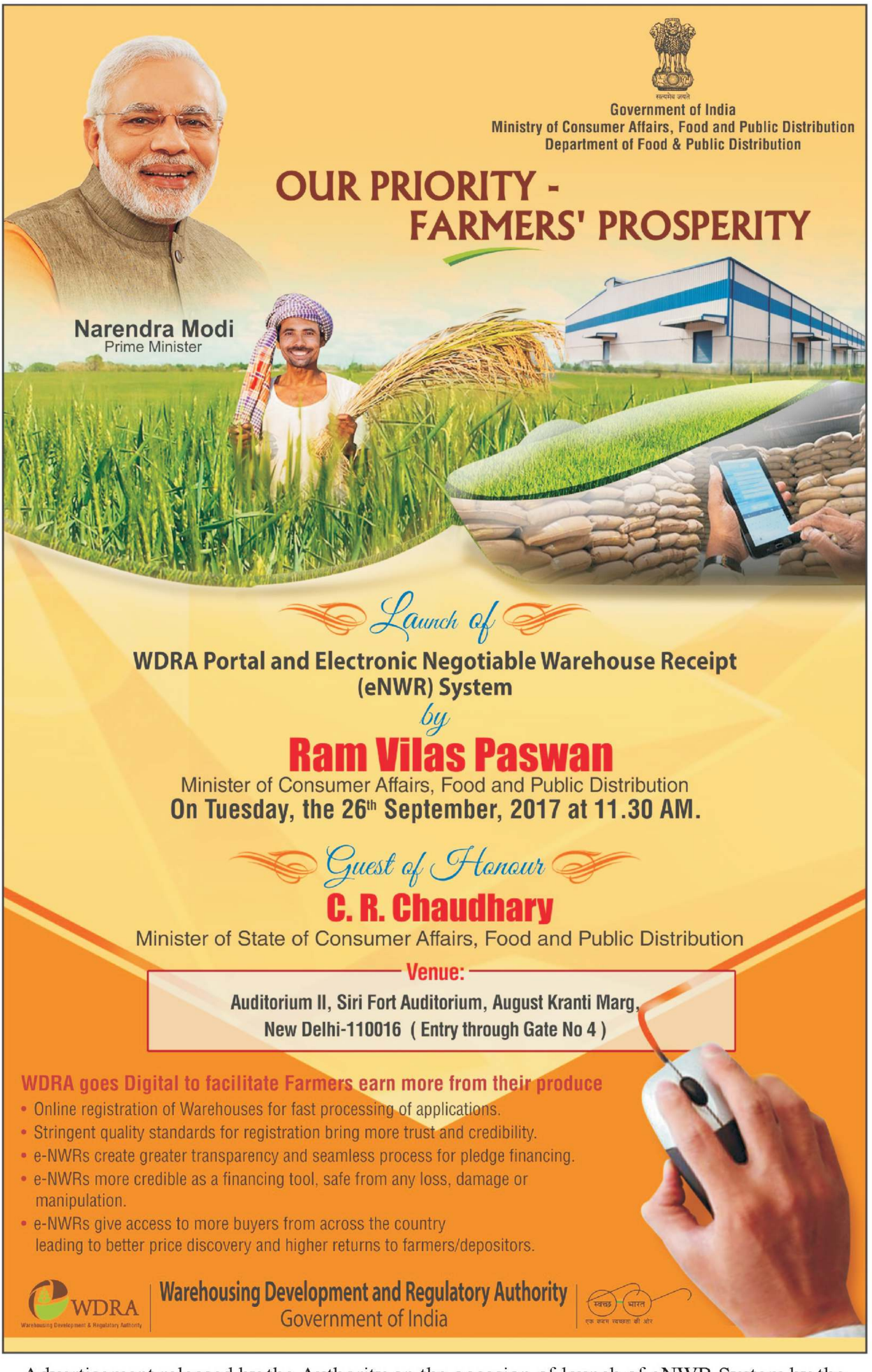
सत्यमेव जयते

WDRA
Warehousing Development & Regulatory Authority

Annual Report 2017-18

Warehousing Development and Regulatory Authority

Government of India



Advertisement released by the Authority on the occasion of launch of eNWR System by the Hon'ble Minister for Consumer Affairs, Food and Public Distribution on 26th September, 2017

सत्यमेव जयते

WDRA
Warehousing Development & Regulatory Authority

Warehousing Development and Regulatory Authority

Government of India

Annual Report 2017-18

4th Floor, NCUI Building, 3, Siri Institutional Area,
August Kranti Marg, Hauz Khas, New Delhi- 110 016

Visit of Secretary, Department of Food and Public Distribution to WDRA to discuss the progress of the Transformation Plan of WDRA and Strengthening of eNWR system.

WDRA
Warehousing Development & Regulatory Authority

CONTENTS

Chapter	Particulars		Page No.
I	**Overview**		
	1.1.	Establishment and Incorporation of the Authority	1
	1.2.	Composition of the Authority	1
	1.3.	Organisation	2
	1.4.	Mission, Vision and Objectives	2
	1.5.	Powers and Functions of the Authority	3
	1.6	Status of Negotiable Warehouse Receipt System in the Country before enactment of the W(D&R) Act, 2007	4
	1.7.	Negotiable Warehouse Receipts	4
	1.8.	Features of Negotiable Warehouse Receipts	4
	1.9	Transformation Plan of the WDRA	5
	1.9.1	Activities planned under the Transformation Plan	6
	1.9.2	Qualitative Survey	6
	1.9.3	Quantitative Survey	6
	1.9.4	IT Initiatives	7
	1.10	Warehousing Advisory Committee	9
	1.11	Website of the Authority	9
	1.12	Advertisement and Publicity	10
II	**Policies & Programmes**		
	2	Review of General Economic Environment of the Warehousing Sector	11
	2.1	Agri Financing to Support Farmers Getting a Remunerative Price of their Produce	11
	2.1.1	Negotiable Warehouse Receipts through Public Warehousing – Strength of Rural Economy	11
	2.2	Risks associated with Unregulated Warehouses/ Warehouse Receipts.	12
	2.3	Need for a Regulatory framework of warehousing	12
	2.4	Current Status of Warehousing Capacity in India	13
III	**Review of Policies and programs relating to Agricultural Marketing and Warehousing.**		
	3.1	Agricultural Marketing Infrastructure (AMI).	14
	3.2	Production of food grains	16
	3.3	Production of food grains in India post independence	16
	3.4	Production of other major Agricultural Crops	17
	3.5	Procurement of foodgrains by the Food Corporation of India for the Central pool	17
	3.6	Procurement of Pulses	19
	3.7	Private Entrepreneurs Guarantee Scheme, 2008	20
	3.8	Augmentation/ modernization of Storage facilities in the form of Silos for FCI	20
	3.9	National Agriculture Market (eNAM)	21
	3.10	The State/UT Agricultural produce and Livestock Marketing (Promotion and Facilitation) Act, 2017.	21

IV	**Review of working of the Warehousing Development and Regulatory Authority**		
	4.1	Recent initiatives taken by the Authority	24
	4.2	Notification of Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017	24
	4.2.1	Major differences between the old and new registration rules	25
	4.2.2	Application fee requirements	26
	4.2.3	Minimum Networth Requirements for Registration	26
	4.3	Notification on Security Deposit	27
	4.4	Special relaxation for warehouses owned by Primary Agricultural Cooperative Societies (PACS)/Farmer Producer Organizations (FPOs)	28
	4.5	Notification on electronic Negotiable Warehouse Receipt (eNWR)	29
	4.6	Advantages of e-NWR over Warehouse Receipt / Stock Receipt	30
	4.6.1	Advantages in opting for e-NWR than normal paper based WR /stock receipt	30
	4.7	Implementation of online application for registration of warehouses	31
	4.7.1	Documents to be uploaded in the online application	32
	4.8	Registration of warehouses	32
	4.9	Progress of online registration of warehouses	34
	4.10	Renewal of registration of warehouses	35
	4.11	Online renewal of registration of warehouses	35
	4.12	Monitoring and surveillance of warehouses	36
	4.13	Empanelment of inspection agencies	36
	4.14	List of empanelled Inspection Agencies	37
	4.15	Registration of Repositories with the WDRA	37
	4.16	Capacity Building Programme in the Warehousing Sector	38
	4.16.1	Training and awareness programs for farmers on Warehousing (Development and Regulation) Act, 2007 and benefits of NWR system	39
	4.16.2	Awareness programs conducted since inception of WDRA	40
	4.16.3	Training programs for Warehouse Managers	41
	4.16.4	Warehouse Managers training programs conducted since inception of WDRA	41
	4.17	Training of Inspecting Officers associated with the empanelled Inspection Agencies	42
	4.18	Organization of outreach programme for new online processes of registration and regulation of warehouses	42
V	**ORGANISATIONAL MATTERS OF WDRA INCLUDING FINANCIAL PERFORMANCE**		
	5.1	Organisational Matters of WDRA	45
	5.2	Vigilance Overview in the Authority	45
	5.3	Implementation of RTI Act, 2005 in WDRA	45
	5.4	Training of Personnel	46
	5.5	Audited accounts of WDRA for the Year 2017-18	46
	Annexure-I	Statements of Accounts of WDRA for the Year 2017-18	50
	Annexure-II	Separate Report of the Comptroller and Auditor General of India	73
	Annexure-III	Reply to the report of Comptroller and Auditor General of India	77

Chairman's Statement

It is my privilege to forward the Annual Report 2017-18 of the Warehousing Development and Regulatory Authority (WDRA) to be laid before each House of Parliament. The report includes the essential information required to be forwarded to the Central Government under the provisions of the Warehousing (Development and Regulatory) Authority Annual Report and Returns Rules, 2010.

The report also contains an overview of the activities of the WDRA undertaken during the year under report and a summary of the key initiatives of the WDRA on the regulatory issues. The audited annual statement of accounts for the financial year 2017-18, along with the report of the Comptroller and Auditor General of India, are also included in the report.

(Dr. B.B.Pattanaik)
Chairman (In-charge).

Dated: 27th November, 2018

CHAPTER - I

OVERVIEW

1.1 Establishment and Incorporation of the Authority

The Government of India constituted the Warehousing Development and Regulatory Authority (WDRA) (herein after referred as the Authority) on 26th October 2010 under the Warehousing (Development and Regulation) Act, 2007 (herein after referred as the Act). The Authority is mandated to exercise the powers conferred on it and to perform the functions assigned to it under the Act. The Head Office of the Authority is at New Delhi. At present, the authority has no other office elsewhere. However, Section 24 of the Act provides that the Authority may, with the prior approval of the Central Government, establish offices at other places in India.

1.2 Composition of the Authority

The Authority consists of a Chairperson and two full time Members appointed by the Central Government. Section 26 of the Act provides that the Chairperson and every other Member shall hold office for a term not exceeding five years from the date on which he enters upon his office and shall be eligible for re-appointment, provided that no person shall hold office as the Chairperson or Member after he has attained the age of sixty five years. The Chairperson and the Members are barred from accepting any employment in any concern in the warehousing sector for two years from the date on which they cease to hold office, except with the previous approval of the Central Government.

List of the Chairman and Members during the year 2017-18 is given below.

Name	Tenure
Shri. G.C. Chaturvedi, Chairman.	25.08.2015 to 16.01.2018
Dr. B.B. Pattanaik, Chairman (In-charge) and Member	Additional Charge of Chairman (In-charge) since 01.02.2018. As Member since 12.09.2016
Shri P. Srinivas, Member	From 10.01.2017 onwards.

Shri G. C. Chaturvedi demitted from the position of Chairman on 16.01.2018 on attaining the age of sixty five years.

1.3 Organisation

The sanctioned strength of staff and the number of employees in position in the Authority is given in Chapter-V of the Report.

1.4 Mission, Vision and Objectives

The mission of the Authority is to work for the growth and orderly development of the warehousing sector in the country. The Authority is working towards providing a regulatory regime that facilitates achievement of the objectives of the Act. The main objectives are to implement the Negotiable Warehouse Receipt (NWR) system in the country, improve the fiduciary trust of the depositors and the banks on the NWRs issued by the registered Warehouses, increase liquidity in rural areas, encourage scientific Storage and warehousing of goods, lower the cost of financing, promote shorter and efficient supply chains, enhance rewards for standardisations and grading and ensure better price discovery for the produce. The NWRs issued by the warehouses registered with the Authority are expected to help farmers to obtain pledge finance from banks and thereby avoid distress sale of their agricultural produce. These can be traded as well as endorsed by the holder of the receipt. The NWRs can be beneficial for a number of other stakeholders also such as banks, financial institutions, insurance companies, trade, commodity exchanges as well as consumers. The Act provides the necessary administrative mechanism and legislative back up for regulating the warehouses issuing NWRs.

The Act, which came into force on 25th October 2010, introduced the Negotiable Warehouse Receipt system in the country. Following are the objectives of the Act:

(i.) To establish the Warehousing Development and Regulatory Authority (WDRA) to operationalise the provisions of the Act.

(ii.) To introduce NWR system for commodities, including agricultural and horticultural commodities.

(iii.) To Register warehouses for issuing NWRs.

(iv.) To provide necessary administrative mechanism and legislative back up for regulating the warehouses issuing NWRs.

(v.) To remove impediments to negotiability of warehouse receipts and to provide legal backing to enhance the fiduciary trust of the depositors and the banks

(vi.) To prevent fraud and mismanagement by the warehousemen or insolvency of the depositor.

(vii.) To make the NWRs a prime tool of trade and to facilitate finance against it, allow banks to improve quality of their lending portfolio and enhance their interest in lending in respect of goods deposited in the warehouses.

Section 3 of the Act provides that any person carrying on the business of warehousing and proposing to issue NWRs is required to get his warehouse registered with the Authority, provided that no such registration shall be required for warehouses which do not propose to issue NWRs. Thus, the registration of warehouses with the Authority who do not intend to issue NWRs is optional, voluntary and not mandatory.

1.5 Powers and Functions of the Authority

Section 35 of the Act provides for the powers and functions of the Authority. The Authority is mandated to regulate and ensure implementation of the provisions of the Act and to promote orderly growth of the warehousing business. The powers and functions of the Authority include the following:

a) to issue to the applicants fulfilling the requirements for warehousemen a certificate of registration in respect of warehouses, or renew, modify, withdraw, suspend or cancel such registration;

b) to regulate the registration and functioning of accreditation agency, renew, modify, withdraw, suspend or cancel such registration, and specify the code of conduct for officials of accreditation agencies for accreditation of the warehouses;

c) to specify the qualifications, code of conduct and practical training for warehousemen and staff engaged in warehousing business;

d) to regulate the process of pledge, creation of charges and enforcement thereof in respect of goods deposited with the warehouse;

e) to promote efficiency in conduct of warehouse business;

f) to make regulations laying down the standards for approval of certifying agencies for grading of goods;

g) to promote professional organisations connected with the warehousing business;

h) to determine the rate of, and levy, the fees and other charges for carrying out the provisions of the Act;

i) to call for information from, undertaking inspection of, conducting enquiries and investigations including audit of the warehouses, accreditation agencies and other organisations connected with the warehousing business;

j) to regulate the rates, advantages, terms and conditions that may be offered by warehousemen in respect of warehousing business;

k) to specify, by regulations, the form and manner in which books of account shall be maintained and statement of accounts shall be rendered by warehousemen;

l) to maintain a panel of arbitrators and to nominate arbitrators from such panel in disputes between warehouses and warehouse receipt holder;

m) to regulate and develop electronic system of holding and transfer of credit balances of fungible goods deposited in the warehouses;

n) to determine the minimum percentage of space to be kept reserved for storage of agricultural commodities in a registered warehouse;

o) to specify the duties and responsibilities of the warehouseman;

p) to exercise such other powers and perform such other functions as may be prescribed.

1.6 Status of Negotiable Warehouse Receipt System in the Country before enactment of the W(D & R) Act, 2007

- Before the enactment of the Warehousing (Development & Regulation) Act, 2007, the warehouse receipt issued by public warehouses such as CWC / SWCs did not enjoy the fiduciary trust of the depositors and the banks.
- Negotiable Warehouse Receipt (NWR) did not find a place in the Negotiable Instruments Act, 1881.
- Only reference available was in Indian Contract Act, 1872 which dealt on the obligation of warehouseman as a bailee of goods
- There were fears of non-recovery of loans in events, such as fraud, or mis-management by the warehouse or insolvency of the depositor.
- The available legal remedies were inadequate and also time consuming. The format for negotiable warehouse receipts was not uniform.
- Hence, there were impediments in the negotiability of warehouse receipts creating difficulties for the farmers and depositors of the goods.

1.7 Negotiable Warehouse Receipts

Section 11 of the Act gives a broad framework of the contents of a NWR. Section 12 of the Act provides for negotiability of a warehouse receipt. The format of NWR was finalised by the Authority in consultation with the Indian Banks Association (IBA). The NWR books containing various security features have been printed by the Security Printing and Minting Corporation of India Limited and issued to the registered warehouses by the Authority. The NWRs have unique features such as anti-copy, endless text, fine line patterns and micro-printing with rainbow colouring.

1.8 Features of Negotiable Warehouse Receipts

Main features of NWR are listed below:

(i) NWRs have uniform format and have been designed in consultation with Indian Banks' Association and other stakeholders.

(ii) NWRs are printed by Security and Minting Corporation of India.

(iii) Have unique features like anti-copy.

(iv) Fully negotiable instrument.
(v) Can be traded without physical handling of goods.
(vi) Can help farmers prevent distress sale of their produce.
(vii) Bank finance available at lower interest rate of 7% to small and marginal farmers for post harvest storage against NWRs.

The NWRs are expected to provide the following benefits:

(i) Increased liquidity in rural areas.
(ii) Encouragement of scientific warehousing of goods.
(iii) Lower cost of financing.
(iv) Shorter and more efficient supply chains.
(v) Enhanced rewards for grading and quality.
(vi) Better price risk management.
(vii) Higher returns to farmers and better services (quality of goods) to the consumers.

1.9 Transformation Plan of the WDRA

The Authority has been facing the following challenges:

(i) The warehousing sector has been mostly un-organised and highly fragmented.
(ii) Registration of warehouses is voluntary and hence scope for increase in the number of registered warehouses is limited.
(iii) There is inadequate regulatory framework under the Act.
(iv) The registration system and issuance of NWRs had been paper based.
(v) The monitoring and surveillance system of registered warehouses had been inadequate.

In order to address the above challenges and to invigorate the warehousing sector, the Authority in association with the Department of Food & Public Distribution, the Department of Economic Affairs and the National Institute of Public Finance & Policy (NIPFP), had initiated a Transformation Plan to invigorate the warehousing sector and significantly improve the post-harvest lending to farmers against NWR.

The focus in the Transformation Plan has been to provide better services to the users of NWRs and registered warehouses through:

(a) Market surveys and studies to generate information about the warehousing sector
(b) Rewriting of the rules and regulations.
(c) Putting in place a robust warehouse inspection system and supervision framework
(d) Use of Information Technology in registration and monitoring of warehouses as well as internal office automation of WDRA.

1.9.1 Activities planned under the Transformation Plan:

i) Conducting a Qualitative Survey and three annual Quantitative Survey on warehousing sector in India.

ii) Rewriting/framing of Rules/Regulations for Registration of Warehouses for simplification of processes, robust Inspection of warehouses and mechanism for Grievance Redressal and Dispute Resolution.

iii) Engagement of a Primary Consultant for implementation of Transformation plan.

iv) Licensing of Repositories for creation and management of electronic Negotiable Warehouse Receipts.

v) Engagement of a System Integrator for development and deployment of IT ecosystem for WDRA Portal, Online Business processes, Surveillance and Monitoring system, internal automation, etc.

1.9.2 Qualitative Survey

The Qualitative Survey on warehousing sector in India was undertaken by NIPFP in 11 Districts in 9 States during April – June 2015 with the objective to understand the experiences of stakeholders of warehousing ecosystem about how warehousing business is run in different parts of the country and to get an insight of Warehouse Receipt Finance Market and risk involved. The findings of survey brought out that warehousing of agricultural commodities are done predominantly for storage and preservation of stocks as well as for accessing credit. All surveyed districts had growing portfolios of pledge financing which was more robust in the areas with high crop production and well developed agricultural markets. Some large Warehouse Service Providers (WSPs) have electronic systems for record-keeping and generation of warehouse receipts. But large portion of the market is small individual manual and paper based operations. Owner of warehouses with Farmers constitute a small portion of depositors, the major users being traders and Government agencies like FCI, NAFED etc.

1.9.3 Quantitative Survey

Three annual quantitative surveys on warehousing in India have been conducted through survey agency M/s TNS India Pvt. Ltd. each during the period August 2015 to March 2016, June 2016 to October 2016 and March 2017 to July 2017. The objective of conducting the quantitative surveys was to gather information about the variations within the industry regarding infrastructure, ownership, usage pattern, commodity financing, as well as the concerns of warehousemen, depositors and lenders.

1.9.4 IT Initiatives

Under the Transformation Plan, the Authority undertook digitisation of Negotiable Warehouse Receipts in the form of electronic Negotiable Warehouse Receipt (e-NWR) and deployment of IT-based systems for its business processes and internal office automation.

(a) Electronic Negotiable Warehouse Receipt (eNWR) System

As per Section 11 of the Warehousing (Development and Regulation) Act, 2007, a warehouse receipt can either be in writing or in electronic form. Further as per Section 2 of the said Act, a Warehouse Receipt has been defined as an acknowledgement in writing or in electronic form issued by a Warehouseman or his duly authorised representative (including depository by whatever name called) of the receipt for storage of goods not owned by the warehouseman.

Under the Transformation Plan initiated by the Authority, to eliminate the risks associated with the physical/paper NWRs the NWRs have been dematerialized. Under Rule 27 of the Warehousing (Development and Regulation) Registration of the Warehouse Rules, 2017 notified by the Central Government on 23rd February 2017, providing for mandatory registration with eNWR repository, with effect from such date as may be specified by the Authority, no warehouseman shall issue any NWR in physical form and shall register with one or more repositories registered with the Authority for issuing ENWRs. The Authority has also issued regulation relating to eNWR system vide Warehousing Development and Regulatory Authority (electronic Negotiable Warehouse Receipts) Regulation, 2017 dated 29th July, 2017.

The Authority has issued Certificate of Registration to Two Repositories viz (i) M/s CDSL Commodity Repository Ltd (CCRL) (a company promoted by M/s Central Depository Services Ltd (CDSL), an entity regulated by SEBI and (ii) M/s National e Repository Ltd (NERL) (Sponsored by National Commodity & Derivatives Exchange (NCDEX) also an entity regulated by SEBI, for creation, storage and management of eNWRs. Repository(ies) will maintain electronic record of e-NWR generated by warehouseman, ensure confidentiality, integrity and availability of information related to e-NWR, enable transfer, pledge and withdrawal as per request of the e-NWR holder. Both Repositories were issued Letters of Intent (LoIs) on 23.12.2016 to complete the tasks of setting up the electronic system and documentation for licensing of the Repository as per milestones fixed. The Repositories completed all milestones and documentation as per the requirements defined in the Guidelines and Call for Applications issued by the Authority and the Certificates of Registration were issued to both, M/s CCRL and M/s NERL, on 26th September, 2017 for commencement of operations.

Both the Repositories are now operational and have on-boarded all the registered warehouses and also engaged Repository Participants (RPs) to extend repositor services to the users of the repository system. During the year under report 114 eNWRs were issued.

Shri Ram Vilas Paswan, Hon'ble Minister (CA,F&PD) and Shri C.R.Chaudhary, Hon'ble Minister of State (CA, F&PD) being welcomed by Dr. B.B.Pattanaik, Chairman (In-charge), Shri P.Srinivas, Member and Shri T.K.Manoj Kumar, Additional Secretary, WDRA during the function held on 26th September, 2017 to launch the electronic negotiable warehouse receipt system and WDRA portal on 26th September, 2017.

(b) IT ecosystem of the Authority

The envisaged IT ecosystem of the Authority includes e-Portal, online warehouse registration and inspection, surveillance and monitoring system, Warehouse Management System (WMS), grievance redressal and dispute resolution system, Enterprise Resource Planning (ERP) for internal automation, business process automation, etc. The Authority has engaged M/s CMS Computers as the System Integrator (SI) for development and deployment of IT applications of WDRA.

M/s CMS has developed WDRA e-Portal, Online Warehouse Registration Module and online Warehouse Inspection Module, Online Renewal of Registration module, Surrender of Registration module. WDRA portal along with online warehouse registration and Inspection was launched on 26.9.2017. The online warehouse registration and Inspection module has been made fully functional w.e.f. 01.11.2018.

(c) Introduction of e-office.

The Authority deployed e-office IT application of NIC which is used by many Central Government offices for intra office e-processing of files. The Authority has started using e-office from 01st January 2018 and most of the physical files have been migrated to e-file. All the official matters are now processed and dealt in e-office relating to administration, establishment, finance, policy matters and others except warehouse registration matters which is being done online seperately.

1.10 Warehousing Advisory Committee

During 2017-18, one meeting of the Warehousing Advisory Committee (WAC) was held on 15th May, 2017. The WAC considered the proposal of the Authority for Warehousing Development and Regulatory Authority (Electronic Negotiable Warehouse Receipts) Regulations, 2017 to be sent to the Government of India for approval before the same is notified by Authority.

1.11 Website of the Authority

Information on WDRA is available on the WDRA website: '**www.wdra.gov.in**'. Various notifications of rules and regulations, circulars, guidelines, advertisement of vacancies, tenders etc. are regularly uploaded on the website. Information regarding requirement and application format for registration and the warehouses registered with WDRA are also made available on the website. The Authority has also developed its website in Hindi.

1.12 Advertisement and Publicity.

In order to create awareness about the benefits of eNWRs for the farmers and other stakeholders and coinciding with the launch of e-portal of the Authority and eNWR system by the Hon'ble Minister for Consumer Affairs, Food and Public Distribution on 26th September, 2017, the Authority released an advertisement in Hindi and English in some major newspapers.

The Authority has got developed a 6-minute duration video film entitled **"Surkshit Bhandaran – Samriddh Kisan"** highlighting the advantages of public warehouses and the NWR/eNWR system. The video film was released by the Hon'ble Minister for Consumer Affairs, Food and Public Distribution during the eNWR launch function on 26th September 2017. The film has also been uploaded on Youtube as well as on the website of the Authority for wider viewing. The film has been dubbed in various major regional languages and is being extensively used during various awareness and training programs.

The Authority has also got prepared brochures in Hindi and English containing information on important provisions of the W(D&R) Act, 2007, requirement for registration under new Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017, notified commodities, etc. The brochure is being distributed to the target group of warehousemen /WSPs to help them know about the new system of registration, eNWR system, etc. Pamphlets have also been prepared in Hindi for distribution among farmers during awareness programs.

CHAPTER - II

POLICIES AND PROGRAMS

2. Review of General Economic Environment of the Warehousing Sector

2.1 Agri Financing to Support Farmers Getting a Remunerative Price of their Produce

Major challenge before the small and marginal farmers in the country has been non-availability of remunerative price for their produce. Immediately after harvest the market price of agri produce is too low and often non-remunerative to the farmers, due to glut situation forcing them to resort to distress sale to meet their immediate need for money for their agricultural/social needs. Availability of a proper credit system in agriculture would, thus, not only help the farmers but also the overall development of the economy. Farmers' access to post harvest credit in the form of warehouse receipt finance on deposit of produce in a public warehouse can contribute to better price realisation at a later date avoiding distress sale. Scientific storage in a warehouse also reduces losses thereby adding monetary value to the farmers' produce and increasing liquidity in entire commodity chains. This system is not only capable of controlling price volatility but also facilitates farmers' access to a new financing tool, which would enhance their ability to invest in production. However, in order to make it happen there is a need for an effective warehouse receipt regime which is backed by a well organised legal and regulatory framework to set standards in warehouse receipt financing.

2.1.1 Negotiable Warehouse Receipts through Public Warehousing – Strength of Rural Economy

Public warehouses are backbone of rural economy. Since these warehouses are acceptable to banks these can be used by a wide range of depositors to obtain ready access to finance. A well-developed public warehousing system also contributes to broader commodity and rural financial market development as it sets standards for various commodity transactions. Use of public warehouses involves assaying and grading of goods enhancing transparency in commodity marketing. Moreover, with negotiable (tradable) warehouse receipts, commodity transactions become easier and faster. Apart from helping the farmers, a good network of registered/ regulated public warehouses also facilitates the development of commodity exchanges, which require quality certification and delivery points. As far as financial institutions are concerned, negotiable warehouse receipts issued by public warehouses constitute at least a possessory pledge, which is superior to the pledging of assets in the borrower's possession.

Over a period of time warehousing industry in India has evolved from just brick and mortar godowns for storage of goods to modern, scientific, well organised supply chain oriented industry. During the last decade, in view of a number incentives extended by the Government of India in form of subsidy for warehouses for agricultural and horticulture commodities, cold storages, etc. along with tax breaks, private sector has been aggressively investing in creation of warehouses for agri commodities. Further as a result of extension of guarantee of utilization by the Food Corporation of India, under its PEG 2008 scheme about 15 million tonnes storage capacity has been created both in the producing and consuming states.

2.2 Risks associated with Unregulated Warehouses/ Warehouse Receipts.

Since the regulatory mechanism for warehouses put in place by the Government of India is a recent initiative substantial efforts are needed to migrate the large number of unregulated warehouses to the new framework. If not done in a prioritized manner lack of regulation is likely to pose many risks and vulnerabilities in the system as under.

- Inadequate regulatory back up to the Negotiable Warehouse Receipt (NWR).
- Issuing of NWR without receiving goods
- Issuing of duplicate NWR without following the procedure
- Delivery of goods without obtaining warehouse receipts
- Unauthorised issue of NWRs
- Fraudulent overstatement of the value of goods
- Issues regarding legal negotiability of the warehouse receipt as a pre-requisite for a valid lien of underlying goods.
- Problems in valid transferability of goods in case of transfer/ endorsements due to trades without legal negotiability to the warehouse receipts.
- Open to higher litigations in case of non regulated warehouses

2.3. Need for a Regulatory framework of warehousing

Strength of an efficient warehousing industry in the country depends on the level of Regulatory management of the NWR system. This essentially requires an enabling legal framework to set the rules of business duly supervised by an umbrella regulatory body. The warehousing eco system should comprise of public warehouses licensed under respective State warehouses Acts and registered with the regulatory body at national level with adequate financial securities and guarantees and insurance backup. Banks fully familiar with the regulated warehousing and NWR system have to be an integral part of such a regulatory

process to help the economy reap the fruits of warehouse receipt system. The enactment of Warehousing (Development and Regulation) Act, 2007 and establishment of Warehousing Development and Regulatory Authority is a major step taken by the Government towards a development of a well regulated warehousing system in the country.

The negotiability of warehouse receipts is not only intended to avoid distress sale of the farm produce at the peak marketing season but also to facilitate institutional credit against the stored agricultural produce. The pledge financing of warehouse receipts / negotiable warehouse receipts has increased liquidity in rural areas and reduced the farmers' dependency on informal financing and thereby enhancing their income to some extent. The negotiable warehouse receipts issued by the warehouses registered with WDRA have increased the fiduciary trust of Banks in the NWR system thereby enhancing the scope for lending to farmers. Further, since the goods stored at the registered warehouses are insured against all risks and monitored the interest of the depositor and Banks stand fully protected.

2.4 Current Status of Warehousing Capacity in India

A major chunk of the organised warehousing capacity in the country is still being managed by Government through PSUs such as the Food Corporation of India (FCI), Central Warehousing Corporation (CWC) and State Warehousing Corporations (SWCs), State Marketing Federations, State Civil Supplies Corporations, etc. The current capacity of the organised warehouses operated by the public agencies, cooperatives and private sector is about 158.52 million tons as detailed below.

Table: 2.1

Sl. No.	Name of the Organization/ Sector	Storage capacity in million tonnes
1.	Food Corporation of India (FCI)	36.25
2.	Central Warehousing Corporation (CWC)	10.14
3.	State Warehousing Corporations (SWCs) and State Agencies	39.31
4.	Cooperative Sector	15.07
5.	Private Sector	57.75
	Total	**158.52**

Source: FCI portal, Department Food and Public Distribution, Government of India Portal, Assocham – National Summit on Warehousing in India and the Directorate of Agricultural Marketing and Inspection, Government of India.

CHAPTER - III

3 Review of Policies and programs relating to Agricultural Marketing and Warehousing.

3.1 Agricultural Marketing Infrastructure.

For creation of an efficient agricultural marketing infrastructure including storage infrastructure, Directorate of Marketing & Inspection (DMI) an attached office of the Department of Agriculture, Cooperation & Farmers Welfare is implementing Agricultural Marketing Infrastructure (AMI), a sub-scheme of Integrated Scheme for Agricultural Marketing (ISAM). The AMI sub-scheme of ISAM was sanctioned for the XII plan Period and is effective from 01.04.2014. The AMI sub-scheme was created after subsuming of two ongoing schemes viz. (i) Grameen Bhandaran Yojana (GBY) being implemented since 01.04.2001 and (ii) Scheme for Development/Strengthening of Agricultural Marketing Infrastructure, Grading & Standardization (AMIGS) being implemented since 20.10.2004 of DAC&FW, Ministry of Agriculture & Farmers Welfare.

The main objectives of the scheme are (i) to develop Agricultural Marketing Infrastructure including storage infrastructure for effectively managing marketable surplus of Agriculture including horticulture and allied sectors including dairy, poultry, fishery, livestock and minor forest produce. (ii) to promote creation of scientific storage capacity for storing farm produce, processed farm produce and agricultural inputs etc. to reduce post-harvest and handling losses, (iii) to provide infrastructure facilities for grading, standardization and quality certification of agricultural produce and to promote pledge financing and marketing credit, negotiable warehouse receipt system.

AMI scheme is a back ended capital subsidy scheme in which rate of subsidy varies from 25% to 33.33% based on the category of eligible beneficiaries and provided on the capital cost of the project.

The Storage Capacity Created under Agricultural Marketing Infrastructure (erstwhile Rural Godown Scheme) sub-scheme of integrated scheme for Agricultural marketing (ISAM) State-wise as on 31.03.2018 is as follows:

Table: 3.1

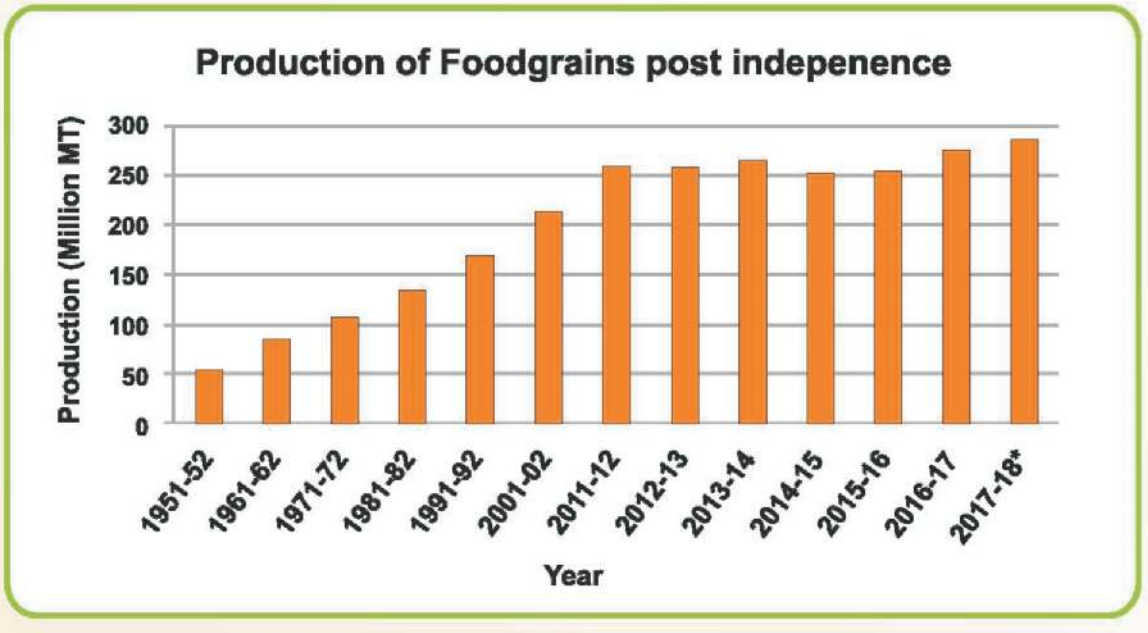
S.No.	State	Sanctioned by NABARD		Sanctioned by NCDC (New)		Sanctioned by NCDC (Renovation)		Total (Sanctioned)		Storage Capacity created (MT)
		No. of projects	Storage Capacity (MT)	No. of projects	Storage Capacity (MT)	No. of projects	Storage Capacity (MT)	No. of projects	Storage Capacity (MT)	
1	Andhra Pradesh	1302	5318598	16	1600	8	800	1326	5320998	5408001
2	Arunachal Pradesh	1	945	0	0	0	0	1	945	945
3	Assam	324	1072207	1	650	0	0	325	1072857	846381
4	Bihar	286	410226	680	72161	24	4800	990	487187	482387
5	Chhattisgarh	517	1685195	77	258350	0	0	594	1943545	1915473
6	Goa	1	299	0	0	0	0	1	299	299
7	Gujarat	11540	4114560	104	338230	19	19600	11663	4472390	4412820
8	Haryana	576	5467656	778	705699	658	330517	2012	6503872	5996133
9	Himachal Pradesh	42	22486	45	5000	0	0	87	27486	23169
10	Jammu & Kashmir	14	83027	0	0	0	0	14	83027	83027
11	Jharkhand	26	142316	0	0	0	0	26	142316	148816
12	Karnataka	4320	3686894	237	212219	3	415	4560	3899528	3853942
13	Kerala	40	55806	166	34705	0	0	206	90511	85671
14	Madhya Pradesh	2818	10113648	699	364683	315	105970	3832	10584301	10392587
15	Maharashtra	3497	6262489	39	289922	45	118300	3581	6670711	5754092
16	Meghalaya	9	20262	7	750	0	0	16	21012	21012
17	Mizoram	1	302	0	0	0	0	1	302	302
18	Nagaland	1	814	0	0	0	0	1	814	814
19	Odisha	687	998180	0	0	4	11000	691	1009180	700470
20	Punjab	1533	6355146	3	1000	209	385696	1745	6741842	6356145
21	Rajasthan	1227	2600549	100	63250	127	12700	1454	2676499	2363801
22	Tamilnadu	303	1183704	180	47330	639	82490	1122	1313524	1327051
23	Telangana	723	4480930	3	4980	0	0	726	4485910	1503748
24	Tripura	5	28764	0	0	0	0	5	28764	28764
25	Uttar Pradesh	542	3927221	31	164580	546	1230768	1119	5322569	3634352
26	Uttrakhand	249	718539	33	25250	4	18600	286	762389	743589
27	West Bengal	2485	1574673	54	5550	13	1300	2552	1581523	1565292
28	UTs	0	0	0	0	0	0	0	0	0
	Total	33069	60325436	3253	2595909	2614	2322956	38936	65244301	57649084

3.2 Production of food grains

The country has been witnessing remarkable achievement in the production of food grains post independence due to various initiatives taken by successive Governments as evident from the Figure given below.

3.3 Production of food grains in India post independence

Figure: 3.1



*4th advance estimate, Ministry of Agriculture and Farmer's Welfare, Government of India

As a result of near normal rainfall during monsoon 2017 fairly spread across various States and various policy initiatives taken by the Government, the country witnessed record production of food grains in 2017-18. As per the 4th advance estimates of the Ministry of Agriculture and Farmers' Welfare, the food grain production in 2017-18 is pegged at an all time high level of 284.83 million tones as against 275.11 million tones achieved during 2016-17 as per the crop/ group wise details given below:

Table: 3.2.

Crop / Group	Production in million tones	
	2016-17	2017-18*
Rice	109.70	112.91
Wheat	98.51	99.70
Coarse Cereals	43.77	46.99
Pulses	23.13	25.23
Total	**275.11**	**284.83**

* 4th Advance Estimates of the Ministry of Agriculture and Farmers' Welfare, Government of India.

3.4 Production of other major Agricultural Crops

As per the estimates, backed by adequate rainfall, cotton production is likely to be 35.19 million bales (each bale weighing 170 kg) while sugarcane is estimated at 376.91million tones. The production of oilseeds, including groundnut, mustard and soyabean is estimated to be 31.31 million tones marginally higher than 31.28 million tones recorded during 2016-17.

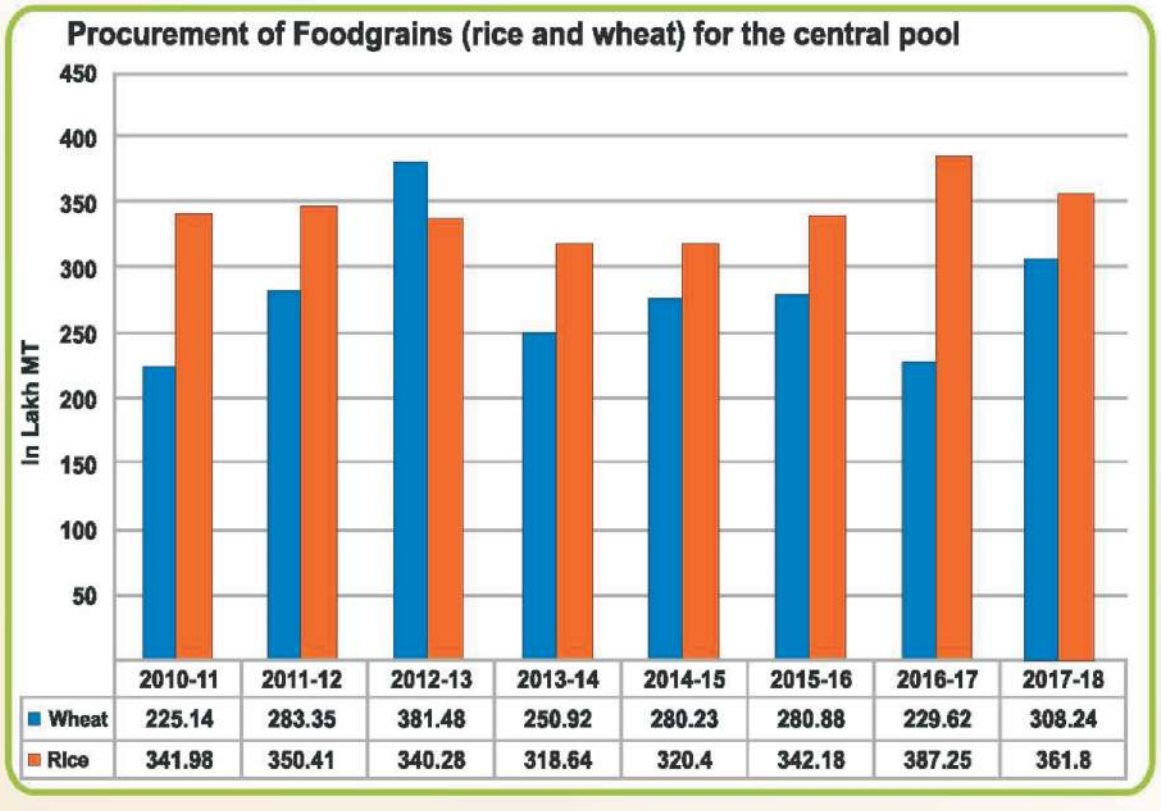
3.5 Procurement of foodgrains by the Food Corporation of India for the Central pool

Procurement of food grains (rice, wheat and coarse grains) for central pool is done through the Food Corporation of India (FCI) and State agencies at Minimum Support Price (MSP) declared by Government of India for the corresponding marketing season. Prior to commencement of Kharif Marketing Season (KMS) and Rabi Marketing Season (RMS), uniform specifications (FAQ standard) of food grains are formulated and notified by the Department of Food and Public Distribution so as to protect interest of farmers and consumers. The uniform specifications are notified well in advance to all the Central and State procuring agencies. Food grain stocks conforming to uniform specifications are procured on MSP for central pool. Currently, MSPs are announced for 23 commodities, but effectively price support operations are undertaken primarily for wheat and rice and pulses. In order to ensure supply of quality food grains to consumers and to minimize storage losses caused due to long period of storage, Government has adopted policies to optimize the level of procurement of wheat and paddy/ rice and to liquidate old stock in such a manner that FCI does not carry any issuable stocks for more than 2 years.

The stock position of food grains under central pool as on 31.03.2018 was 433.87 lakh MT comprising of Rice (including paddy in terms of rice) 300.43 lakh MT , Wheat 132.31 lakh MT and coarse grains 1.13 lakh MT.

Procurement of food grains (rice and wheat) for the central pool during the last 8 years is given in the graph.

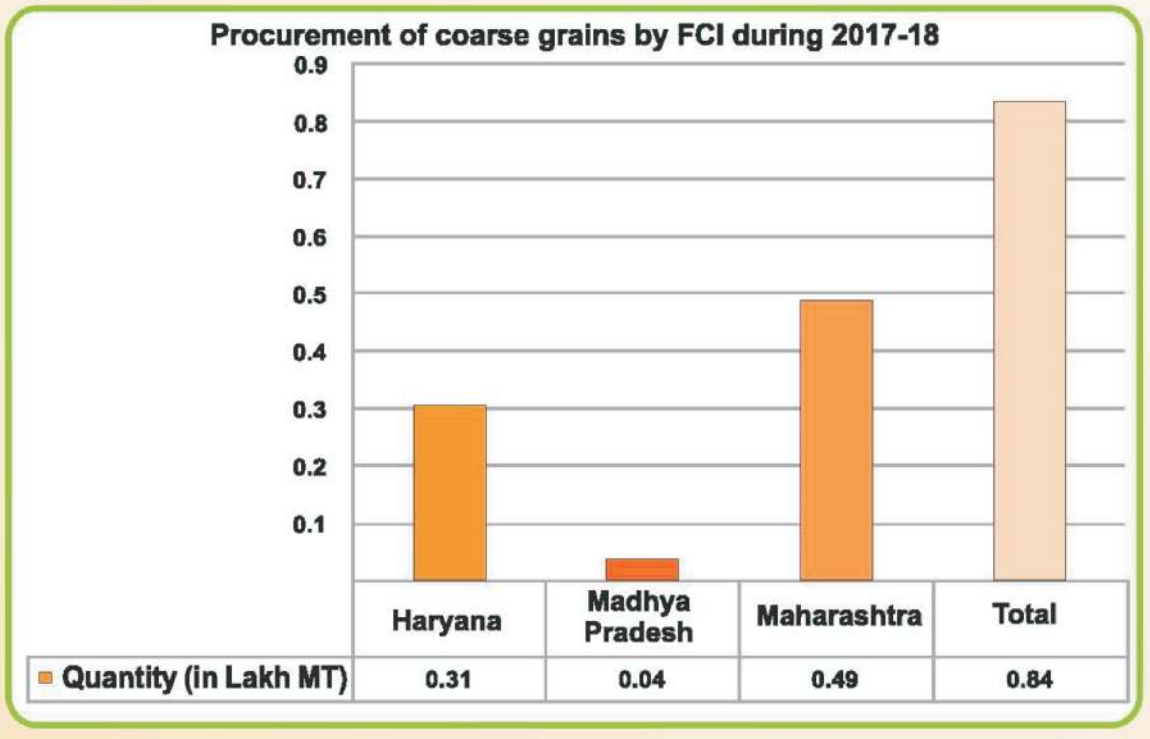
Figure: 3.2



	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Wheat	225.14	283.35	381.48	250.92	280.23	280.88	229.62	308.24
Rice	341.98	350.41	340.28	318.64	320.4	342.18	387.25	361.8

Procurement of coarse grains by FCI during 2017-18 State wise is given in the graph.

Figure: 3.3



	Haryana	Madhya Pradesh	Maharashtra	Total
Quantity (in Lakh MT)	0.31	0.04	0.49	0.84

3.6 Procurement of Pulses

In view of the market prices of most of the pulses falling below their respective MSPs, the Government of India decided for market intervention and engaged Food Corporation of India (FCI), National Agricultural Cooperative Marketing Federation (NAFED) and Small Farmers Agribusiness Consortium (SFAC) to undertake procurement of pulses in major mandies at MSP. Agency wise and commodity wise procurement of pulses under Price Stabilization Fund (PSF) on behalf of the Govt. of India during 2017-18 are as follows: -

Table: 3.3. (Figures in MT)

Pulses	FCI	NAFED	SFAC	Total
Moong	0	0	0	0
Urad	0	0	0	0
Tur	16596.59	245194.97	1787.55	263579.11
Chana	0	60254.67	0	60254.67
Masur	0	27073.89	0	27073.89
Total	**16596.59**	**332523.53**	**1787.55**	**350907.67**

Source: Food Corporation of India

During 2017-18 the NAFED undertook procurement of pulses under Price Support Scheme (PSS). State wise and commodity wise details are given below:

Table: 3.4

Commodity	State	Quantity Procured (MT)
Tur/ Arhar Kharif 2016	Maharashtra	114999.55
	Karnataka	31607.75
	Gujarat	49600.60
	Total	**196207.90**
Tur/ Arhar Kharif 2017	Telangana	75300.00
	Andhra Pradesh	55600.00
	Karnataka	335561.70
	Maharashtra	185182.33
	Gujarat	7824.72
	Total	**659468.75**
Gram Rabi 2018	Rajasthan	8762.07
	Andhra Pradesh	18505.15
	Karnataka	63901.26
	Telangana	31344.35
	Maharashtra	5784.58
	Total	**128297.41**
Moong Rabi 2017	Madhya Pradesh	111001.29
	Odisha	1405.88
	Total	**112407.17**
Urad Summer 2017	Madhya Pradesh	15747.65

Urad Kharif 2017	Telangana	11170.41
	Andhra Pradesh	13600.00
	Karnataka	13090.50
	Rajasthan	130854.39
	Maharashtra	58196.78
	Gujarat	19878.20
	Uttar Pradesh	22567.99
	West Bengal	4728.58
	Total	**274086.85**
	Grand Total	**1386215.73**

Source:- NAFED

3.7 Private Entrepreneurs Guarantee Scheme, 2008

The Government announced a Scheme for construction of storage capacity for FCI through Private Entrepreneurs termed as the Private Entrepreneurs Guarantee (PEG) Scheme 2008. Accordingly, on 28.7.2008, the Government of India had circulated a scheme to FCI and State Governments (Non-DCP States) for which, assessment of the storage need was to be made by FCI based on the overall procurement/consumption needs of the area and existing storage capacity. In consuming States assessment was based on 4 months requirements of stocks for Targeted Public Distribution System (TPDS) and Other Welfare Schemes (OWS) & in procuring States assessment was based on highest stock level in the last three years. Under the PEG Scheme, FCI gives a guarantee of ten years to private investors and nine years to CWC / SWCs / State Agencies.

As per the guidelines of the scheme and based on the proposals received from State Level Committees (SLCs), a capacity of 161.43 lakh MT has been approved by the HLC of FCI for construction of PEG godowns at various locations in 22 States. Out of this capacity of 141.32 lakh MT has already been completed and a capacity of 7.07 lakh MT was under various stages of construction as on 31.03.2018.

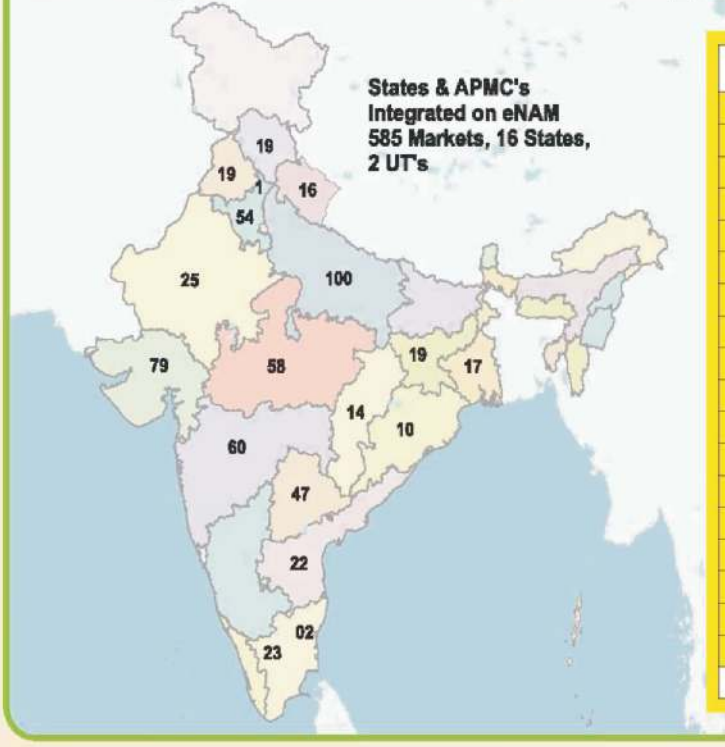
3.8 Augmentation/ Modernization of Storage facilities in the form of Silos for FCI

FCI has been operating 5.50 lakh MT silos since 2007. As on 31.03.2018, further silos of total 6.25 LMT have been constructed comprising 4.5 LMT by Government of Madhya Pradesh, 1.5 LMT by Government of Punjab and 0.25 LMT by FCI. Contracts have been awarded for further 16.50 LMT by FCI and 15.50 LMT by Government of Punjab. In addition, tenders have been issued by FCI for 10.00 LMT at 19 locations and by CWC for 0.50 LMT at 1 location.

3.9 National Agriculture Market (eNAM)

With the objective to usher reforms in the Agri-marketing sector and promote online marketing of Agri commodities across the country and to provide maximum benefit to the farmers, the Government has approved a scheme to implement National Agriculture Market (NAM) on 01.07.2015. NAM pilot was launched on 14.04.2016 in 21 mandis of 8 States. Under the scheme, a web based platform has been deployed across 585 regulated markets to promote online trading, digitization of entire functioning of markets including gate entry, lot management, bidding, generation of e-sale agreement and e-payment etc., remove information asymmetry increase transparency in the transaction process and enhance accessibility to markets across the country. Further to facilitate assaying of commodities for trading on e-NAM, common tradable parameters have been developed for 90 agriculture commodities. This would entail real benefits to the farmers.

Mandis integrated in eNAM as on 31st. March 2018 (spread across 15 states and 2 UT's)



State	Integrated Mandis
Andhra Pradesh	22
Chandigarh	1
Chhattisgarh	14
Gujarat	79
Haryana	54
Himachal Pradesh	19
Jharkhand	19
Madhya Pradesh	58
Maharashtra	60
Odisha	10
Puducherry	2
Punjab	19
Rajasthan	25
Tamil Nadu	23
Telangana	47
Uttar Pradesh	100
Uttarakhand	16
West Bengal	17
Total	585

The Authority is closely working with the Department of Agriculture, Co-operation and Farmers welfare for integration of eNWR system with the eNAM. So that the farmers/ holder of an eNWR can sell his stock on the eNAM platform.

3.10 The State/UT Agricultural produce and Livestock Marketing (Promotion and Facilitation) Act, 2017.

Post Green Revolution witnessed the enactment of Agricultural Produce Marketing Regulation Acts, popularly called APMC Acts, by the State to promote organized wholesale

marketing through well laid down market-yards with the objective to ensure fair play in marketing practices. Due to lack of infrastructure while number and volume of crops increased, the market could not cater to the increased need. Therefore, alternative channels were needed to promote additional avenues. Keeping this in mind, the reforms in APMC act have been promoted.

An initiative in marketing reforms began with Sharing of Model APMC Act, 2003 with States. With dynamically changing domestic and overseas marketing scenario, consumers' preferences and farmers' aspirations, especially in the backdrop of doubling the farmers' income, it was unanimously decided in review meeting with States held in NITI Aayog in 2016 to bring out a holistic and facilitative Model Marketing Act. Therefore, DAC&FW formulated and circulated a Model Act namely "The State/UT Agricultural Produce and Livestock Marketing (Promotion & Facilitation)
Act, 2017" for adoption by the States.

In order to promote market access together with scientific storage facility at one place, amongst the salient provisions of the model APLM Act, 2017, there is a provision of declaring of warehouses/silos/cold storages as market sub-yard.

Adoption of this Model Act by States would give a fillip to the agri warehousing industry as the warehouses would not only be used for storage of goods, but would also be used as procurement centers, mandies/collection centers making the warehouses providing certain value addition services and making them more commercially viable. Such step would also avoid the hardship of double handling with additional cost.

The Model Act has many provisions like clear demarcation of the powers and functions between Director of Agricultural Marketing and Managing Director of State/UT Agricultural Marketing Board, declaring warehouses as market sub-yard etc. If States adopt this model, it has definite potential of becoming a game changer in agricultural marketing scene.

Officials of WDRA carrying out cleaning operations during Swachta Pakhwada at Khel Gaon Bus Stand and at Shahpur Jat Village near WDRA office.

CHAPTER - IV

4. Review of working of the Warehousing Development and Regulatory Authority

4.1 Recent initiatives taken by the Authority.

In order to create greater credibility and acceptability of the eNWRs issued by the warehouses registered with the Authority and to create an encouraging environment for the industry to come forward and willingly get their warehouses registered with the Authority, a number of initiatives have been taken by WDRA. These pertain to reviewing the warehousing eco system in the country, rewriting the Rules, Regulations for registration of warehouses, digitization of related processes, putting in place a robust monitoring system for the registered warehouses for bringing in greater transparency and trust.

4.2 Notification of Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017.

One of the functions of the Authority is to register and regulate the warehouses which either are issuing or intend to issue NWRs against deposit of goods notified by it in their warehouses. The registration necessitates compliance to a number of pre requisites which broadly relate to the following:

a. Construction standards of the warehouse – Storage worthiness
b. Safety and security arrangements at the warehouse
c. Availability of required manpower with training and experience in warehousing.
d. Requisite infrastructure for weighing, grading and preservation of commodities at the warehouse.
e. Adequate insurance for the stocks against fire, flood, theft, burglary, misappropriation, riots, strikes or terrorism.
f. Adequate networth as specified by the Authority.
g. Adherence to Standard Operating Procedures (SOPs) for deposit, delivery, storage and preservation of stocks, grievance redressal, etc.
h. Compliance to local laws for carrying out the business of warehousing.
i. Furnishing application fee and security deposit as specified by the Authority

Initially the warehouses were being registered as per the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2010. However, in order to remove the impediments in the registration process under the old rules and to fast track the registration

process, the Government of India notified the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 on February 23, 2017.

The salient features of new registration rules are as under:

a) There is no need of accreditation of the warehouse by an accreditation agency prior to registration.

b) The warehouses should be constructed as per Bureau of Indian Standards (BIS) / FCI/CWC specifications.

c) The warehouses should be storage worthy for storage of different goods

d) The warehouses should be equipped with all necessary equipment for weighing, handling, sampling, grading, fire fighting and insect/pest management.

e) The warehouses should have required net worth depending upon the capacity of the warehouse certified by a Chartered Accountant.

f) The warehouses should have adequate trained staff with expertise and knowledge about the scientific storage of goods to be stored in the warehouses.

(g) Warehouses should have adequate safety and security arrangements.

4.2.1Major differences between the old and new registration rules:

Table: 4.1

S. No.	Warehousing (Development and Regulation) Registration of Warehouses Rules, 2010	Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017
1	Before registration accreditation by an accreditation agency was necessary	No accreditation required before registration. After application for registration is received by WDRA Physical inspection of the applicant warehouse is to be carried out before registration
2	One application essentially had to cover only one warehouse	One application may have one or more than one warehouses of same applicant
3	Registration period was for 3 years	Registration is for 5 years
4	Only positive networth was required irrespective of capacity of the warehouse.	Now Networth specified as per capacity of the warehouse
5	Security Deposit equal to Registration fee was to be submitted.	More realistic and dynamic Security Deposit, depending on the aggregate value of Negotiable Warehouse Receipts issued is to be submitted.
6	Provision of Standard Operating Procedure (SOPs) and Know Your Depositor (KYD) process was not there	Requirement of KYD and SOP well defined in the new rules
7	Migration to electronic Negotiable Warehouse Receipts (eNWRs) through repository was not provided	Now it is provided

4.2.2 Application fee requirements:

Application fee (non refundable) for registration of warehouse or renewal thereof as per the new rule is as follows:

Table: 4.2

Unit of registration	Fee (non refundable)
Each warehouse with a capacity of 10,000 Ton or less	Rs. 20,000
Each warehouse with a capacity of more than 10,000 Ton but less than or equal to 25,000 Ton	Rs. 25,000
Each warehouse with a capacity of more than 25,000 Ton	Rs. 30,000

4.2.3 Minimum Networth Requirement for Registration.

Rule 18 of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 provide for minimum net worth requirements for registration of warehouses with WDRA as prescribed under the Seventh Schedule. In order to obtain a better picture of financial soundness of the applicant entity net worth requirement had been quantified linking it to the capacity of the warehouse(s). However, representations from a number of small warehouse operators and their associations informing their inability to meet the networth prescribed were received. Central Government considered the requests and the registration rules were amended revising the required networth limits and notified under the Warehousing (Development and Regulation) Registration of Warehouses (Amendment) Rules, 2018 as summarized below:

Table: 4.3

Networth prescribed earlier		Amended Networth requirement	
Storage capacity (in tons)	Net worth (Rupees in cores)	Storage capacity (in tons)	Net worth (Rupees in crores)
Less than 1,00	0.5	Less than 1,000	0.1
1,001 - 5000	2.5	1,001 - 3000	0.25
		3,001 - 5,000	0.50
5,001 - 10000	5	5,001 - 7,000	1.00
		7,001 - 10,000	2
10,001 - 25000	10	10,001 - 15,000	5
		15,001 - 25,000	10
25,001 - 75,000	20	25,001 - 75,000	20

75,001 - 1,50,000	30	75,001 - 1,50,000	30
1,50,001 - 5,00,000	50	1,50,001 - 5,00,000	50
5,00,001 and above	100	5,00,001 and above	100

4.3 Notification on Security Deposit.

The Warehousing (Development & Regulation) Registration of Warehouses Rules, 2017 provide that the Authority, in consultation with all the stakeholders, shall, by notification in the official Gazette, specify the amount and the manner by which the security deposit is to be furnished by the applicant or the warehouseman. Therefore, keeping in view the need for financial security of the Negotiable Warehouse Receipts (NWRs) issued by the registered warehouses and pledged with banks or traded as a document of title and also the convenience of the applicant/warehouseman the requirement of Security Deposit for registration of warehouses has been notified in the Gazette of India vide notification dated July 06, 2017. The requirement of security deposit as per the notification is as under:

a. Value of the Security Deposit shall be a sum total of columns A, B & C mentioned in the table given below (here the highest value of total outstanding negotiable warehouse receipts over the preceding quarter for all the warehouses registered by the warehouseman is referred as T):

Table: 4.4.

Slab	A	B	C
T is less than or equal to Rs. 25 crore	0	3% of T	Rs. 1 lakh per warehouse
T is above Rs.25 crore and up to 250 crore	Rs. 75 lakh	1.5% of excess of T over Rs. 25 crore	Rs. 1 lakh per warehouse
T is above Rs.250 crore and up to 2,500 crore	Rs. 4.125 crore	1% of excess of T over Rs. 250 crore	Rs. 1 lakh per warehouse
T is above Rs.2,500 crore	Rs. 26.625 crore	0.5% of excess of T over Rs. 2500 crore	Rs. 1 lakh per warehouse

b. Where the applicant/ warehouseman is a Farmer Producer Organisation or a Co-operative, the total security deposit would be Rs. 50,000 (fixed) per warehouse.

c. The security deposit can be furnished in the form of a Bank Fixed Deposit or a Bank Guarantee favoring WDRA.

d. Any entity created under an Act of Parliament or of State Legislature shall provide an Indemnity Bond for the amount required as Security Deposit.

e. The Security Deposit shall need to be updated at the end of each quarter based on the highest value of total NWRs issued by the warehouseman.

4.4 Special relaxation for warehouses owned by Primary Agricultural Cooperative Societies (PACS)/Farmer Producer Organizations (FPOs)

The Primary Agricultural Cooperative Societies (PACS)/ Farmer Producer Organizations (FPO) operate large number of small capacity warehouses which are in close proximity to the farmers. Being farmers' bodies these institutions cater to the warehousing needs of the member farmers besides providing them finances against the goods deposited by them. Since these are small capacity warehouses requiring financial and operational support a number of relaxations in financial and infrastructural requirements for registration are provided to them.

Following financial concessions are available to the warehouses belonging to PACS/ FPOs for registering their warehouses with the authority.

- The registration fee is only Rs. 5000/- as compared to Rs 20000 to 30000 for others
- Networth is required to be only positive irrespective of the capacity, while for others it is specified with respect to the capacity of Warehouse
- Security deposit is Rs. 50000/- per warehouse in the form of a BG or bank FD (fixed irrespective of the value of NWRs issued by it), while for others it is minimum Rs 1 Lakh plus a percentage of value of NWRs issued.

Following relaxation in infrastructure requirements for registration are provided to the PACS warehouse (s) by the Authority under the powers available as per Rule 20 of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017:

i. In case the warehouse is located on a raised well drained site not liable for flooding / inundations and is away for a place likely to be affected by seepage water a plinth height of at least 30 cm may be accepted,
ii. The minimum limit for capacity to be registered in case of PACS warehouses will be 100 MT.
iii. Availability of parking and manoeuvring space for vehicles shall not be insisted upon in case of PACS warehouses as these are small capacity units operated for the benefit of the member farmers.
iv. The warehouse should have a stack plan drawn leaving reasonable space for alleyways.
v. Other than the Secretary of the society one more staff of the PACS shall be engaged (on full or part time basis) for storage and preservation of the goods in the warehouse. Availability of security guards may be desirable but not insisted upon for registration of the warehouse.

vi. Availability of a pucca boundary wall / barbed wire fencing shall not be insisted upon. However, the warehouse should have adequate arrangement for locking of godown and safety/security of stocks.

vii. PACS warehouses up to 500 MT capacity shall have at least one fire extinguisher (of requisite type) and six fire buckets. For warehouses having capacity more than 500 MT the prescribed norms for other warehouses shall be followed, which is three fire extinguishers and fifteen fire buckets for capacity up to 1500 MT.

4.5 Notification on electronic Negotiable Warehouse Receipt (eNWR)

In order to overcome the limitations of Negotiable Warehouse Receipts in paper form and also to enhance the credibility/integrity of the negotiable warehouse receipts (NWRs) and enable its easy transfer, pledge etc, it was decided by the Authority, under its transformation plan, to introduce electronic negotiable warehouse receipts (eNWRs) through repositories who will create and manage the eNWR ecosystem.

These electronic NWRs shall have the following advantages:

(a) Facilitate easy pledge financing by banks

(b) Help farmers / depositors to have access to a large number of buyers nationwide with better bargaining powers;

(c) Enable multiple transfers without physical movement of goods and alternate channels of marketing to farmers and reduce the cost of intermediation for consumers;

(d) Enable consumers (industries, processors, wholesalers, retailers etc.) to procure graded produce at competitive prices at locations of their choice;

(e) Promote an efficient clearing, settlement and delivery system with transparency in trading of agricultural produce.

(f) Can be split with obligation to transfer only a part of the commodity.

(g) Can be issued by Repositories and traded in commodity Exchanges.

With the prior approval of the Central Government the Authority has notified the Warehousing Development and Regulatory Authority (Electronic Negotiable Warehouse Receipts) Regulation, 2017on June 29, 2017 concerning regulation of eNWRs. The Authority has also issued Certification of Registration to the following Repositories for Creation and Management of eNWRs.

(a) CDSL Commodities Repository Limited (CCRL) – Its parent company is CDSL which is a Depository facility. Incorporation of new company (CCRL) is completed and has been approved by the MCA.

(b) National E Repository Limited (NERL) – Its parent organization is NCDEX which is a professionally managed on-line multi commodity exchange. NCDEX is a public limited company incorporated on April 23, 2003 under the Companies Act, 1956. The repository NERL was incorporated on February 10, 2017 and approved by MCA.

4.6 Advantages of e-NWR over Warehouse Receipt / Stock Receipt.

The e-NWR is a more secured document adding to the credibility to the concerned warehouse as compared to paper based warehouse receipts / stock receipts. Major advantages with eNWRs given in Table 8.

4.6.1 Advantages in opting for e-NWR than normal paper based WR / stock receipt

Table: 4.5.

Paper Based WR/ Stock Receipt	E-NWR
Can be shared with prospective buyer in a one to one mode only	Help farmers / depositors to have access to a large number of buyers nationwide with better bargaining powers;
Can not be split	eNWRs can be split with obligation to transfer only a part of the commodity
Prone to Loss, mutilation, tampering, fudging WR information etc.	No possibility of any such eventuality
Inherent difficulties in efficient clearing and trading in a transparent manner	Promote an efficient clearing, settlement and delivery system with transparency in trading of agricultural produce
Difficult to share vital information of the WR with multiple stake holders	It's easy to share vital information of the WR with multiple stake holders like bankers, commodity exchanges, government etc.
No uniformity of information in the receipt	Standard format as prescribed under the Act and Regulation
Not regulated	Regulated by a statutory Authority
Assaying is not mandatory	Reporting the quality of goods in eNWR is mandatory
Risk of issuing of NWR without receiving goods	Possibility ruled out

Risk of issuing of duplicate NWR without following the procedure	Not possible
Fraudulent overstatement of the value of goods is possible	Agmarknet prices are retrieved
No monitoring and surveillance	Regularly monitored by WDRA
Problems in valid transferability of goods in case of transfer/ endorsements due to trades without legal negotiability to the warehouse receipts.	Being electronic in nature multiple tranfers are easy and with due backup of W(D&R) Act 2007
Higher litigations in case of non regulated warehouses	Litigation shall be greatly reduced

4.7 Implementation of online application for registration of warehouses

As per the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 the format for application for registration alongwith required documents have been prescribed. Initially the application was being submitted in physical form, the processing of which was time consuming. Therefore, in order to fast track the registration process and put in place a transparent system of registration and its tracking, the Authority has developed an online system of registration of warehouses belonging to different categories of applicants along with other related activities such payment of application fee, application processing, allotment of physical inspection to submission of physical inspection report to Inspection Agency. Submission of security deposit and issue of online registration certificate.

It was decided that with effect from 1st November, 2017 all the applications for registration of warehouses with the Authority shall be submitted online after logging in to the new portal of WDRA, **https://wdra.gov.in**. Detailed instructions for submission of online registration applications are available on the home page of the Authority. As per the new system it is required that all the applicants for warehouse registration first register at the Authority portal and after getting their log in credentials generated therein sign in at the portal to proceed further with the online submission of applications. The inspection agencies empanelled by the Authority would also require to on board themselves by registering at the new the Authority portal as above and sign in with their log in credentials for online allotment of inspections and submission of inspection reports.

4.7.1 Documents to be uploaded in the online application:

Following documents are required to be uploaded with the online application:

i. Photograph of individual/authorised representative (in case of non-individual entity)

ii. Applicant's proof of identity as required at Fifth Schedule of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017

iii. Standard Operating Procedures

iv. Document in support of net-worth as required under Rule 18 (5) of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017

v. Copy of Insurance policies as prescribed under Rule 17 of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017 (specified as per the circular dated 26.04.2017).

vi. Lay out Plan of the warehouse(s).

vii. Basic Data Sheet in case of cold storage.

viii. Proof about technical standards under which warehouse (cold storage) was constructed.

ix. List of equipment for assaying goods available at the warehouse.

x. List of equipment for weighing goods available at the warehouse.

xi. Details of equipment for fire safety viz. fire extinguishers/ fire buckets etc.

xii. Documents in support of ownership/ effective control prescribed under First/Sixth Schedule of the Warehousing (Development and Regulation) Registration of Warehouses Rules, 2017.

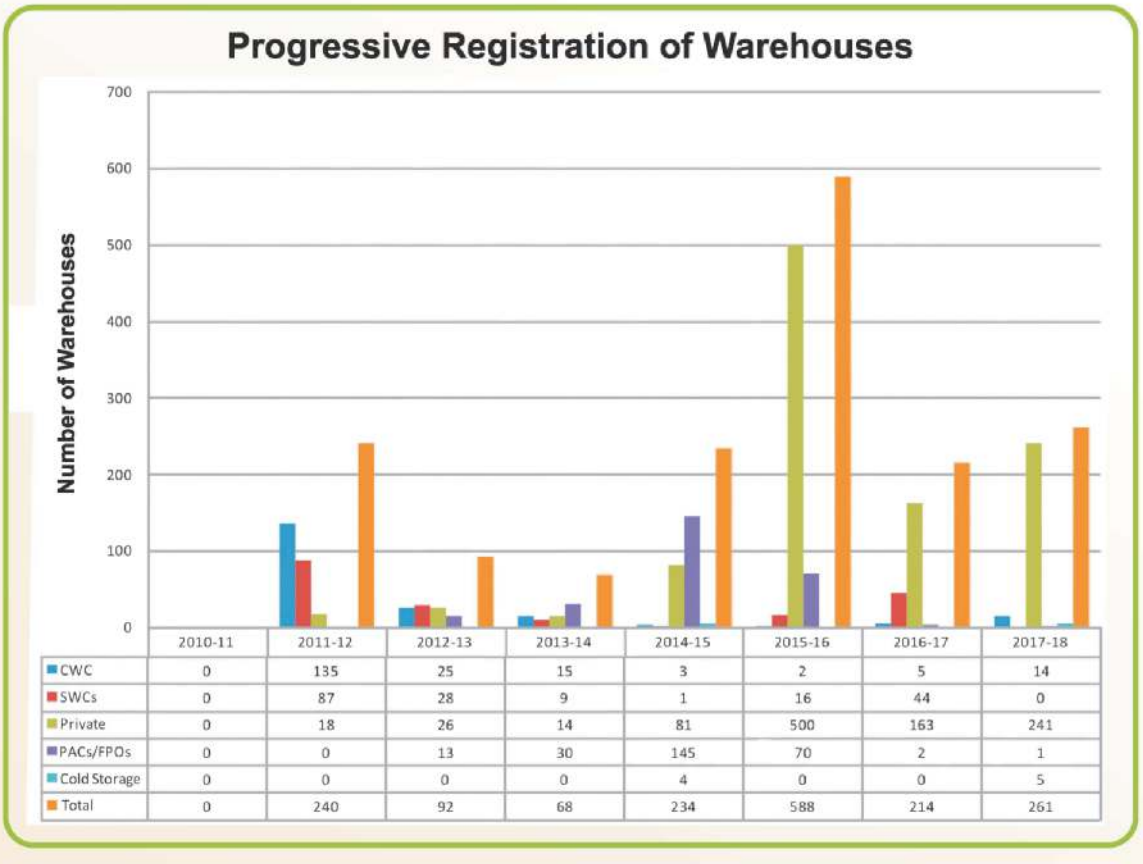
4.8 Registration of warehouses

During the year 2017-18, the Authority registered 261 warehouses in various States and the progressive total number of warehouses registered by the Authority since inception and upto 31.03.2018 was 1697 with an aggregate storage capacity 79.08 lakh MT out of this as on 31.03.2018, 951 warehouse with on aggregate capacity of 54.34 lakh MT remained active. The State-wise and year-wise details of registrations of warehouses are as follows:

Table: 4.6

S. No	State	No. of Warehouses registered							
		2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	Total
1	Andhra Pradesh	45	16	15	19	09	00	03	106
2	Assam	00	03	01	00	00	00	01	05
3	Bihar	00	00	02	00	02	01	02	07
4	Chhattisgarh	00	01	00	00	00	00	00	01
5	Delhi	00	00	00	00	00	00	00	00
6	Gujarat	03	05	02	10	145	22	85	272
7	Haryana	15	00	00	00	08	00	02	25
8	Himachal Pradesh	01	00	00	00	00	00	00	01
9	Jharkhand	00	00	01	00	00	00	00	01
10	Karnataka	00	14	01	03	19	13	09	59
11	Kerala	11	01	08	01	00	01	03	25
12	Madhya Pradesh	17	20	10	53	153	102	41	396
13	Maharashtra	22	14	00	08	56	40	35	175
14	Odisha	01	00	00	00	00	00	00	01
15	Punjab	04	09	00	01	00	00	00	14
16	Puducherry	01	00	00	00	00	00	00	01
17	Rajasthan	48	04	14	10	116	28	67	287
18	Tamil Nadu	52	00	14	128	71	05	03	273
19	Telangana	00	00	00	00	02	00	07	10
20	Uttarakhand	00	00	00	00	00	00	00	00
21	Uttar Pradesh	20	05	00	01	06	01	02	35
22	West Bengal	00	00	00	00	01	01	01	03
	Grand Total	**240**	**92**	**68**	**234**	**588**	**214**	**261**	**1697**

Figure: 4.1



	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
CWC	0	135	25	15	3	2	5	14
SWCs	0	87	28	9	1	16	44	0
Private	0	18	26	14	81	500	163	241
PACs/FPOs	0	0	13	30	145	70	2	1
Cold Storage	0	0	0	0	4	0	0	5
Total	0	240	92	68	234	588	214	261

4.9 Progress of online registration of warehouses

After the launch of online registration of warehouses from November 1, 2017, no paper based applications for registration are being accepted. After resolving the issues emerging out of feedback received from the users the process has picked up. Month-wise progress of online registration is given as under:-

Figure: 4.2

4.10 Renewal of registration of warehouses

During the year 2017-18 registration of 95 warehouses were renewed. State wise and Agency wise details are as follows:

Table: 4.7

S. No.	Name of State / UT	Agency	No. of renewal of registration
1.	Tamil Nadu	Central Warehousing Corporation	17
2.	Karnataka		06
3.	Kerala		04
4.	Tamil Nadu	Farmer Producer Organisation	01
5.	Rajasthan	Private Sector	25
6.	Gujarat		07
7.	Maharashtra		11
8.	Uttar Pradesh		02
9.	Madhya Pradesh		21
10.	Andhra Pradesh		01
Total			95

4.11 Online renewal of registration of warehouses

The online process for renewal of Registration, Modification of Registration Certificate and updation of various regulatory information pertaining to the warehousemen and the warehouses has been developed and made operational from March 19, 2018. From this date onwards no paper based i.e. physical application is being accepted for the purpose of renewal of registration, modification of registration certificate and updation of regulatory information pertaining to warehousemen/warehouses and all such applications are being made only online.

4.12 Monitoring and surveillance of warehouses

The Authority has established an inspection system for registered warehouses with following objectives:

i. To ensure that the infrastructure, operational procedures and other provisions prescribed under the Warehousing (Development and Regulations) Act, 2007 the rules and regulations, and those as checked by the Inspection Agencies (IAs) at the time of registration of warehouses are met and are subsequently followed by the registered warehouses.

ii. To protect the integrity of negotiable warehouse receipts.

Besides the Inspecting Officers (IOs) of the IAs, officers of the Authority also inspect some warehouses under certain special circumstances.

For the purpose, the Authority has developed a comprehensive guidelines for Inspection and specified the following criteria for the selection/ empanelment of inspection agencies:

a. The inspection agency shall be independent of the warehouse inspected.

b. Staff of Inspection Agency responsible for carrying out the inspection shall not have any employment and commercial interest relationship for last two years prior to inspection.

c. Inspection Agency and its staff shall not engage in any activities that may conflict with their independence of judgment and integrity in relation to their inspection activities. In particular they shall not become directly involved in the management of competitive warehouse

d. The procedures under which the body operates shall be administered in a non-discriminatory manner.

4.13 Empanelment of inspection agencies

After following a transparent process of inviting applications, its scrutiny and shortlisting of eligible organizations six inspection agencies were shortlisted for empanelment as an inspection agency with the Authority to undertake physical (pre-registration) inspections, general inspection and any other type of inspection defined in the empanelment guidelines. These empanelled inspection agencies have adequate number of inspecting officers who fulfil the eligibility criteria specified by the Authority. The entire process of allocating inspection to the inspection agency and the inspecting officer is made online. The inspection reports are also filled online and can be submitted from venue of inspection itself. This has drastically reduced the time taken in the inspection of warehouses which have applied for WDRA registration. Details of the empanelled inspection agencies is given as under:

4.14 List of empanelled Inspection Agencies-

(1). True Quality Certifications Private Limited, 210, Sai Ram Plaza 63 Mangal Nagar, Bhawarkuan AB Road, Indore – 452001.

(2) SSRA & Company, M-13, LGF, South Extension, Part -2, New Delhi – 110049.

(3) One Cert International Private Limited, H-08, Mansarover Industrial Area, Mansarovar, Jaipur-302020, Rajasthan.

(4) NABARD Consultancy Services Private Limited, 24, Rajendra Place, NABARD Tower, New Delhi – 110025.

(5) TQ Services Limited, SBU Quality Services Splendid Towers 6th Floor, H. No. 1-8-364, 437, 438 & 455 S.P. Road, Begumpet, Hyderabad – 500016.

(6) National Productivity Council, Utpadakta Bhavan, 5-6, Institutional Area, Lodi Road, New Delhi – 110003.

The Authority pays the following fees to the Inspection Agencies for conducting various types of inspections:

Table: 4.8

Type of Inspection	Fee per inspection for different capacity of warehouses (All inclusive)		
	Up to 10,000 Ton (In Rs)	10,000 Ton -25,000 Ton (In Rs)	Above 25,000 Ton (In Rs)
Physical inspection	10,000	12,500	15,000
General inspection	12,000	17,000	25,000

Note:

1) The Authority shall provide Rs 2,500 extra for warehouse located in the North-Eastern States.

2) If the general inspection consists of only one of the following: (a) physical inspection, (b) SOP inspection, or (c) stock inspection, rates for physical inspection given in this table shall be applicable for payment to the inspection agency.

4.15 Registration of Repositories with the WDRA

WDRA engaged two Repositories for creation and management of electronic Negotiable Warehouse Receipts (eNWRs), namely CDSL Commodity Repository Ltd. (CCRL) sponsored by M/s Central Depository Services Ltd. (CDSL) and National e-Repository Ltd. (NeRL) sponsored by M/s National Commodity and Derivatives ExchangeNCDEX. Core services to be provided by these repositories are as under:

- Enabling safe and accurate creation, maintenance and cancellation of electronic records for eNWR / eNNWR, based on valid authorisation by the account holder.
- Ensure Confidentiality, Integrity, & Availability of all Information related to eNWR.
- Enabling the transfer, pledge or removal of the pledge, e-auction of eNWR.
- Enabling delivery of goods in part or full, underlying the eNWR / eNNWR, through the warehousemen

The Repository system became effective from September 26, 2017. So far 114 eNWRs were issued by these repositories till March 31, 2018 apart from 86139 paper based NWRs.

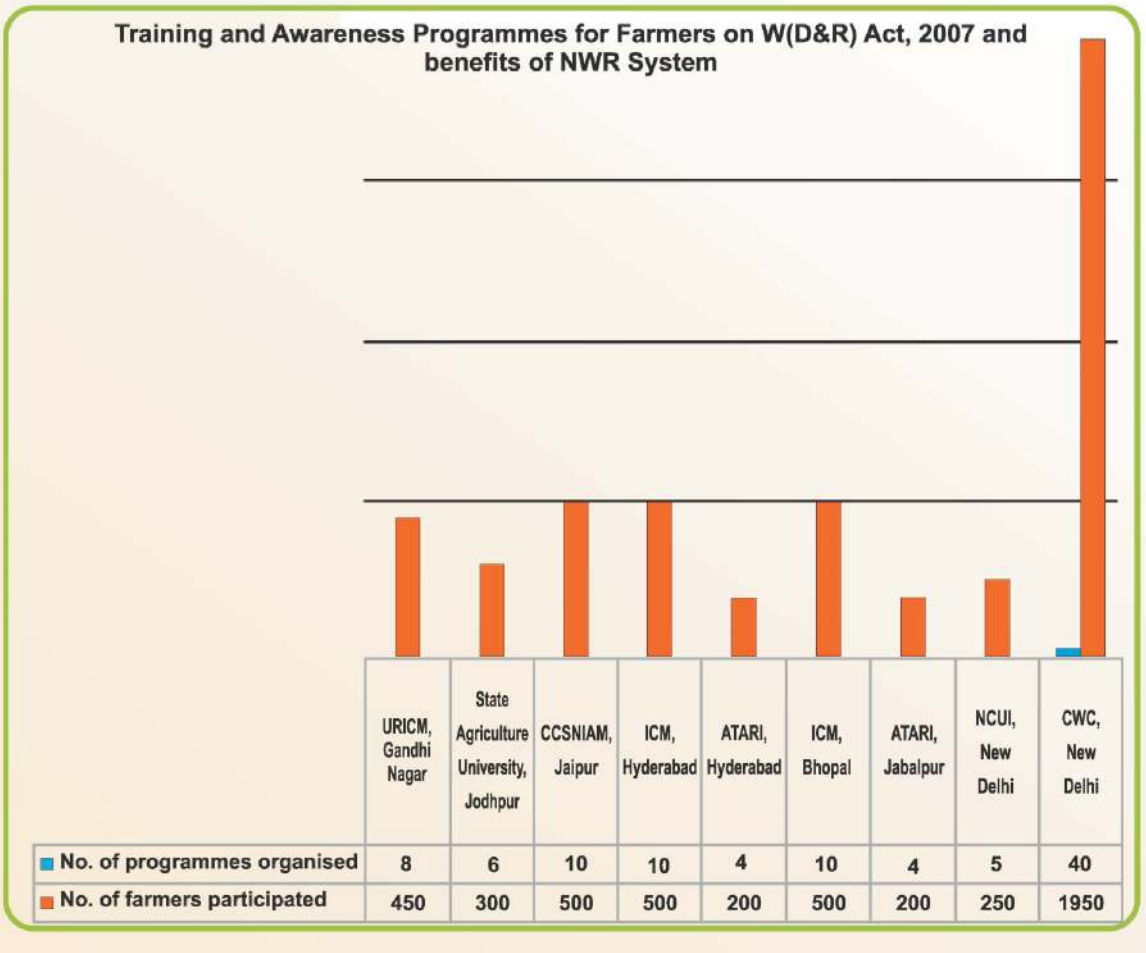
4.16 Capacity Building Programme in the Warehousing Sector

For capacity building in the warehousing sector, training programmes for the Warehousemen of the registered warehouses are being regularly organized by the Authority through various Training Partner institutions. Besides, awareness programmes for farmers/traders/millers on Warehousing (Development and Regulations) Act, 2007 as well as about the benefits of the Negotiable Warehouse Receipt System are also carried out regularly. These programmes were also organised during 2017-18 as per the following details.

4.16.1 Training and awareness programme for farmers on Warehousing (Development and Regulation) Act, 2007 and benefits of NWR system.

During the year 2017-18, the Authority organized 97 one day awareness programme among farmers, traders, millers, etc in 10 States on the benefits of NWRs system. These awareness programmes were organised through various expert institutions like CWC, CCSNIAM, Jaipur, ICM, Bhopal, URICM, Gandhinagar, ICM, Hyderabad, ATARI, Hyderabad and Jabalpur, NCUI, New Delhi and State Agriculture University, Jodhpur. Details of awareness programmes organised during 2017-18 are given below:

Figure: 4.3

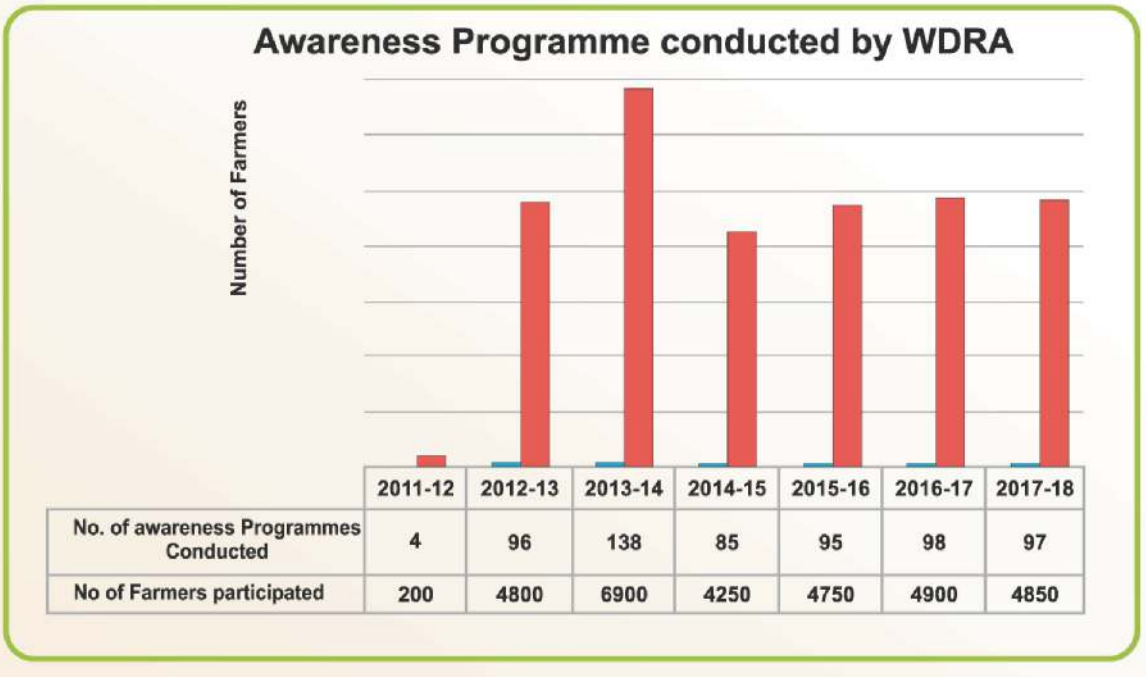


	URICM, Gandhi Nagar	State Agriculture University, Jodhpur	CCSNIAM, Jaipur	ICM, Hyderabad	ATARI, Hyderabad	ICM, Bhopal	ATARI, Jabalpur	NCUI, New Delhi	CWC, New Delhi
No. of programmes organised	8	6	10	10	4	10	4	5	40
No. of farmers participated	450	300	500	500	200	500	200	250	1950

4.16.2 Awareness programme conducted since inception of WDRA:

Progressive achievements under this activity since the inception of the Authority is as follows:

Figure: 4.4



	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
No. of awareness Programmes Conducted	4	96	138	85	95	98	97
No of Farmers participated	200	4800	6900	4250	4750	4900	4850

Farmer Awareness Programme at CW, Chityal, Andhra Pradesh on 24.03.2018 – Farmers being explained about scientific storage of food grains during visit to a warehouse.

4.16.3 Training programs for Warehouse Managers:

During the training programs, the warehouse managers are apprised in detail about the aims, objectives & salient features of the Warehousing (Development and Regulation) Act, 2007, purpose and procedure of accreditation of warehouses, registration of warehouses, scientific storage of agricultural commodities, insect pest management, warehousing management, financing of negotiable warehouses receipts and insurance of warehouses and goods.

A field visit to nearby registered warehouse is also arranged for practical demonstration of grading of agricultural commodities, sampling and preservation of stocks stored in the warehouse. The successful participants are awarded with a certificate from the training organizations.

During 2017-18 five (5) training programme were organised through the CWC (IGMRI, Hapur) and CCSNIAM, Jaipur in which 127 warehouse managers of registered warehouses were trained as detailed below.

Table: 4.9

S. No.	Name of the Institution	Number of programmes organised	Number of warehouse managers trained
1	CCS NIAM, Jaipur	02	55
2	CWC, IGMRI, Hapur	03	72
	Total	**05**	**127**

It is relevant to mention that the Authority provides a budgetary support of Rs. 12,500/- + GST per candidate per training to the partner training institutions.

4.16.4 Warehouse Managers training programmes conducted since inception of WDRA:

Progressing achievement under this activity since inception of the Authority is as follows:-

Table: 4.10

Sl. No.	Year	Name of the Institutions	Number of programmes organized	Number of participants
1.	2011-12	NIAM, Jaipur	02	65
2.	2012-13	Dr. MCR Institute, Hyderabad; and NIAM, Jaipur	04	131
3.	2013-14	Dr. MCR Institute , Hyderabad, NIAM – Jaipur; and CWC, Hapur	11	414

4.	2014-15	IGMRI, Hapur	10	354
5.	2015-16	CCSNIAM, Jaipur (03) and CWC, IGMRI, Hapur (01)	04	96
6.	2016-17	CWC, IGMRI, Hapur (04) and CCSNIAM, Jaipur (04)	08	211
7.	2017-18	CWC, IGMRI, Hapur (03) and CCSNIAM, Jaipur (02)	05	127
	Total		**44**	**1398**

4.17 Training of Inspecting Officers associated with the empanelled Inspection Agencies

4.17.1 The Authority conducted a one day training program on 16th March, 2018 at Hyderabad for its Inspecting Officers (IOs) to make them aware about the new online process of registration. 15 IOs from three empanelled Inspection Agencies participated in the training programme.

Participants of Awareness Programme for Inspection Officers at Hyderabad on 16.03.2018

4.17.2 The Authority also organised one day training programme for the Inspecting Officers (IOs) of Inspecting Agencies on 22nd March 2018 at Central Warehousing Corporation, New Delhi. 31 IOs from 4 empanelled I.As attended the training session.

4.18 Organization of outreach programme for new online processes of registration and regulation of warehouses

4.18.1 The Authority organised a workshop for the officials of CWC and SWCs on 05.01.2018 at O/o WDRA, New Delhi, on "Online registration of warehouses and electronic Negotiable Warehouse Receipt System". 3 Officers from CWC and 16 Officers from SWCs participated in the workshop.

4.18.2 The Authority in association with its repository CCRL also conducted an outreach programme at Indore (MP) on 24th February 2018 for various stakeholders to make them aware about the WDRA's initiative for online warehouse registration and e-NWR ecosystem. About 50 participants from various stakeholders were present in the programme.

Outreach programme of WDRA for various Stakeholders at Indore (Madhya Pradesh) in association with CCRL.

CHAPTER - V

ORGANISATIONAL MATTERS OF WDRA INCLUDING FINANCIAL PERFORMANCE

5.1 Organisational Matters of WDRA:

The **sanctioned** strength of WDRA as well as the posts filled up as on 31st March, 2018 is as under:

Table: 14

S. No.	Designation of posts	No. of posts sanctioned	No. of posts filled up as on 31st March 2018
1	Joint Secretary/Additional Secretary	1	1
2	Director	2	1
3	Under Secretary	2	2
4	Deputy Director	2	-
5	Section Officer	2	1
6	Assistant/Accountant	2	-
7	Principal Private Secretary	1	1
8	Private Secretary	2	1
9	Steno Grade 'D'	1	1
10	Driver	1	1
	Total	**16**	**9**

5.2 Vigilance Overview in the Authority.

The Director (Administration & Finance) is CVO of the Authority. No vigilance case was either contemplated during the year or remained pending in the Authority as on 31.03.2018.

5.3 Implementation of RTI Act, 2005 in WDRA

Shri Ganesh A. Bakade, Director (Administration & Finance) was the CPIO, Shri Rakesh Kataria, Under Secretary (Administration & Finance), was APIO and Smt. Veena Kumari Meena, Joint Secretary, WDRA (05.12.2016 to 05.05.2017), Dr. B.B.Pattanaik, Member, WDRA (17.05.2017 to 13.03.2018), Shri T.K.Manoj Kumar, Additional Secretary, WDRA (14.03.2018 to till date) were the Appellate Authority during the year 2017-18. This information was displayed on the website of the Authority for the information of general public. A total number of 5 references were received and replied under RTI Act in the year 2017-18 and timely information was provided.

5.4 Training of Personnel

The officers and staff of the Authority were imparted training on use of 'e-office' software. The officers and staff were also trained to use the new online portal of the Authority for registration of Warehouses.

5.5 Audited Accounts of WDRA for the year 2017-18

The sanctioned budget of the Authority for 2017-18 was Rs. 1333.51 lakh including Rs. 752.55Lakh which has been carried forward from 2016-17. The actual expenditure was Rs. 1072.36 lakh. The amount unutilized as on 31st march 2018, after including Rs. 26,360/- miscellaneous receipts + Rs. 23,67,305/- as interest on grant receipts was Rs. 2,85,08,134/- which has been carried forward to the next financial year viz. 2018-19. Statement of the Annual Account of the Warehousing Development and Regulatory Authority alongwith the report of the Audit conducted by Comptroller and Auditor General of India through Director General of Audit (Central Expenditure), for the year 2017-18 are annexed at Annexure I and II respectively.

Inspection of a Cotton Warehouse by the Members, of WDRA

Interaction of Members, WDRA with apple growers of Himachal Pradesh at Shimla

Training of Warehouse Manager organised by CWC Chennai Region at Chennai

Training of Warehouse Manager organised by Central Warehousing Corporation, Chennai Region at Chennai from 13th to 17th March, 2018

Launch of eNWR by Shri P.Srinivas, Member, WDRA at Central Warehouse, Vadlamudi (AP)

Launch of eNWR by Dr. B.B.Pattanaik, Chairman (I/c) at Central Warehouse, Trichy (Tamilnadu)

Annexure-I

WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY

ANNUAL STATEMENT OF ACCOUNTS

2017-18

NCUI BUILDING
4TH Floor, 3 Siri Institutional Area
August Kranti Marg, HauzKhas
New Delhi

FORM A

(See Rule 3)

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY

BALANCE SHEET AS ON 31st March 2018

(Amount-Rs.)

CORPUS/CAPITAL FUND AND LIABILITIES	Schedule	Current Year	Previous Year
CORPUS/CAPITAL FUND	1	21,37,85,613	26,40,07,044
RESERVE AND SURPLUS	2	-	-
EARMARKED/ENDOWMENT FUNDS	3	-	-
SECURED LOANS AND BORROWINGS	4	-	-
UNSECURED LOANS AND BORROWINGS	5	-	-
DEFERRED CREDIT LIABILITIES	6	-	-
CURRENT LIABILITIES AND PROVISIONS	7	5,98,18,183	4,15,13,077
TOTAL		**27,36,03,796**	**30,55,20,121**
ASSETS			
FIXED ASSETS	8	19,50,67,303	19,60,34,134
INVESTMENTS - FROM EARMARKED/ENDOWMENTS FUNDS	9	-	-
INVESTMENTS-OTHERS	10	-	-
CURRENT ASSETS, LOANS, ADVANCES ETC.	11	7,85,36,493	10,94,85,987
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		-	-
TOTAL		**27,36,03,796**	**30,55,20,121**
SIGNIFICANT ACCOUNTING POLICIES	24		
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS	25		

Compiled from Books of Accounts By
For Amit Ray & Co.,
CHARTERED ACCOUNTANTS

Amitava Ray
Partner
Membership No. 006947
Firm Registration no. 000483C

Place-New Delhi
Date-13.06.2017

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman I/C
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

FORM 'B'

(See rule 3)

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED ON 31st MARCH ,2018

(Amount- Rs.)

INCOME	Schedule	Current Year	Previous Year
Income from Sales/Services	12	-	-
Grants/Subsidies	13	5,80,95,000	15,00,00,000
Fees/Subscriptions	14	-	-
Income from Investments (Income on Invesment from Earmarked/Endowment Fund transferred to Funds)	15	-	-
Income from Royalty, Publication etc.	16	-	-
Interest Earned	17	23,67,305	40,93,707
Other Income	18	2,13,330	38,02,631
Increase/(decrease) in stock of Finished goods and works-in-progress	19	-	-
TOTAL(A)		**6,06,75,635**	**15,78,96,338**
EXPENDITURE			
Establishment expenses	20	2,78,91,474	2,65,40,572
Other Administrative Expenses etc.	21	6,89,66,854	5,57,04,076
Expenditure on Grants, Subsidies etc.	22	-	-
Interest	23	-	-
Depreciation (Net total at the year-end - corresponding to Scheduled 8)	8	1,40,38,738	39,44,202
TOTAL(B)		**11,08,97,066**	**8,61,88,850**
Balance being excess/(Deficit) of Income over Expenditure (A-B)		**-5,02,21,431**	**7,17,07,488**
Transfer to Special Reserve (Specify each)		-	-
Transfer to /from General Reserve		-	-
BALANCE BEING SURPLUS/(DEFICIT) CARRIED TO CORPUS/CAPITAL FUND		**-5,02,21,431**	**7,17,07,488**
SIGNIFICANT ACCOUNTING POLICIES	24		
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS	25		

Compiled from Books of Accounts By
For Amit Ray & Co.,
CHARTERED ACCOUNTANTS

Amitava Ray
Partner
Membership No. 006947
Firm Registration no. 000483C

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

Place-New Delhi
Date-13.06.2018

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman(I/c)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH ,2018

(Amount- Rs.)

SCHEDULE 1- CORPUS/CAPITAL FUND:	Current Year		Previous Year	
Balance as on the begining of the year	26,40,07,044		19,22,99,556	
Add: Contribution towards Corpus/Capital Fund	-		-	
Add/(Deduct): Balance of net income/(expenditure) transferred from the Income and Expenditure Account	-5,02,21,431	21,37,85,613	7,17,07,488	26,40,07,044
BALANCE AS AT THE YEAR - END		**21,37,85,613**		**26,40,07,044**

(Amount- Rs.)

SCHEDULE 2 - RESERVE AND SURPLUS:	Current Year		Previous Year	
1. Capital Reserve				
As per Last Account	-	-	-	-
Addition During the year	-	-	-	-
Less: Deductions during the year	-	-	-	-
	-	-	-	-
2. Revenue Reserve	-	-	-	-
As per Last Account	-	-	-	-
Addition During the year	-	-	-	-
Less: Deductions during the year		-		-
		-		-
3. Special Reserve				
As per Last Account	-		-	
Addition During the year	-		-	
Less: Deductions during the year	-		-	
		-		-
3. General Reserve				
As per Last Account	-		-	
Addition During the year	-		-	
Less: Deductions during the year	-		-	
		-		-
TOTAL		-		-

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/C)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH ,2018

(Amount- Rs.)

SHEDULE 3-EARMARKED/ENDOWMENT FUNDS	FUND-WISE BREAK UP	TOTAL	
	Fund XX	Current Year	Previous Year
Opening balance of the funds	-	-	-
Addition to the funds :	-	-	-
i. Donations/grants	-	-	-
ii. Income from investment made on account of funds	-	-	-
iii. Other addition	-	-	-
TOTAL (a+b)	-	-	-
(c) Utilization/Expenditure towards objective of funds	-	-	-
(i) Capital Expenditure			
-Fixed	-	-	-
-Others	-	-	-
TOTAL	-	-	-
(ii) Revenue Expenditure			
- Salaries, Wages and allowances etc.	-	-	-
- Rent	-	-	-
- Other Administrative expenses	-	-	-
Total	-	-	-

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

AMIT RAY & CO. Delhi Chartered Accountants

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman I/C
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH ,2018

(Amount- Rs.)

SCHEDULE 4- SECURED LOANS AND BORROWINGS :	Current Year		Previous Year	
1. Central Government		-		-
2. State Government		-		-
3. Financial Institution				
(a) Term Loans	-		-	
(b)Interest accrued and due	-	-	-	-
4. Banks				
(a) Term Loans	-		-	
- Interest accrued and due	-		-	
(b) Other Loans	-		-	
- Interest accrued and due	-	-	-	-
5. Other Institutions and Agencies		-		-
6. Debentures and Bonds		-		-
7. Others		-		-
TOTAL		-		-
Note : Amounts due within one year				

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman I/C
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGUPATORY AUTHORITY SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH ,2018

(Amount- Rs.)

SCHEDULE 5- UNSECURED LOANS AND BORROWINGS:	Current Year		Previous Year	
1. Central Government		-		-
2. State Government		-		-
3. Financial Institutions		-		-
4. Banks				
(a) Term Loans	-		-	
(b) Other Loans	-	-	-	-
5. Other Institutions and Agencies		-		-
6. Debentures and Bonds		-		-
7. Fixed Deposits		-		-
8. Others		-		-
TOTAL		-		-
Note: Amounts due within one year				

(Amount- Rs.)

SCHEDULE 6 - DEFERRED CREDIT LIABILITIES:	Current Year	Previous Year
(a) Acceptance secured by hypothecation of capital equipment and other assets	-	-
(b) Other	-	-
TOTAL	-	-
Note: Amounts due within one year		

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/C)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH ,2018

(Amount- Rs.)

SCHEDULE 7 - CURRENT LIABILITIES AND PROVISIONS	Current Year		Previous Year	
A. CURRENT LIABILITIES				
1. Acceptance	-		-	
2. Sundry Creditors	-		-	
a.) For Goods	-		-	
b.) Others	31,03,778		34,90,111	
3. Advances Received	-		4,500	
4. Interest accrued but not due on:				
(a) Secured Loans/borrowings	-		-	
(b) Unsecured Loans/borrowings	-		-	
5. Statutory Liabilities				
(a) Overdue	-		-	
(b) others (TDS)	20,58,222		6,93,521	
6. Other Current Liabilities (Securities Deposits, Registration Fees & Interest earned thereon, withheld etc.)	5,03,34,888		3,40,84,807	
TOTAL (A)		**5,54,96,888**		**3,82,72,939**
B. PROVISIONS				
1. For Taxation	-	-	-	-
2.Gratuity	1,78,272	-	-	-
3. Superannuation/Pension	-	-	-	-
4. Accumulated Leave Encashment	6,95,216	-	-	-
5. Trade Warranties/Claims	-	-	-	-
6. Others (Unpaid Expenses)	34,47,807	43,21,295	32,40,138	32,40,138
TOTAL (B)		**43,21,295**		**32,40,138**
TOTAL (A+B)		**5,98,18,183**		**4,15,13,077**

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/c)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH ,2018

(Amount- Rs.)

SCHEDULE 8 - FIXED ASSETS		GROSS BLOCK					DEPRECIATION				NET BLOCK	
Description		Cost/valuation as at begning of the year	Additions during the year		Deductions during the year	Cost/valuation at the year end.	As at the begning of the year	Additions during the year	Deductions during the year	Total upto the year - end	As at the Current Period- end	As at the previous year- end
			More than 180 days	Less than 180 days								
A. FIXED ASSETS:												
1. LAND												
a.) Freehold	-	-	-	-	-	-	-	-	-	-	-	-
b.) Leasehold	-	-	-	-	-	-	-	-	-	-	-	-
2. BUILDINGS												
a.) On freehold land	-	-	-	-	-	-	-	-	-	-	-	-
b.) On Leasehold land	56 Years	17,42,00,000	-		-	17,42,00,000	31,10,715	31,10,715	-	62,21,431	16,79,78,570	17,10,89,285
c.) Ownership flats/premises	57	-	-	-	-	-	-	-	-	-	-	-
d.) Superstructures on land not belonging to the entity	40%	-	1,93,57,676	-	-	1,93,57,676	-	77,43,070	-	77,43,070	1,16,14,606	-
3. PLANT MACHINERY & EQUIPMENTS 15%	15%	33,72,886	89,131	14,92,936	11,400	49,43,553	8,51,015	6,21,741	6,840	14,65,916	34,77,637	25,21,871
4. VEHICLES 15% (Car)	15%	7,03,433	-	-	-	7,03,433	6,33,090	70,342	-	7,03,432	1	70,343
5. FURNITURE, FIXTURES 10%	10%	49,75,735	15,526	3,27,806	-	53,19,067	4,34,381	5,18,829	-	9,53,210	43,65,857	45,41,354
6. OFFICE EQUIPMENT 15%	15%	4,17,404	2,49,418	77,881	-	7,44,703	1,92,584	1,08,805	-	3,01,389	4,43,314	2,24,820
7. COMPUTERS/PERIPHERALS 40%	40%	18,37,472	1,63,800	4,38,668	-	24,39,940	17,88,840	1,80,999	-	19,69,839	4,70,101	48,632
8. ELECTRIC INSTALLATION 15%	15%	1,01,256	11,665	9,400	-	1,22,321	1,01,256	3,819	-	1,05,075	17,246	-
9. LIBRARY BOOKS 40%	40%	75,106	8,133	3,890	-	87,129	75,106	6,745	-	81,851	5,278	-
10. TUBEWELLS & W. SUPPLY	5%	-	-	-	-	-	-	-	-	-	-	-
11. OTHER FIXED ASSETS-Softwear	40%	-	-	83,68,366	-	83,68,366	-	16,73,673	-	16,73,673	66,94,693	-
TOTAL of A	-	18,56,83,292	1,98,95,349	1,07,18,947	11,400	21,62,86,188	71,86,987	1,40,38,738	6,840	2,12,18,886	19,50,67,303	17,84,96,305
B. CAPITAL WORK-IN-PROGRESS	-	1,75,37,829	18,19,847	-	1,93,57,676	-	-	-	-	-	-	1,75,37,829
TOTAL	-	20,32,21,121	2,17,15,196	1,07,18,947	1,93,69,076	21,62,86,188	71,86,987	1,40,38,738	6,840	2,12,18,886	19,50,67,303	19,60,34,134

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/C)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH ,2018

(Amount- Rs.)

SCHEDULE 9 - INVESTMENT FROM EARMARKED/ENDOWMENT FUNDS	Current Year	Previous Year
1. In Government Securities	-	-
2.Other approved Securities	-	-
3. Shares	-	-
4. Debentures and Bonds	-	-
5. Subsidiaries and Joint Ventures	-	-
6. Others (Fixed Deposit)	-	-
TOTAL	-	-

(Amount- Rs.)

SCHEDULE 10 - INVESTMENTS - OTHERS	Current Year	Previous Year
1. In Government Securities	-	-
2. Other approved Securities	-	-
3. Shares	-	-
4. Debentures and Bonds	-	-
5. Subsidiaries and Joint Ventures	-	-
6. others	-	-
TOTAL	-	-

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
होज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
होज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डा. बी.बी. पटनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/c)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
होज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH,2018

(Amount- Rs.)

SCHEDULE 11 - CURRENT ASSETS, LOANS, ADVANCES ETC	Current Year		Previous Year	
A. CURRENT ASSETS :				
1. Inventories				
(a) Stores and Spares	6,77,085		1,22,715	
(b) Loose Tools			-	
(c) Stock-in-trade	-		-	
		6,77,085		1,22,715
Finished Goods		-		-
Work-in-progress		-		-
Raw Materials		-		-
2. Sundry Debtors :				
(a) debts Outstanding for a period exceeding six months				
(b) Others		-		-
3. Cash balances in hand (including Cheques/drafts and imprest)	-	-		-
4. Bank Balances :				
(a) With Scheduled Banks :				
-On Current Accounts (Oriental Bank of Commerce)	2,85,08,134		7,52,55,620	
-On Deposit Accounts (includes margin money)				
-On Savings Accounts (Canara Bank)	4,83,87,213	7,68,95,347	3,40,46,318	10,93,01,938
(b) With non- Scheduled Banks :				
-On Current Accounts				
- On Deposit Accounts				
-On Savings Accounts				
5. Post Office- Savings Accounts		-		-
TOTAL (A)		**7,75,72,432**		**10,94,24,653**

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
होज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/c)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
होज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH ,2018

(Amount- Rs.)

SCHEDULE 11 - CURRENT, LOANS, ADVANCES ETC. (Contd.)	Current Year		Previous Year	
B. LOANS, ADVANCES AND OTHER ASSTES				
1. Loans :				
(a) Staff	-		-	
(b) Other Entities engaged in activities/objective similar to that of the Entity	-		-	
(c) Other	-	-	-	-
2. Advances and other amounts recoverable in cash or in kind or for value to be received :				
(a) On Capital Account	-		-	
(b) Prepayments	1,28,996		61,234	
(c) Other	6,03,063	7,32,059	100	61,334
3. Income Accrued :				
(a) On Investment from Earmarked/Endowment Funds	-		-	
(b) On investment - others	-		-	
(c) On Loans and Advances	-		-	
(d) others (includes income due unrealized-)	2,32,002	2,32,002	-	-
4. Claims Receivable		-		-
TOTAL (B)		**9,64,061**		**61,334**
TOTAL (A+B)		**7,85,36,493**		**10,94,85,987**

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Cunsumer Affairs, Foods & Public Distritution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/c)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE PERIOD ENDED ON 31st MARCH ,2018.

(Amount Rs.)

SCHEDULE 12 - INCOME FROM SALES/SERVICES	Current Year	Previous Year
1.) Income from Sales		
(a) Sale of Finished Goods	-	-
(b) Sale of Raw Material	-	-
(c) Sale of Scraps	-	-
2.) Income from Services		
(a) Labour and processing Charges	-	-
(b) Professional/Consultancy Services	-	-
(c) Agency Commission and Brokerage	-	-
(d) Maintenance services (Equipment/Property)	-	-
e.) Others	-	-
TOTAL	-	-

(Amount Rs.)

SCHEDULE 13 - GRANTS/SUBSIDIES (Irrevocable grants & Subsidies Received)	Current Year		Previous Year	
1.) Central Government (Ministry of Consumer Affairs, Food & Public Distribution)				
a) Grant -in-Aid for Salary Head -	15,365,000.00		36,000,000	
b) Grant -in-Aid for General Head-	42,730,000.00	58,095,000	114,000,000	150,000,000
2.) State Government		-		-
3.) Government Agencies		-		-
4.) Institutional Organisations		-		-
5.) International Organisations		-		-
TOTAL		58,095,000		150,000,000

(Amount Rs.)

SCHEDULE 14 - FEES/SUBSCRIPTIONS	Current Year	Previous Year
1.) Entrance Fees	-	-
2.) Annual Fees/Subscriptions	-	-
3.) Seminar/Program Fees	-	-
4.) Consultancy Fees	-	-
5.) Others	-	-
TOTAL	-	-

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman I/C
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE PERIOD ENDED ON 31st MARCH ,2018

(Amount- Rs.)

SCHEDULE 15 - INCOME FROM INVESTMENT	Current Year	Previous Year
(Income on Investment from Earmarked/Endowment funds transferred to funds)		
(1) Interest		
(a) On Government Securities	-	-
(b) Other Bonds/Debentures	-	-
(2) Dividends :		
(a) On Shares	-	-
(b) On Mutual Fund Securities	-	-
(3) Rents	-	-
(4) Others	-	-
TOTAL	-	-
TRANSFER TO EARMARKED/ENDOWMENT FUNDS	-	-

(Amount- Rs.)

SCHEDULE 16 - INCOME FROM ROYALTY, PUBLICATION ETC.	Current Year	Previous Year
1.) Income from Royalty	-	-
2.) Income from publications	-	-
3.) Others	-	-
TOTAL	-	-

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/c)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE PERIOD ENDED ON 31st MARCH ,2018

(Amount- Rs.)

SCHEDULE 17 - INTEREST EARNED	Current Year	Previous Year
(1) On Term Deposits :		
(a) With Schedule Banks		
(b) With Non - Schedule Banks	-	-
(c) With Institutions	-	-
(d) Other	-	-
(2) On Saving Accounts :		
(a) With Schedule Banks	23,67,305	40,93,707
(b) With Non - Schedule Banks	-	-
(c) Post Office Svings Accounts	-	-
(d) Other	-	-
(3) On Loans :		
(a) Employee/Staff	-	-
(b) Others	-	-
4.) Interest on Debtors and Other (From current Account)	-	-
TOTAL	**23,67,305**	**40,93,707**

(Amount -Rs.)

SCHEDULE 18 - OTHER INCOME	Current Year	Previous Year
(1) Profit on Sale/disposal of Asstes :		
(a) Owned asstes	-	-
(b) Assets acquired out of grants, or received free of cost	-	-
2.) Export Incentives realized	-	-
3.) Fees for Miscellaneous Services	-	-
4.) Miscellaneous Income	2,13,330	38,02,631
TOTAL	**2,13,330**	**38,02,631**

Compiled from Books of Accounts By

Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/C)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE PERIOD ENDED ON 31st MARCH ,2018

(Amount- Rs.)

SCHEDULE 19 - INCREASE/(DECREASE) IN STOCK OF FINISHED GOODS & WORK IN PROGRESS	Current Year	Previous Year
(a) Closing Stock	-	-
- Finished Goods	-	-
- Work -in- progress	-	-
(b) Less : Opening Stock	-	-
- Finished Goods	-	-
- Work -in- progress	-	-
NET INCREASE/(DECREASE) (a-b)	-	-

(Amount- Rs.)

SCHEDULE 20 - ESTABLISHMENT EXPENSES	Current Year	Previous Year
(a) Salaries and Wages	2,17,34,428	1,75,66,543
(b) Allowances and Bonus	24,27,028	49,11,586
(c) Contribution to Provident Fund	1,05,680	4,02,833
(d) Contribution to Other Fund	-	-
(e) Staff Welfare Expenses (Medical Facility)	2,04,963	3,68,779
(f) Expenses on Employee's Retirement and terminal BenefitsA	21,23,547	15,63,948
(g) Others (Deputation Expenses, Leave Encashment, Leave Salary contribution, Leave Travel Concession etc.)	12,95,828	17,26,883
(h) Other expenses		
TOTAL	**2,78,91,474**	**2,65,40,572**

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/C)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE PERIOD ENDED ON 31st MARCH,2018

(Amount- Rs.)

SCHEDULE 21 - OTHER ADMINISTRATIVE EXPENSES ETC.	Current Year	Previous Year
(a) Purchases	-	-
(b) Labour and Processing Expenses	-	-
(c) Cartage and Carriage Inwards	-	-
(d) Electricty & Water Charges	12,62,134	5,79,886
(e) Insurance	14,746	9,817
(f) Repairs and Maintenance	53,59,353.00	3,02,597
(g) Office Expenses	7,91,169	16,11,944
(h) Rent, Rates and Taxes	6,09,565	42,75,681
(i) Vehicles, Running and Maintenance	1,74,209	69,808
(j) Postage, Telephone and Communication Charges	9,07,050	4,62,746
(k) Printing and Stationery	7,07,606	6,87,737
(l) Travelling and Conveyance Expenses	18,30,459	8,40,465
(m) Expenses on Training & Awareness Programme /Seminar & Work Shop	65,71,424	73,24,464
(n) Subscription Expenses	-	-
(o)Sponshorship Fees	-	-
(p) Auditors Remuneration	1,50,000	1,50,000
(q) Expense on system Inspection of warehouse	43,88,124	4,87,784
(r) Professional Charges	1,14,74,831	16,11,940
(s)Provision for Bad and Doubtful Debts/Advances	-	-
(t) Irrevocable Balance Written- Off	-	-
(u) Studies:-		
Technical Study	-	-
Transformation Plan for WDRA	2,67,74,991	3,39,63,201
(v) Foundation day Celebration Expenses	-	-
(w) Data entry operator expense	44,84,258	25,51,077
(x) Advertisement and Publicity	34,03,488	6,60,557
(y) Other Expenses	63,447	1,14,372
TOTAL	**6,89,66,854**	**5,57,04,076**

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/C)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE PERIOD ENDED ON 31st MARCH ,2018

(Amount- Rs.)

SCHEDULE 22 - EXPENDITURE ON GRANTS SUBSIDIES ETC.	Current Year	Previous Year
(a) Grants given to Institution/ Organisations	-	-
(b) Subsidies given to Institution/ Organisations	-	-
TOTAL	-	-

(Amount- Rs.)

SCHEDULE 23 - INTEREST	Current Year	Previous Year
(a) On Fixed Loans	-	-
(b) On Other Loans (including Bank Charges)	-	-
(c) others	-	-
TOTAL	-	-

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

AMIT RAY & CO. New Delhi Chartered Accountants

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/C)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH 2018.

SCHEDULE 24 – SIGNIFICANT ACCOUNTING POLICIES

1. ACCOUNTING CONVENTION

i. The financial statements have been prepared in the prescribed form of Accounts as per the Warehousing (Development and Regulatory) Authority Annual Statement of Accounts and Records Rules, 2010.

ii. Accounts have been prepared on accrual basis for the current year i.e. 2017-18.

2. INVENTORY VALUATION

Stores and spares (including machinery spares) are valued at cost.

3. FIXED ASSETS

Fixed assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental and direct expenses related to acquisition.

4. DEPRECIATION

1. Depreciation is provided on straight line method as per rates specified in the Income Tax Act, 1961 except depreciation on cost adjustments arising on account of conversion of foreign currency liabilities for acquisition of fixed assets, which is amortized over the residual life of the respective assets.
2. Assets costing Rs. 5,000 or less each are fully provided.

5. GOVERNMENT GRANTS/SUBSIDIES

Government grants/subsidies are accounted on realization basis.

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/C)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED ON 31ST MARCH 2018.

SCHEDULE 25 – NOTES TO ACCOUNTS

1. As per Section 49 of Warehousing (Development and Regulation) Act, 2007,the Warehousing Development and Regulatory Authority is not liable to pay wealth-tax, income tax or any other tax in respect of their wealth, income, profits or gains derived

2. Section 37 of the Warehousing (Regulatory and Development) Act, 2007 provides that there shall be constituted a fund to be called the Warehousing Development and Regulatory Authority Fund and all Central Government grants, fees, charges received by the Authority, all sums received by the Authority from such other sources as may be decided by the Central Government, and all sums realized by way of penalties under this Act shall be credited thereto. However as per accounting procedure advised by Office of Controller General of Accounts (CGA) and concurred by the Office of the Comptroller and Auditor General of India (CAG) of India, all receipts of Authority will be credited to the minor head "105-Warehousing Development and Regulation receipts" new (minor head) below the Major Head "0408-Food Storage and Warehousing". The above accounting procedure is not in tune with the provisions of Act. The amount received by the Authority against all receipts including Fee and Security Deposit from the warehouses and accreditation agencies, interest earned from Canara Bank etc. are being deposited in Canara Bank account and has been recorded under the Head 'Current Liabilities'.

3. The amount received on account of registration fee, security deposit, accreditation/inspection agency registration money/security deposit, interest on Canara Bank, receipts from issue of NWR books, renewal fee etc. have been shown under the heading 'any other receipt' in the Receipts and Payments account.

4. The Warehousing Development and Regulatory Authority has written to the Department to enquire from the Ministry of Finance and the Ministry of Corporate affairs about the deposit of receipts of the SEBI, IRDA, PFRDA and CCI in the funds created at the Authority level. It was also requested that rather than insisting WDRA to deposit all the receipts in the Government Accounts (Consolidated Fund of India), Department may take up with CGA/CAG for creation of WDRA Fund and deposit of all receipts in it as per the provision of the Act. The Department was also advised to take legal opinion on this matter. The Department had not concurred to it comparing WDRA with constitutional bodies such as Office of CAG, Supreme Court, UPSC etc. WDRA has again requested the department of Food & PD to reconsider the matter and take up with the Department of Economic Affairs since the constitutional bodies with which the WDRA has been compared enjoy specific provisions under Article 112 and 315 of the Constitution of India of having their expenditure charged on the consolidated Fund of India. As such, their autonomy is different and protected under these articles of the Constitution of India.

The reply of the Department is awaited.

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Food & Public Distribution
होज खास, नई दिल्ली-110016

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
होज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member (In-charge Chairman)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
होज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

5. Stores and spares in Inventories of Current Assets in Schedule 11 –Current Assets, Loan advances etc., represent the cost of stationary & Negotiable Warehouse Books.

6. Capital Expenditure on purchase of the fixed assets made in connection with the discharge of the function of the authority has been shown as utilization of fund in Utilization Certificate whereas it is kept as fixed assets in the books of Account and depreciation is charged to Income & Expenditure Account.

7. Amount received as Grants-in-Aid from Ministry of Consumer Affairs, Food & Public Distribution, Department of Food & Public Distribution, Government of India, is accounted under the head Grant/Subsidies. Surplus/Deficit of Income over revenue expenditure is transferred to Corpus/Capital Fund.

8. The Accounts are maintained on accrual basis of Accounting whereas Receipts & Payments account is prepared as per Cash Basis. The difference in Establishment & Administrative Expense of Income & Expenditure Account and Receipts & Payment Account is due to payment yet to be made.

Establishment Expenses

Particular	For the Year 2017-18	For the Year 2016-17
Establishment Expenses (As Per Schedule 20)	2,78,91,474.00	2,65,40,572.00
Less:- Closing Establishment Liabilities	28,95,098.00	31,28,469.00
Less:-Opening Establishment Assets	NIL	NIL
Net Payment	**2,49,96,376.00**	**2,34,12,103.00**

Administrative Expenses

Particular	For the Year 2017-18	For the Year 2016-17
Administrative Expenses (As Per Schedule 21)	6,89,66,854.00	5,57,04,076.00
Less:- Closing Administrative Liabilities	59,42,611.00	35,59,759.00
Less:-Opening Administrative Assets	1,83,949.00	4,73,748.00
Net Payment	**6,28,40,294.00**	**5,16,70,569.00**

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/C)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

9. Warehousing Development and Regulatory Authority (WDRA) has entered into Memorandum of Understanding (MOU) with National Cooperative Union of India (NCUI) for taking office premises on lease of 56 years (from the date of occupying) on the 4th Floor of NCUI building at 3, Siri Institutional Area, August Kranti Marg, New Delhi-110016. WDRA has paid a sum of Rs.17.42 Crore. Out of the Rs 17.42 Crore, Rs. 11.32 Crore has been contributed to Corpus fund for Agricultural Development through Cooperatives and Rs.6.10 crore is paid as lease premium.

10. As per Memorandum of Understanding (MOU), it is agreed between the parties that if the period of tenancy is reduced/ shortened (from the agreed period of 56 years) on account of inability or refusal to obtain permission of Income Tax Authorities, Delhi Development Authority or failure/ refusal of Registration of the Lease Deed or for any other reason whatsoever, then in the said eventuality, the National Cooperative Union of India (NCUI) shall pay to the Warehousing Regulatory and Development Authority (WDRA) by way of refund of total amount paid, the sum equivalent to the unexpired lease period in the worksheet, as per the sheet attached with Memorandum of Understanding (MOU).

11. Provisions for Gratuity and Leave Encashment in respect of regular employees have been made on the basis of actuarial certificate/ report of LIC. Assumption considered in valuation are as under:-

1. Membership Data	
Number of Members	2
Average age	48
Average Monthly Salary	65152.5
Average Past Service	1.5
2. Valuation Method	Projected Unit Credit Method
3. Actuarial Assumption	
Mortality Rate	LIC(2006-08) Ultimate
Withdrawal Rate	1% to 3% depending on age
Discount Rate	8% p.a.
Salary Escalation	7%
Benefit Value (Gratuity ceiling)	Rs. 20,00,000

12. The assets depreciated fully in the previous years have been reinstated with Rs. 1/- each asset as written down value (WDV) to recognise in the books in compliance to Audit observation.

13. Interest earned as per Schedule 17 is interest received in the bank account maintained with the Oriental Bank of Commerce Bank.

14. Opening balances/ Corresponding Figures for previous year have been regrouped/ rearranged/ re-cast wherever necessary.

राकेश कटारिया/RAKESH KATARIA
Under Secretary

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भंडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डा. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/c)
भंडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

FORM C

(See rule 3)

THE WAREHOUSING DEVELOPMENT AND REGULATORY AUTHORITY RECEIPTS AND PAYMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2018

RECEIPTS	Current Year	Previous Year	PAYMENTS	Current Year	Previous Year
I. Opening Balances			**I. Expenses**		
a) Cash in hand	-	-	a) Establishment Expenses (Corresponding to Schedule 20)**	2,49,96,376	2,34,12,103
b) Bank Balances			b) Administrative Expenses (Corresponding to Schedule 21)**	6,28,40,294	5,16,70,569
i) In current accounts(OBC)	7,52,55,620	5,01,97,226			
ii) In deposit accounts	-	-	**II. Payments made against funds for various projects**		
iii) Saving accounts (Canara Bank)	3,40,46,317	2,92,22,020	(Name of the fund or project should be shown along with the particulars of payments	-	-
II. Grants Received			**III. Investments and deposits made**		
a)From Govt of India	5,80,95,000	15,00,00,000	a) Out of Earmarked/Endowment Funds	-	-
b)From State Govt. (s)	-	-	b) Out of Own Funds (Investments-Others)	-	-
c) From other sources (details)	-	-			
(Grants for capital & revenue expenditure to be shown			**IV. Expenditure on Fixed Assets and Capital Work-in-Progress**		
			a) Purchase of Fixed Assets	1,09,59,764	3,06,18,519
III. Income on Investment From			b) Expenditure on Capital Work-in-Progress	-	1,75,37,829
a) Earmarked/Endowment funds	-	-			
b) Own Funds (Others Investment)	-	-	**V. Refunds of Surplus Money/Loans**		
			a) To the Govt. Of India b) To the State Govt	-	-
IV. Interest Received					
a) On Bank Deposits	23,67,305	40,93,707	**VI. Finance Charges (Interest)**	-	-
b) Loans, Advances etc	-	-			
			VII. Other Payments (Opening Creditors, Consumable, Refund of Security Deposit, Refund of Registration fee)		
V. Other Income					
-Receipts from issue of NWR Books	-	2,71,600	-Advance Payment	7,32,059	61,334
-Receipt from department of fertilizer	-	-	-Refund of Security Deposit	1,53,625	3,46,240
-Tender fee	-	50,300	-Refund of Registration Fee	85,000	15,200
-Recoveries from staff	3,155	300	-Stock of Consumable Books	6,13,444	18,000
-Others	2,10,175	16,470	-Stock of Stationery	63,641	1,04,715
-Refund of Advances (LTC & Temp)	-	68,500	-Payment to Opening Statutory Liabilty (TDS)	7,23,324	6,03,493
			-Payment to Other Opening Current Liability	66,73,373	56,79,640
VI. Amount Borrowed			-Refund of Security Deposit (M/s Sybex Computer)	-	50,000
			-Refund of Registration Renewal Fee	75,599	
VII. Any Other Receipts * (Registration fees, Security Deposits etc)					
-Registration Fee	1,12,35,000	18,61,072	**VIII. Closing Balances**		
-Security Deposit	-	16,72,692	a) Cash in Hand		
-Stale Cheques	3,000	-	b) Bank Balances		
Application Fees Repository	2,00,000	-	i) In current Accounts (OBC)	2,85,08,134	7,52,55,620
-Interest on Canara bank	17,49,752	12,08,092	iii) In Deposits Accounts(Fixed Deposit)	-	-
-Renewal fee for Registration	13,35,000	4,42,102	iii) Saving Accounts (Canara Bank)	4,83,87,213	3,40,46,317
-Security Deposit (Travel Agency)	-	5,000	iv) Cheques in Hand	-	-
-Receipt from NCDC Topic institute	-	2,52,500			
-Empanelment of Inspection Agency	1,50,000	-			
-Misc Receipts	2,621	-			
-Receipts from issue of NWR Books	1,58,900	-			
-Refund from Rajender Beri	-	58,000			
		-			
Total	**18,48,11,846**	**23,94,19,580**		**18,48,11,846**	**23,94,19,580**

Compiled from Books of Accounts By
Amit Ray & Co.,
CHARTERED ACCOUNTANTS

राकेश कटारिया/RAKESH KATARIA
अवर सचिव (प्र. एवं वि.)/Under Secretary (A&F)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
(भारत सरकार)/(Government of India)
उपभोक्ता मामले, खाद्य एवं सार्वजनिक वितरण मंत्रालय
Ministry of Consumer Affairs, Foods & Public Distribution
हौज खास, नई दिल्ली-16/Hauz Khas, New Delhi-16

*Refer Note no. 2 of Sechdule 25
**Refer Note no. 8 of Sechdule 25

पी. श्रीनिवास
P. SRINIVAS
सदस्य/Member
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

डॉ. बी.बी. पट्टनायक
Dr. B.B. PATTANAIK
सदस्य/Member and Chairman (I/C)
भांडागारण विकास और विनियामक प्राधिकरण
Warehousing Development and Regulatory Authority
भारत सरकार/Government of India
हौज खास, नई दिल्ली-110016
Hauz Khas, New Delhi-110016

Annexure-II

Separate Audit Report of the Comptroller & Auditor General of India on the Accounts of the Warehousing Development and Regulatory Authority for the year ended 31 March 2018

We have audited the attached Balance Sheet of the Warehousing Development and Regulatory Authority (WDRA) as at 31 March 2018, Income & Expenditure Account and Receipts & Payments Account for the year ended on that date under Section 19(2)of the Comptroller & Auditor General's (Duties, Powers & Conditions of Service) Act, 1971 read with Section 38(2) of Warehousing (Development and Regulation) Act, 2007 (37 of 2007). These financial statements are the responsibility of the WDRA's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. This Separate Audit Report contains the comments of the Comptroller and Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules & Regulations (Propriety and Regularity) and efficiency-cum-performance aspects etc., if any, are reported through Inspection Reports/CAG's Audit Reports separately.

3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidences supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

4. Based on our audit, we report that:

(i) 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;

(ii) The Balance Sheet, Income & Expenditure/Receipts & Payments Account dealt with by this report have been drawn up in the format prescribed by the Government of India, Ministry of Finance except for our observation at paragraph C.1;

(iii) In our opinion, proper books of accounts and other relevant records have been maintained by WDRA as required under Section 38(1) of Warehousing (Development and Regulation) Act, 2007 in so far as it appears from our examination of such books.

(iv) We further report that:

A. Balance Sheet:

A.1 Liabilities

A.1.1 Current Liabilities and Provisions (Schedule-7): Rs. 5.98 crore

A.1.1.1 Unspent amount of grant amounting to Rs. 2.85 crore[1] for the year ended 31 March 2018 was not shown as refundable to the Ministry. This had resulted in understatement of Current Liabilities and overstatement of Capital Fund by the like amount.

B. Income & Expenditure Account:

Income-Grant and subsides Rs. 5.81 crore (Schedule 13)

B.1 WDRA purchased fixed assets amounting to Rs. 1.31 crore (Schedule-8) during the year 2017-18. Capital expenditure amounting to Rs. 1.31 crore on account of acquisition of these fixed assets was not reduced from the grants shown in the Income & Expenditure account (Schedule-13). This had resulted in overstatement of income and Capital/Corpus Fund by the like amount.

Expenditure –Establishment Expenditure Rs. 2.79 crore

B.2 WDRA made a provision of Rs. 0.16 crore towards salary payable to five of its senior officers for the month of March 2017 in their accounts for 2016-17. However, it failed to account for Rs. 0.09 crore payable towards pension contribution (by WDRA) and recovery of HRA (payable to Directorate of Estate) in the journal entry passed in March 2017. As a result, WDRA had to book the amount of Rs. 0.09 crore to the expenditure in the accounts of 2017-18. This caused overstatement of current year's expenditure and understatement of prior period expenditure by this amount.

C. General:

C.1 As per Notes to Accounts (Schedule-25), the amount of fee and security deposit received from the warehouses and accreditation agencies are being deposited in a bank account and the amount and interest thereon has been recorded under the Head 'Current Liabilities'. As per Receipts & Payments Account, the balance in this account is Rs. 4.84 crore, whereas, the liabilities on this account have been depicted as Rs. 5.03 crore. The difference of Rs. 0.19 crore needs to be reconciled.

C.2 WDRA held bank guarantees and FDRs worth Rs. 22.07 crore submitted by various agencies towards performance guarantee, earnest money deposits, etc. as on 31st March 2018. Though this amount was not liable to be taken in the annual accounts of WDRA but the fact of holding of instruments carrying such a substantial value should be disclosed in the Notes to Accounts.

C.3 No provision for retirement benefits has been made in the accounts in contravention of Accounting Standard 15 issued by ICAI.

---

[1] Total unspent amount of Rs. 7.69 crore (-) Rs. 4.84 crore shown as liabilities = Rs. 2.85 crore.

D. Grants-in-aid:

The details of grants-in-aid received by WDRA from Ministry of Consumer Affairs, Food & Public Distribution and utilization thereof for the year 2017-18 are given below:

(Rs. in crore)

Particulars	Total
Grants in Aid received during the year	5.81
Unspent balance of previous year	10.93
Miscellaneous receipts during the year	1.74
Total available fund	18.48
Expenditure during the year	10.79
Unspent balance	7.69

Thus, WDRA had unspent balance of Rs. 7.69 crore at the end of the financial year.

E. Management Letter: Deficiencies which have not been included in the Audit Report have been brought to the notice of the WDRA through a management letter issued separately for remedial/corrective action.

v. Subject to our observations in the preceding paragraphs, we report that the Balance Sheet, Income & Expenditure Account and Receipts & Payments Account dealt with by this report are in agreement with the books of accounts.

vi. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and Notes on Accounts and subject to the significant matters stated above and other matters mentioned in Annexure to this Audit Report give a true and fair view in conformity with accounting principles generally accepted in India;

a. In so far as it relates to the Balance Sheet, of the state of affairs of the Warehousing Development and Regulatory Authority as at 31 March 2018; and

b. In so far as it relates to Income and Expenditure Account of the Deficit for the year ended on that date.

For and on behalf of C& AG of India

Addl. Dy. C&AG(CE)

Place: New Delhi
Date: 16.11.2018

Annexure

1. **Adequacy of internal audit system**

   The internal audit of WDRA has been conducted up to 2015-16 by the Internal Audit Wing of Chief Controller of Accounts, Department of Food and Public Distribution. Hence internal audit is needs to be strengthened as audit was not conducted up-to-date.

2. **Adequacy of internal control system**

   a. Cash book account though being prepared from this year, was not been maintained properly as signatures of the cashier or DDO had not been made on any of the entry. Further, no surprise check of the cash balance had been conducted and certificate recorded by WDRA. Management has stated that there is hardly any cash transaction in WDRA only imprest advance is given and now DDO is signing the Cash register is signed.

   b. Voucher for the month of April 2017 were not maintained properly. Amounts mentioned on physical vouchers differed from those entered in ledgers, bank payment slips had not been attached in case of remittances, signatures of officer-in-charge of Accounts had not been recorded on some vouchers and stock entry on the vouchers were also not made in most of the cases.

   c. 8 audit paras of inspection report for the period from 2011-12 to 2015-16 were outstanding. However, replies to these paras have been furnished by WDRA to Audit.

   Thus, the Internal Control System of WDRA needs to be strengthened.

3. **System of physical verification of fixed assets**

   The physical verification of fixed assets had been conducted for the year 2017-18.

4. **System of physical verification of inventory**

   The physical verification of Books & Publication, stationery and consumables, etc. had been conducted for the year 2017-18.

5. **Regularity in payment of statutory dues**

   No Payment over six month in respect of statutory dues like Income Tax, Sales Tax, Service Tax, Custom Duty, Cess, contributory provident fund (CPF) and employee's state insurance were outstanding as on 31.03.2018.

Annexure-III

Warehousing Development and Regulatory Authority

Reply/comments of WDRA on the Separate Audit Report of the CAG on the Accounts for the financial year ended 31.3.2018

Observation No.	Audit Observations	Reply to Audit Observations
A. Balance Sheet: A.1 Liabilities A.1.1 Current Liabilities and Provisions (Schedule-7): Rs. 5.98 crore	**A.1.1.1** Unspent amount of grant amounting to Rs.2.85 crore1 for the year ended 31 March 2018 was not shown as refundable to the Ministry. This had resulted in understatement of Current Liabilities and overstatement of Capital Fund by the like amount. 1 Total unspent amount of Rs. 7.69 crore (-) Rs. 4.84 crore shown as liabilities = Rs. 2.85 crore.	The unspent amount has been intimated to the Ministry vide this office letter No. WDRA/G-28/1/2017-A&F, dated 25.06.2018.The unspent amount of Rs. 2.85 crore was retained as this was the committed expenditure against the milestones under Transformation Plan. Hence it was not treated as a Current liability of the Authority. Rs. 2.85 crore was needed for the planned activities under Transformation plan which are still under implementation and was, therefore, required to be retained. Therefore, there was no increase in current liabilities and decrease in Capital Fund. It may be noted that this Rs. 2,85 crore has since been spent during the current financial year 2018-19.
B. Income & Expenditure Account: Income- Grant and subsidies Rs. 5.81 crore (Schedule 13)	**B.1** WDRA purchased fixed assets amounting to Rs.1.31 crore (Schedule-8) during the year 2017-18. Capital expenditure amounting to Rs. Rs.1.31 crore on account of acquisition of these fixed assets was not reduced from the grants shown in the Income & Expenditure account (Schedule-13). This had resulted in overstatement of income and Capital/Corpus Fund by the like amount.	According to the Warehousing (Development and Regulatory) Authority Annual Statement of Accounts and Records Rules, 2010 notified by the Government, Schedule 13 is regarding Grants/subsidies. As per the Authority's accounting policy, it has been showing total amount of the Grant received from the Ministry under this Schedule. If we reduce the cost of

		fixed asset from Grants received in this Schedule, it would have been against the accounting policy followed by the Authority so far. As per the accounting policy only the non-capital expenditure is shown as expenditure in the Income and Expenditure account and the expenditure on fixed asset becomes a part of excess/ deficit of income over expenditure and it is carried over to corpus/capital fund. Thus it is shown as liability and to balance it, the expenditure on fixed assets is shown under the Asset head. This policy has so far been followed.
Expenditure-Establishment Expenditure Rs. 2.79 crore	**B.2** WDRA made a provision of Rs. 0.16 crore towards salary payable to five of its senior officers for the month of March 2017 in their accounts for 2016-17. However, it failed to account for Rs. 0.09 crore payable towards pension contribution (by WDRA) and recovery of HRA (payable to Directorate of Estate) in the journal entry passed in March 2017. As a result, WDRA had to book the amount of Rs. 0.09 crore to the expenditure in the accounts of 2017-18. This caused overstatement of current year's expenditure and understatement of prior period expenditure by this amount.	An amount of Rs 93,813/- towards Pension contribution (Rs.77,289/-) and Leave salary contribution (Rs.16,524/-) was unpaid as on 31.3.2017 in respect of officers on deputation. The liability for expenses for this amount could not be created inadvertently in the books while finalizing the accounts for the year 2016-17. Thus the same has been accounted for as expenditure during the financial year 2017-18. The audit observation has been noted for strict compliance in future.

C. General:	**C.1** As per Notes to Accounts (Schedule-25), the amount of fee and security deposit received from the warehouses and accreditation agencies are being deposited in a bank account and the amount and interest thereon has been recorded under the Head 'Current Liabilities'. As per Receipts & Payments Account, the balance in this account is Rs. 4.84 crore, whereas, the liabilities on this account have been depicted as Rs. 5.03 crore. The difference of Rs. 0.19 crore needs to be reconciled.	The difference in the balance in the bank account and liabilities relate to the previous years. The difference would be reconciled.
	C.2 WDRA held bank guarantees and FDRs worth Rs. 22.07 crore submitted by various agencies towards performance guarantee, earnest money deposits, etc. as on 31st March 2018. Though this amount was not liable to be taken in the annual accounts of WDRA but the fact of holding of instruments carrying such a substantial value should be disclosed in the Notes to Accounts.	Necessary disclosure will be made in the Notes to Accounts in this regard in future as suggested by Audit.
	C.3 No provision for retirement benefits has been made in the accounts in contravention of Accounting Standard 15 issued by ICAI.	The provision for retirement benefits e.g. Gratuity and Leave Encashment has been made for Rs.4,56,142/- in the books of accounts as per Accounting Standard 15 and shown under Current Liabilities and Provisions (Schedule-7) and also disclosed at sl no. 11 in the Notes to Accounts (Schedule-25). This has been informed to CAG vide letter no. G-25014/1/2018-A&F/2657 dated 22.11.2018.
D. Grants-in-aid:	The details of grants-in-aid received by WDRA from Ministry of Consumer Affairs, Food & Public Distribution and utilization thereof for the year 2017-18 are given below: **Particulars** | **(Rs. in crore)** Grants in Aid received during the year | 5.81	

Unspent balance of previous year	10.93
Miscellaneous receipts during the year	1.74
Total available fund	18.48
Expenditure during the year	10.79
Unspent balance	7.69

Thus, WDRA had unspent balance of Rs. 7.69 crore at the end of the financial year.

These are amounts received by the Authority against registration fees etc. CGA has advised to deposit this amount in CFI, for which we have addressed Government for retaining the same with the Authority for its expenditure as provided under the W(D&R) Act, 2007. These receipts were shown as liability to be refunded to the Government in case it is finally decided to deposit it in Government account/CFI. Hence, the actual unspent balance for previous year (2016-17) from the Grants-in-Aid received is Rs.7.53 crore only.

The accumulated receipts along with interest in Canara Bank is Rs. 4.84 crore for 2017-18 and is considered as liability to be deposited to Government account/CFI in case WDRA's proposal is not accepted. No expenditure is being made from this amount as of now.

During 2017-18, the total receipt of Grants-in Aid was Rs. 5.81 crore. The interest/other receipts were Rs. 0.26 crore during the same year. Adding the carried forward balance of 2016-17 of Rs. 7.53 crore, the total amount with the Authority works out to Rs. 13.60 crore. The expenditure in 2017-18 was Rs. Rs. 10.75 crore. Therefore, the unspent balance was Rs 2.85 crore only as on 31.3.2018 and, placed in the OBC bank.

E. Management Letter	Deficiencies which have not been included in the Audit Report have been brought to the notice of the WDRA through a management letter issued separately for remedial/corrective action.	Matter of fact.
Annexure **1. Adequacy of internal audit system.**	The internal audit of WDRA has been conducted upto 2015-16 by the Internal Audit Wing of Chief Controller of Accounts, Department of Food & Public Distribution. Hence internal audit needs to be strengthened as audit was not conducted up to date.	Matter of fact.
2. Adequacy of internal control system	a. Cash book account though being prepared from this year, was not been maintained properly as signatures of the cashier or DDO had not been made on any of the entry. Further, no surprise check of the cash balance had been conducted and certificate recorded by WDRA. Management has stated that there is hardly any cash transaction in WDRA only imprest advance is given and now DDO is signing the Cash Register. b. Voucher for the month of April 2017 were not maintained properly. Amounts mentioned on physical vouchers differed from those entered in ledgers, bank payment slips had not been attached in case of remittances, signatures of officer-in-charge of Accounts had not been recorded on some vouchers and stock entry on the vouchers were also not made in most of the cases.	a. There is hardly any cash dealing in WDRA. It is only the imprest amount and no other cash is handled. The approval of Competent Authority is being obtained for expenditure from imprest every time. The imprest cash account is submitted through e-office. However, the imprest cash register is now being signed by the cashier and DDO. b. Some of the vouchers during the initial month of April, 2017 were inadvertently not numbered/ re-numbered due to mistake in marking serial number of vouchers. This has been corrected. The signature on the vouchers has also been obtained. The copy of challans towards payment of taxes has been kept in a separate file to have safety of the challans. However, as observed by the audit, a copy of such challans would be attached with the bank withdrawal vouchers in future. The stock entries on the vouchers towards purchase of stock items have now been started on all such vouchers.

	c. 8 audit paras of inspection report for the period from 2011-12 to 2015-16 were outstanding. However, replies to these paras have been furnished by WDRA to Audit. Thus, the Internal Control System of WDRA needs to be strengthened.	c. Matter of fact The internal control system has been strengthened over the period. Since it is a continuous process, audit observations have been noted for more improvement in the internal control system.
3. System of physical verification of fixed assets	The physical verification of fixed assets had been conducted for the year 2017-18.	Matter of fact.
4. System of physical verification of inventory	The physical verification of Books & Publication, stationery and consumables, etc. had been conducted for the year 2017-18.	Matter of fact.

Poster prepared by the Authority highlighting the benefits of warehouse registered with the Authority

WDRA

Warehousing Development & Regulatory Authority

Warehousing Development and Regulatory Authority
4th Floor, NCUI Building, 3, Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi-110016
Tel.: 011-49536496, Fax: 011-26515503, **Website:** www.wdra.gov.in