

NATIONAL SEEDS CORPORATION LIMITED
(A Government of India undertaking, Miniratna Company)
(CIN: U74899DL1963GOI003913)

"An ISO 9001: 2015 & 14001:2015 Company
Regd. Office:- BEEJ BHAWAN, PUSA COMPLEX,
NEW DELHI-110 012 (INDIA)

Phones: 25842383, 25846272, 25842692, 25843673
E-mail-nsc@indiaseeds.com/mraquim@rediffmail.com/cs@indiaseeds.com
Website : www.indiaseeds.com

No. NSC/55th AGM/2018-CS

Dated: the 19th Nov., 2018

NOTICE

NOTICE IS HEREBY GIVEN THAT the 55th Annual General Meeting of the Members of National Seeds Corporation Limited which was originally scheduled for 29th September, 2018 at 11.00 AM was adjourned due to non-receipt of CAG Comments and held on 29th October, 2018 which was again adjourned for want of CAG Comments, will now be held on **Thursday, the 22nd November, 2018 at 11.00 AM** at the Registered Office of National Seeds Corporation Limited,(NSC) at Beej Bhawan, Pusa Complex, New Delhi-110 012 to transact the following business:-

ORDINARY BUSINESS:

To consider and if thought fit to pass, with or without modifications the following Resolutions as Ordinary Resolutions:-

1. APPROVAL OF FINANCIAL STATEMENTS:

"RESOLVED THAT Audited Financial Statements for the Financial Year ended 31st March, 2018 together with the Reports of the Board of Directors and the Auditors thereon be and the same are hereby adopted."

2. DECLARATION OF DIVIDEND:

"RESOLVED that a dividend of 30% on Profit After Tax (PAT) of the Corporation for the Financial Year 2017-18 be and the same is hereby declared."

3. APPOINTMENT OF AUDITORS:

"RESOLVED that pursuant to the provisions of Section 139 & 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, and with the consent of the Auditors concerned for the appointment as Statutory Auditors and Branch Auditors respectively made by the Comptroller and Auditor General of India in respect of National Seeds Corporation Limited for the Financial Year 2017-18 as per their letter

No. C.A.V./COY/CENTRAL GOVERNMENT/ NSEEDS(10)/714 dated 09.08.2017 containing terms and conditions and their remuneration as detailed below be and the same are hereby approved:-

i	Statutory Auditor- Consolidation of Accounts of the Corporation as a whole & Audit of ROs at Jaipur, Chandigarh, Lucknow, Bhopal & Head Office including Audit work relating to Internal Financial Control.	Rs. 4,40,000/-
ii	Branch Auditor Regional Office (RO), Secunderabad	Rs. 28,000/-
iii.	Branch Auditor Regional Office,(RO), Bengaluru	Rs. 28,000/-
iv.	Branch Auditor Regional Office (RO), Patna	Rs. 28,000/-
v.	Branch Auditor Regional Office (RO, Kolkata	Rs. 28,000/-
vi.	Branch Auditor Regional Office (RO), Chennai	Rs. 28,000/-
Vii.	Branch Auditor Regional Office (RO), Pune	Rs. 28,000/-
viii.	Branch Auditor CSF, Suratgarh, Sardargarh & Jetsar (Raj)	Rs. 75,000/-
ix.	Branch Auditor CSF, Hisar (Haryana)	Rs. 25,000/-
x.	Branch Auditor CSF, Raichur (Karnataka)	Rs. 25,000/-

BY order of the Board of Directors of
National Seeds Corporation Limited

(Mond. Raquim)
Company Secretary

Place: New Delhi

Encl: As above.

NOTES:-

1. A copy of Financial Statements for the year ended 31st March, 2018 alongwith Reports of Directors and Auditors thereon as already sent to you vide AGM Notice dated 05.09.2018 may kindly be brought by you at the 2nd adjourned AGM scheduled for 22.11.2018.
2. The Financial Statements for the year 2017-18 have been forwarded to the Comptroller and Auditor General of India (CAG) U/s 143(6) of the Companies Act, 2013. The comments of the CAG which could not be released earlier and therefore it were not placed before the AGM scheduled for 29.09.2018 and 29.10.2018, have now been received and forming part of this Notice.
3. There are 5 Associate Companies of NSC, whose Financial Statements are required to be consolidated and also to be attached with the Financial Statement of NSC pursuant to the provisions of Section 129(3) of the Companies Act, 2013 and Rules thereunder, but despite letters and

reminders, these Associate Companies did not finalize in Ind-AS and send the same to NSC for complying with the above legal requirements.

In order to avoid needless delay, Financial Statement of NSC alone will be placed before the 2nd adjourned AGM. As informed earlier in the AGM Notice dated 05.09.2018, matter has already been brought to the Notice of MOA&FW who are the Administrative Ministry of NSC.

4. A Member entitled to attend and Vote at this meeting is entitled to appoint a Proxy to attend and Vote in his place.
5. The consent of Shareholders/Members pursuant to Section 101(1) of the Companies Act, 2013 has been obtained for holding the present adjourned Meeting at shorter Notice.

To,

1. All the Members, NSC Limited, New Delhi:-
 - i. Hon'ble President of India through Authorized Representative Shri Rohit Mathur, Director (Seeds), GOI, MOA &FW, Krishi Bhawan, New Delhi.
 - ii. Shri V. K. Gaur, Chairman-cum-Managing Director, National Seeds Corporation Limited, New Delhi.
 - iii. Shri A. K. Jha, Under Secretary (Seeds), GOI, MOA &FW, Krishi Bhawan, New Delhi.
2. Shri Dinesh Arora, Director (Finance), GOI, MOA&FW, New Delhi and Director, NSC.
3. Shri V. Mohan, Director (Finance), National Seeds Corporation Limited, New Delhi.
4. Smt. Partibha Suman, Director, National Seeds Corporation Limited, New Delhi.
5. Dr. B.B. Mohanty, Director, National Seeds Corporation Limited, New Delhi.
6. Shri Shyamvir Saini, Director, National Seeds Corpn. Limited, New Delhi.
7. M/s Lalit Gupta & Associates, 412, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi-110 001.
8. Shri Kaushik Rakshit, Senior General Manager (F&A), National Seeds Corporation Limited, New Delhi.



कार्यालय प्रधान निदेशक वाणिज्यिक लेखा परीक्षा
एवं पदेन सदस्य लेखा परीक्षा बोर्ड-IV, नई दिल्ली.
Office of the Principal Director of Commercial
Audit & Ex-officio Member Audit Board-IV, New Delhi.

गोपनीय
स. 709-पी.डी.सी.ए./एम.ए.बी.-IV/एच्.एस./A/cs/NSC/2018-19/ 5506
दिनांक :- 15.11.2018

सेवा में,

The Chairman-cum-Managing Director,
National Seeds Corporation Limited,
Beej Bhawan, PUSA Complex,
New Delhi - 110012

विषय: भारत के नियन्त्रक एवं महालेखापरीक्षक द्वारा कम्पनी अधिनियम 2013के अनुच्छेद
143(6)(b) के अंतर्गत National Seeds Corporation Limited के 31 मार्च 2018 को समाप्त वर्ष
के वित्तीय खातों पर टिप्पणियां

महोदय,

इस पत्र के साथ कम्पनी अधिनियम 2013के अनुच्छेद 143(6)(b) के अंतर्गत
National Seeds Corporation Limited के 31 मार्च 2018 को समाप्त वर्ष के वित्तीय खातों पर
Comment प्रमाणपत्र भेजा जा रहा है।

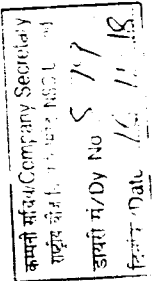
कृपया इस पत्र की पावती भेजने की कृपा करें।

संलग्न : यथोपरि

भवदीय

(राजदीप सिंह)

प्रधान निदेशक वाणिज्यिक लेखापरीक्षा
एवं पदेन सदस्य, लेखापरीक्षा बोर्ड - IV



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE
FINANCIAL STATEMENTS OF NATIONAL SEEDS CORPORATION LIMITED
FOR THE YEAR ENDED 31 MARCH 2018**

The preparation of financial statements of National Seeds Corporation Limited for the year ended 31st March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) 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 16th August 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of National Seeds Corporation Limited for the year ended 31st March 2018 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

A. Comment on Financial Position

Current Assets

Trade receivable ₹ 24,587.85 lakh (Note 13)

Allowances for bad and doubtful debts ₹ 794.31 lakh

The above does not include an amount of ₹ 205.26 lakh being the trade receivables from Government Parties outstanding for than six years and from private parties outstanding for more than three years for which provision for bad and doubtful debts should have been made by the Company in pursuance of its accounting policy 2.2 xxi (f). Non provision of the same has resulted in over statement of the trade receivables and profit for the year by ₹ 205.26 lakh.

B. Comment on Independent Auditors' Report

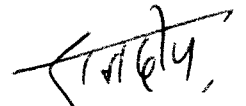
The comment made by the Independent Auditor in para 1(c) of its report on compliance to Companies (Auditor's Report) Order, 2016 that title deeds of immovable properties are held in the name of the company, is incorrect. The said comment made by the Independent Auditor is also inconsistent with comments made in para (1) of 'Basis for Qualified Opinion' of his report and in para (a) of reply to directions issued by Comptroller and Auditor General of India under section 143 (5) of the Companies Act, 2013 where Independent Auditor mentioned about non-execution/non-availability of title deeds/lease deeds and non finalization of lease amount in respect of certain properties.

C. Other Comment

The Company has an unspent amount of capital grant of ₹ 2286.84 lakh (Note 21) received from Government of India for implementation of various schemes with condition that grant shall be utilised only for the purpose it has been released. The Company has kept unspent grants in cash credit account and used it to meet its working capital requirements which is against the intended objective of the government grants.

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

**Place: New Delhi
Date: 15.11.2018**



(राजदीप सिंह)

प्रधान निदेशक वाणिज्यक लेखापरीक्षा
एवं पदेन सदस्य, लेखापरीक्षा बोर्ड - IV