



7. **CONTINGENT LIABILITIES**

Contingent liabilities are not provided for and are disclosed separately in notes.

8. **CAPITAL WORK IN PROGRESS**

Comprises advance paid to acquire assets and the cost of assets not yet ready for their intended use at the Balance Sheet date.

ADDITIONAL LIABILITIES ON COMPLETION OF INCOME TAX/SALES TAX/VAT ASSESSMENT.

These are accounted for

- a) In the year in which the demand arises, if accepted by the Corporation.
- b) In the year of final decision/settlement in respect of disputed matters under appeal/reference/revision etc.

				
(Arvind Sharma) Company Secretary	(CA Ajay Mahajan) Financial Advisor	(Sumit Khimta) Executive Director	(Priyatu Mandal) Director	(Amitabh Avasthi) Managing Director

As per our report of even date attached

For J. K. Jain & Associates
Chartered Accountants

Firm Registration No. 004025N




(Arun Kumar Goyal)
Partner

Membership No. 525830

Place : Shimla

Date: 14/10/2015

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2015**

Particulars	2014-15 (Amount in Lacs')	2013-14 (Amount in Lacs')
A) Cash Flow From Operating Activities	304.86	590.45
Net profit before tax	164.67	112.11
Adjustment for Depreciation	-615.73	-644.75
Investment Income (Interest)	-8.35	0
Profit/Loss on fixed Assets discarded	44.83	15.98
Interest Expenses	-109.72	73.79
Operating profit before working capital changes		
Adjustments for :-	-5,271.90	476.04
Trade and other receivables	1,793.06	-6812.19
Inventories	2,913.50	12187.44
Trade and other payables	49.39	55.29
Other long term liabilities	-625.66	5,980.37
Cash generated from operations	-98.91	-191.56
Direct taxes paid (Net)	-724.57	5,788.81
Net cash from operating activities (A)		
B) Cash flow from investing activities :	-101.84	-199.90
Purchase of fixed assets (Net of Subsidy)	615.73	644.75
Interest received	10.06	0.00
Sale of Fixed Assets	523.95	444.85
Net cash (used) in investing activities (B)		
C) Cash flow from financial activities	-40.85	-40.85
Dividend paid (including Tax on distributed profits)	-44.83	-15.98
Interest paid	-85.68	-56.83
Net cash used in financing activities (C)		
Net Increase /(Decrease) in cash & cash Equivalents (A)+(B)+(C)	-286.31	6,176.83
Opening Cash and Cash Equivalents	14,796.41	8,619.58
Closing Cash and Cash Equivalents	14,510.10	14,796.41

As per our Report of even date attached
FOR J. K. JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS

(Arun Kumar Goyal)

Partner

M No. 525830

FRN - 004025N

PLACE : SHIMLA

DATE : 14/10/2015

INFORMATION REGARDING OPENING STOCKS, PURCHASES, SALES, SHORTAGES AND CLOSING STOCKS FOR THE YEAR ENDED 31.3.2015

ANNEXURE "A"

Sl. No.	Particulars	Opening Stock			Purchases during the year			Sale			Excess/Shortage	Closing Stock as on 31.3.2015	
		Quantity Qtl. Kg.	Rs. in lacs	Quantity Qtl. Kg.	Rs. in lacs	Quantity Qtl. Kg.	Rs. in lacs	Quantity Qtl. Kg.	Rs. in lacs	Quantity Qtl. Kg.		Quantity Qtl. Kg.	Rs. in lacs
1	Sugar PDS	CY 73444.67 PY 35620.54	2496.75	551647.39	19689.74	558387.74	7557.21	32.04	66817.78	2163.93		66817.78	2163.93
2	Free Sale Sugar	CY 2429.73 PY 5214.00	66.99	19254.28	585.33	17121.37	657.12	2.33	2334.28	73.35		2334.28	73.35
3	Wheat	CY 89828.55 PY 144120.72	389.57	1451750.45	4599.32	1445542.23	3782.36	289.67	95747.10	319.52		95747.10	319.52
4	Wheat(Custom grinding)	CY 0 PY 0	0	1194919.00	12853.16	1194919.00	12853.16	0	0	0		0	0
5	Wheat Atta	CY 14157.94 PY 29964.26	117.54	1844038.19	13899.45	1835378.06	15159.66	560.71	22257.36	171.11		22257.36	171.11
6	Cement(Nos.)	CY 3926 PY 8417	10.73	63357	195.92	61918	199.20	0	5365	16.48		5365	16.48
7	Rice	CY 142949.82 PY 207286.77	893.14	2203259.38	13612.12	2137943.51	13005.43	2386.80	205848.89	1399.20		205848.89	1399.20
8	LPG Cylinders(Nos.)	CY 44769 PY 39775	272.89	2729775	14389.08	2732769	15608.33	81	39235	207.34		39235	207.34
9	Others	CY 0 PY 0	7542.24	62720.73	62720.73	50880.07	50880.07	70	44769	272.89		44769	272.89
	Total	CY 11789.85 PY 5234.59	11789.85	142544.85	142544.85	119702.54	119702.54	0	0	9879.91		0	9879.91
	Total												

Note:- CY - Current Year ; PY-Previous Year ; Quantity rounded off to nearest kg. The closing value of stocks lifted under welfare scheme i.e. rice 14869 qtls. and wheat 63.29 qtls. and rice previous year 15028 qtls. and wheat 2048 qtls. taken at nil value.

