



वार्षिक प्रतिवेदन / Annual Report

2012-2013

बिहार राज्य अल्पसंख्यक वित्तीय निगम

अल्पसंख्यक कल्याण विभाग

(बिहार सरकार का उपक्रम)

34, हार्डिंग रोड पटना- 800 001

Email : minocorpatna@gmail.com. Website : www.bsmfc.org

Ph.: 0612-2204975, Telefax : 0612-2215994

Annual Report

वार्षिक प्रतिवेदन

2012 - 2013



**BIHAR STATE MINORITIES FINANCIAL
CORPORATION LTD.**

Registered Office :
1st FLOOR, HAJ BHAWAN, - 34,
HARDING ROAD, PATNA

बिहार स्टेट माइनोरिटीज फाइनेन्सियल कॉरपोरेशन लि०, पटना

(बिहार सरकार का उपक्रम)

हज भवन, 34 हाडिंग रोड, पटना-1

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1. प्रधान सचिव, अल्पसंख्यक कल्याण, बिहार सरकार, पटना
2. प्रधान सचिव, समाज कल्याण विभाग, बिहार सरकार, पटना या उनके द्वारा मनोनीत संयुक्त सचिव या उससे ऊपर के पदाधिकारी
3. निदेशक, उद्योग विभाग, बिहार सरकार, पटना
4. प्रबन्ध निदेशक, राष्ट्रीय अल्पसंख्यक विकास एवं वित्त निगम, दिल्ली
5. बैंक ऑफ इण्डिया, जोनल कार्यालय, पटना के प्रतिनिधि
6. प्रधान सचिव, वित्त विभाग, बिहार सरकार, पटना या उनके द्वारा मनोनीत संयुक्त सचिव या उससे उपर के पदाधिकारी
7. प्रबन्ध निदेशक, बिहार राज्य अल्पसंख्यक वित्तीय निगम, पटना
8. श्री लियाकत अली मसूरी - गैर सरकारी सदस्य
9. श्री मुन्ना मल्लिक - गैर सरकारी सदस्य,

बैंकर्स :-

- भारतीय स्टेट बैंक
- पंजाब नेशनल बैंक
- सेन्ट्रल बैंक ऑफ इण्डिया
- इलाहाबाद बैंक
- बैंक ऑफ इंडिया
- आई. डी. बी. आई. बैंक
- ओरियन्टल बैंक ऑफ कॉमर्स

मेसर्स एन. आर. वेद एण्ड कम्पनी - सांविधिक लेखा परीक्षक

मेसर्स ए. के. मिश्रा एण्ड एसोसियेट्स - आंतरिक लेखा परीक्षक

DAIRY NO- 787
Date- 2/11/17
B.S.M.F.C.

उप महालेखाकार (लेखापरीक्षा)
सत्यमेव जयते



संख्या आ. प्र. दा. ले. एवं प्रा. क. / 17-18/2
No.

भारतीय लेखा तथा लेखा परीक्षा विभाग
कार्यालय, महालेखाकार (लेखापरीक्षा), बिहार
वीरचन्द पटेल मार्ग, पटना-800 001
Indian Audit & Accounts Department
Office of the Accountant General (Audit), Bihar
Birchand Patel Marg, Patna-800 001

दिनांक/Date : 27/10/2017



५० ५२१०

सेवा में,

प्रबन्ध निदेशक,
बिहार राज्य अल्पसंख्यक वित्तीय निगम लि०,
34, हार्डिंग रोड
पटना - 800 001.

विषय:-31 मार्च 2013 को समाप्त हुए वर्ष के लिये बिहार राज्य अल्पसंख्यक वित्तीय निगम लिमिटेड के लेखाओं पर कम्पनी अधिनियम, 1956 की धारा 619 (4) के अंतर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणी ।

महाशय,

31 मार्च 2013 को समाप्त हुए वर्ष के लिए बिहार राज्य अल्पसंख्यक वित्तीय निगम लिमिटेड के लेखाओं पर कम्पनी अधिनियम, 1956 की धारा 619 (4) के अन्तर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणी संलग्न की जा रही है । इसे कम्पनी के वार्षिक आम सभा में प्रस्तुत करें एवं प्रस्तुतीकरण की तिथि एवं सभा की कार्यवाही की प्रति इस कार्यालय को भेजने की कृपा करें। वार्षिक प्रतिवेदन की मुद्रित प्रति भी इस कार्यालय को अभिलेख हेतु भेजें ।

अनुलग्नक: यथोपरि।

विश्वासभाजन,

24/10/2017

उप महालेखाकार (आ0प्र0)

(A)

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF BIHAR STATE MINORITIES FINANCIAL CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2013

The Management is responsible for the preparation of Financial Statements of Bihar State Minorities Financial Corporation Limited for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956. The Statutory Auditor appointed by the Comptroller & Auditor General of India under Section 619 (2) of the Companies Act, 1956 is responsible for expressing opinion on these Financial Statements under Section 227 of the Companies Act, 1956 which has to be based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 28 April 2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619(3) (b) of the Companies Act, 1956 of the financial statements of Bihar State Minorities Financial Corporation Limited for the year ended 31 March 2013. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matter under Section 619 (4) of the Companies Act, 1956 which has come to my attention and which in my view is necessary for enabling a better understanding of the financial statements and the related Audit Report:

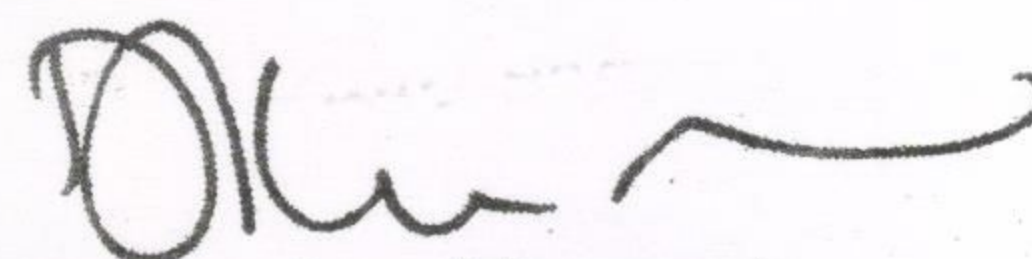
A. Accounting Policies

1. As per requirement of Accounting Standard (AS) -1, all significant accounting policies adopted in the preparation and presentation of financial statements should be disclosed.

(B)

₹ 11.88 lakh. This was due to addition of net addition of assets capitalized from Government Grant during the year in the Opening Balance instead of showing additions to Opening Balance separately.

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



(Dharmendra Kumar)

Accountant General (Audit),
Bihar.

Place : Patna

Date : 25/10/17

BIHAR STATE MINORITIES FINANCIAL CORPORATION LIMITED.

(Govt of Bihar Undertaking)

Regd. Office: 34, Harding Road, Patna-800001.

Website- www.bsmfcl.org, Tel-0612-2204975, Fax-2215994

E-mail :- minocorpatna@gmail.com

(CIN - U65110BR 1984SGC 001964)

NOTICE

Notice is hereby given that the 38th (adjourned) Annual General Meeting of the Shareholders of Bihar State Minorities Financial Corporation Limited for the Financial Year 2012-13 is scheduled to be held on Monday, the 2nd July, 2018, at 2.30 PM at the Registered office of the Company situated at 34, Harding Road, Patna-800001, to transact the following business:-

ORDINARY BUSINESS:

1. FINANCIAL STATEMENTS.

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution

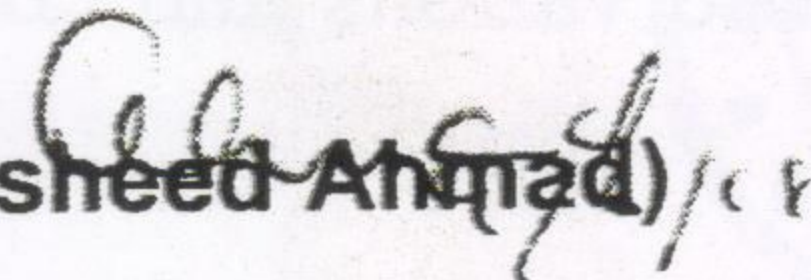
“RESOLVED THAT the Audited Balance Sheet & statement of Profit and Loss Account and Cash Flow Statement for the financial year ended March 31, 2013, along with the Auditor’s Report and the Directors’ Report thereon as placed before the meeting be and is hereby approved and adopted.”

By Order of the Board of Directors.

Bihar State Minorities Financial Corporation Limited.

Place:- PATNA

Date:


(Rasheed Ahmad)

Managing Director



AUDITORS' REPORT

To,
The Members,
BIHAR STATE MINORITIES FINANCIAL CORPORATION LTD.,
Patna

1. We have audited the attached Balance Sheet of Bihar State Minorities Financial Corporation Ltd. ("the Company") as at 31st March 2013 and the Statement of profit & Loss Account for the year ended on that date and summary of significant accounting policies annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with standards on Auditing generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance above whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the accounting principles used and significant accounting estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government in terms of Section 227 (4A) of the companies Act, 1956 and on the basis of such checks of books and records as we considered appropriate and the information and explanations given to us during the course of our audit, we annexure here to (Annexure - 'A') the statement on the matter specified in paragraph 4 and 5 of the said order.
4. Our observations and comments on the accounts of the Company are given in Annexure - 'B' which is attached as a part of this report.
5. In addition to our observations and comments in Annexure - 'A' and 'B' referred to above, we state that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books made available to us. The accounts have





been maintained on mercantile basis.

- c. The Balance sheet and the Statement of Profit & Loss Account dealt with by this
- d. In our opinion, the Balance Sheet and profit & Loss Account do not comply with all accounting Standards referred to in Sub - section 3 (c) of Section 211 of the Companies Act, 1956.
- e. However, in view of our comments as above on the reported loss for the year as well as on reported assets and liabilities as on 31st March, 2013 the said accounts give a true and fair view required by the Companies Act, 1956:-
- i. In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2013 and
 - ii. In the case of Statement of Profit & Loss Account, of the Company for the year ended on that date.

For U. S. Prasad & Co.
Chartered Accountants

(U.S. PRASAD)
Partner

Membership No.-017349

Place - Patna

Date :- 28.4.2017





ANNEXURE - 'A'

Annexure : A

Referred to in paragraph 3 of our report of even date

- | | |
|--|--|
| (a) Whether the Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. | The company has maintained fixed assets register. Same is under a continuous process of updation, upgrading and betterment. |
| (b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of accounts. | The Management has conducted physical verification of fixed Assets during the year under review. But same was not produced us. |
| (c) If a substantial part of fixed assets have been disposed off during the year, whether it has affected the going concern. | The Company has not disposed off a substantial part of fixed assets during the year and the going concern status of the company is not affected. |
| (a) Whether physical verification of inventory has been conducted at reasonable intervals by the management | Not Applicable to the Company |
| (b) Are the procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the nature of its business? If not, the inadequacies in such be reported. | Not Applicable to the Company |
| (c) Whether the company is Maintaining proper records of inventory and whether any material discrepancies were noticed on physical verification and if so, whether the same have been properly dealt with in the books of account. | Not Applicable to the Company |





- (iii) (a) Has the Company has granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. If so give the number of parties and amount involved in the transactions. Register not maintained as there are no such transactio during the year.
- (b) whether the rate of interest and other terms and conditions of loan given or taken by the company, secured or unsecured, are prima facie prejudicial to interest of the company. Not Applicable to the company.
- (c) Whether the payment of principal amount and interest are also regular. Not Applicable to the company.
- (d) If overdue amount is more than one lakh, whether reasonable step have been taken by the company for recovery/ payment of the principal and interest. Not Applicable to the company.
- (e) Has the company taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. If so, give the number of parties and the amount involved in the transactions; and Register not maintained as there are no such transactio during the year.
- (f) Whether the rate of interest and other terms and conditions of loans taken by the company, secured or unsecured; are prima facie prejudicial to the interest of the company; Not Applicable
- (g) Whether payment of the principal amount and the interest are also regular. Not Applicable
- (iv) Is there an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods? Whether there is a continuing failure to correct major weaknesses in internal control. The company has developed adequate internal procedures commensurate with the size of the compa the nature of its business, and is under continuous I of betterment.





- (v) (a) whether transactions that need to be entered into a register in pursuance of section 301 of the Act have been so entered. Register not maintained as there are no such transactions during the year.
- (b) Whether each of these transactions has been made at prices which are reasonable having regard to the prevailing market prices at the relevant time. Not Applicable
- (vi) In case the company has accepted deposits from the public, whether the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA of the Act and the rules framed there under, where applicable, have been complied with. If not, the nature of contraventions should be stated; if an order has been passed by company Law Board or National company Law Tribunal or Reserve Bank of India or any other Tribunal whether the same has been complied with or not? The Company has not accepted any deposits public during the year.
- (vii) In the case of listed companies and /or other companies having a paid - up capital and reserves exceeding Rs.50 lakhs as at the commencement of the financial year concerned, or having an average annual turnover exceeding five crores rupees for a period of three consecutive financial years immediately preceding the financial year concerned, whether the company has an internal audit system commensurate with its size and its business. In our opinion the company has an internal audit commensurate with the size and nature of its business undergoing a continuous process of betterment.
- (viii) Where Maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of Section (1) of section 209 (1) (d) of the Act, whether such accounts and records have been made and maintained. The maintenance of cost record has not been prescribed by the Central Government under section 209 Companies Act, 1956





(ix) (a) Is the company regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income- tax, sale - tax wealth - tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities and if not, the extent of the areas of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they become payable, shall be indicated by the audit.

The provident fund and other retirement benefit scheme applicable in the Corporation are deposited regularly.

(b) In case dues of sales tax/ income tax /Custom tax/ wealth tax/ excise duty/ cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending may please be mentioned.

On the basis of information & explanation made available to us, no undisputed amount payable in respect on Income tax, Custom Duty, Excise Duty and Cess were in arrears on 31st March 2013 for a period of more than six months from the date they become payable.

(x) Whether in case of a company which has been registered for a period not less than five years, its accumulated losses at the end of the financial year are not less than fifty per cent of its net worth and whether it has incurred cash losses in such financial year immediately preceding such financial year also.

The company has accumulated losses of Rs. 9,73,87,723.85 as at the end of the year and the same is less than fifty percent of its net worth (Capital & Reserves Rs. 19,47,74,747.77) (Previous year Rs. 9,99,45,707.77). The company incurred cash loss during the current financial year Nil and in previous year is also Nil.

(xi) whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If the period and amount of default to be reported

No default were noticed.

(xii) Whether adequate documents and records are maintained in cases where the company has granted loans and advances on the basis of security ; If not, the deficiencies to be pointed out.

Not Applicable to Company





- (Xiii) whether the provisions of any special statute applicable to chit fund have been duly complied with? Not Applicable to the Company
- (Xiv) If the company is dealing or trading in shares, securities, debentures, whether proper records have been maintained or the transactions and contracts and whether timely entries have been made therein; also whether the shares, securities, debentures and other securities have been held by the company, in its own name except to the extent of the exemption, if any granted under section 49 of the Act. Not Applicable to the Company
- (Xv) Whether the company has given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company. As informed to us and on the basis of explanation provided to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (Xvi) whether the term loan were applied for the purpose for which the loans were obtained. As informed to us and on the basis of explanation provided to us, the company has applied the term loans for which the said loan were obtained.
- (Xvii) whether the funds raised on short term basis have been used for long – term investment and vice versa. If yes, the nature and amount is to be indicated. On the basis of an overall examination of the Balance sheet of the company, we report that funds raised on short term basis have not been used long term investment and vice versa.
- (Xviii) whether the company has made any preferential allotment of shares to parties and companies covered in the Register Maintained under section 301 of Act, and if so whether the price at which shares have been issued is prejudicial to the interest of the company. Yes, fresh allotment of 200000 shares of Rs. 100 each have been preferentially allotted to the Honorable Governor of Bihar, during the year.
- (Xix) whether securities of share have been created in respect of debentures issued? Not Applicable to the Company
- (XX) whether the management has disclosed on the use of money by public issues and same has been verified. Not Applicable to the Company





(XXi) whether any fraud on or by the company has been noticed or reported during the year, If yes , the nature and the amount involved is to be indicated.

According to the information and explanation given to us and during the course of our audit conducted in accordance with generally accepted auditing standards in India , we report that there was no fraud on or by the company noticed or reported during the year under review.

For U. S. Prasad & Co.
Chartered Accountants

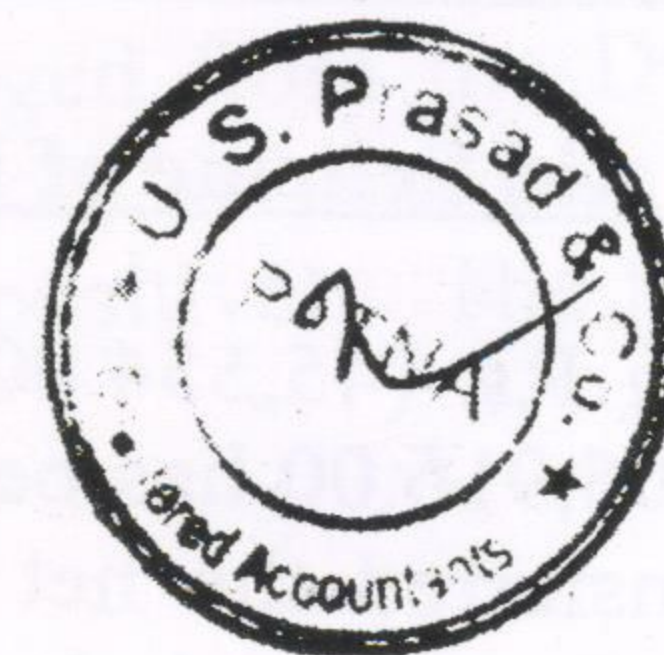
(U.S. PRASAD)

Partner

Membership No.-017349

Place -- Patna

Date :- 28.4.2017





ANNEXURE - 'B'

Auditors' special observation and comments attached to and forming part of the Audit Report to the Member of Bihar State Minorities Financial Corporation Ltd. on the accounts for the year ended 31st March, 2013

1. SHARE CAPITAL: Rs. 33,78,92,000.00 (Previous Year Rs. 31,78,92,000.00)

During the year the corporation has made allotment of shares amounting Rs. 2, 00, 00,000.00. Copy of Return of allotment of share with ROC has not made available.

2. RESERVE AND SURPLUS: Rs 9, 59, 84,021.47 (Previous year Rs. 9, 87, 57,843.62)

- During the year the Corporation has charged Interest on Loan given to Beneficiaries Rs. 3, 37, 59,215.00 as per the guidelines issued by NMDFC from the loan software generated for this purpose. The extent of accuracy of interest charged from the beneficiaries cannot establish.

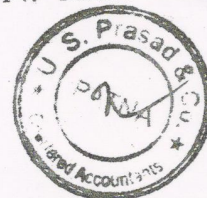
3. GRANT AND FUND : Rs. 51,43,06,242.59 (Previous Year Rs. 51,43,06,242.59)

• **Grants in Aid Scheme of NMDFC:**

Opening Rs. (45,554.00), received during the year Rs.19,20,000.00 expenditure during the year Rs. 19,05,916.00 has been spent till 31.03.2013 and closing balance Rs. (530.00). The Corporation has transferred the net balance (Cost less Depreciation) of Assets acquired out of the Grant to Capital Fund which is not in conformity with treatment and disclosure requirement as specified under AS -12. In our opinion, the Assets so acquired should have either been adjustment from the grant so received & shown on nominal value in the books without charging any depreciation; or should have been shown at full value & the grant amount treated as deferred income which should have been recognized in the profit and loss statement in proportion in which depreciation on such assets will be charged. However, the above classification or treatment does not impact the financial position of the Company in any way.

• **Unutilised Grant in Aid:**

Unutilized Grant in Aid constitutes Muslim Divorce Fund opening Rs. 1,4,0000.00 , received Rs Nil , distributed Rs. Nil and closing unutilized Rs. 1,4,0000.00. Scholarship Fund opening Rs. 1,31,92,274.95, received Rs 96,000.00, distributed and spend Rs. 52,000.00 and closing unutilized Rs. 1,32,36,274.95. Coaching Fund opening Rs. 4,53,63,280.14, received Rs NIL, distributed and spend Rs. 36955000.00 and closing unutilized Rs.8408280.14. Micro Finance opening Rs.





22,38,091.00, received Rs Nil, distributed and spend Rs. NIL and closing unutilized Rs.22,38,091.00. Mukhya Mantri Shram Shakti opening Rs. 3,00,00,000.00 , received Rs NIL, distributed and spend Rs. 1,00,00,000.00 and closing unutilized Rs 2,00,00,000.00, Central Merit cum Means Scholarship Fund opening Rs. 47,67,464.00, received Rs 18,77,15,581.00, distributed Rs.4,98,07,381.00 and closing unutilized Rs. 14,26,75,664.00, Mukhy mantra alpsankhyak rojgar rin yojana 15,00,00,000.00 spend Rs. 99,000 and closing unutilized Rs.14,99,01,000.00 Mukhy mantra alpsankhyak shikhsha rin yojana 5,00,00,000.00 The Corporation's System of recognizing Funds add Receipt less Payment is not in conformity with AS - 12. Further no separate books maintained for scheme and in the absence of any detail, and document and terms & Conditions in this regard, we are unable to comment upon the extent of utilization of the aforesaid grants.

4 LONG TERM BORROWINGS : Rs. 296157285.14(Previous year Rs 31,54,44,122.14)

As informed to us, the said loan from NMDFC is secured by Guarantee of Rs. 30 Crores provided by the State Government for which documentary evidence was made available for our verification.

- As per the sanction guidelines issued by NMDFC "they are to be provided to the ultimate beneficiaries at interest rate 6% p.a. while NMDFC will charge from SCA the interest rate 3.5% P.a. with rebate of 0.5% p.a. on timely repayment. The funds are required to be utilized within three months of disbursement failing which interest rate 6% will be charged from the DCAs after 3 months and after 6 months the unutilized funds will be recalled. Therefore, in your own interest you must ensure that the funds are unutilized within a period of 3 months positively. The funds may be utilized as per approved Action plans".
- Unsecured Loan
- Includes Rs.27,733.00 term loan from bank which same from the past years. It also include PF and other Statutory fund amounting to Rs. 2213342.04 and Rs. 835256.10 for other loans and advances which in our opinion need to either be adjusted.

5 SHORT TERM BORROWING : Rs. 69,504.50 Previous year Rs. 34,696.50)

- Includes Rs. 69,504.50 0 advances to staff..
- During test checks of the same conducted by us in accordance the Generally Accepted Auditing Standards and principles no major irregularities were discovered.
- Advances include various balances which are continuing at the same levels as in the earlier years and are pending for want of adjustment. In our opinion, the advances should be either adjusted or written off, if no adjustment is possible expected.





6 OTHER CURRENT LIABILITIES : Rs.95,38,846.00(Previous year Rs. 95,38,846.00)

- Includes Rs.18119492.00 for Interest payable to NMDFC. Expenses payable amount to 92,887.00 and TDS payable of Rs. 1935.00.

7 SHORT TERM PROVISION : Rs.12225802.04(Previous year Rs. 33,32,046.00)

- Includes Rs.5018677.00 for Provision for Expenses. Provision for Tax includes Rs.47,714.00 which belongs to earlier years. Provision for tax need to be adjusted.

8 FIXED ASSETS: Rs. 1841226.32 (Previous year Rs. 17,30,589.60)

- The value of fixed asset in the previous year is Rs. 17,30,589.60

9. NON CURRENT INVESTMENTS: Rs. 89534000.00 (Previous year Rs. 5,00,04,000.00)

- The corporation have invested in NMDFC, New Delhi with 89534 shares of Rs. 1000 each.
- During test checks of the same conducted by us in accordance the Generally Accepted Auditing Standards and principles no major irregularities were discovered
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10. LONG TERM LOANS AND ADVANCES: Rs. 42,96,47,367.79 (Previous year 42,96,47,367.79)

- Includes Rs.42,9621313.79 loan to beneficiaries.
- Loan to Beneficiaries have been disclosed properly in these accounts. No breakup has been provided and figures have been clubbed at various places and shown net.
- During test checks of the same conducted by us in accordance the Generally Accepted Auditing Standards and principles no major irregularities were discovered.





- Appraisal report of the loan sanctioned was not made available to us and due to non-availability of confirmation certificates from the loanees and adequate details, figures papering against them could not be verified.
- Loans includes an amount of Rs. 25481721.00 which has been provided in these accounts as Provision for Bad & Doubtful.
- Advances include various balances which are continuing at the same levels as in the earlier years and are pending for want of adjustment. In our opinion, the advances should be either adjusted or written off, if no adjustment is possible expected.
- All the advances are subject to reconciliation and confirmation.

11. CASH & CASH EQUIVALENT : Rs 737172258.23(Previous year Rs. 5,76,629,079.78)

- Cash verification certificate of Balance of Cash Suspense, Other Balances & Branch Cash have not been made available to us.
- Details of Cash and Bank Balances as per note '11' include Rs. 47658.30(Net Dr.) as opening differences not yet reconciled.
- Fixed Deposit Certificates were not produced before us for our verification. Interest Certificate to us for our verification. Thus, we cannot comment upon the correctness of the amount of Fixed Deposits and interest thereon.

12. SHORT TERM LOANS AND ADVANCES : Rs 1546980.46 (Previous year Rs. 1948173.46)

- Advances include various balances which are continuing at the same levels as in the earlier years and are pending for want of adjustment. In our opinion, the advances should be either adjusted or written off, if no adjustment is possible expected.
- During test checks of the same conducted by us in accordance the Generally Accepted Auditing Standards and principles no major irregularities were discovered.

