

2nd **Annual Report** **2012-2013**



RAJASTHAN MEDICAL SERVICES CORPORATION LTD.

(A Government of Rajasthan Undertaking)

Creating history in the service of mankind

Gandhi Block, Swasthya Bhawan, Tilak Marg, C-Scheme, Jaipur



District Drug Warehouse



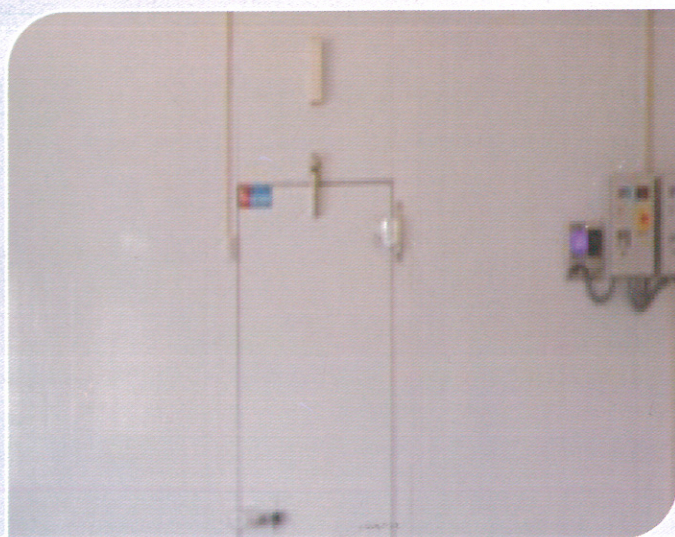
Drug Storage at DDW



Drug Storage at DDW



ILR for Cold Chain Drug Storage



Walk-in-Cooler for Cold Chain Drug Storage



Drug Supply at DDW



ABOUT MUKHYAMANTRI NISHULK DAVA YOJNA

- Mukhyamantri Nishulk Dava Yojna" was launched on 2nd October. 2011. The scheme aims to benefit all the patients coming to government hospitals.
- This ambitious scheme for healthcare sector of the state provide essential medicines free of cost. The entire seven crore population of the state can avail benifit under this scheme. The objective of the scheme is that no human being is deprived of essential medicines.
- Under this scheme, all outdoor and indoor patients visiting Govt. hospitals viz-, medical college attached hospitals, district hospitals, SDH, satellite hospitals, community health centers, primary health centers and sub centers, are provided commonly used essential medicines. Currently over 600 medicines, surgicals & sutures are provided. During the year under review, corporation also procured about 50 types of medical equipments and other hospital supplies.
- Rajasthan Medical Services Corporation has been constituted as a central procurement agency for purchase, storage, supply and issue of medicines, surgicals & sutures, equipments and other hospital supplies for the departments of Medical Health & Family Welfare and Medical Education. RMSC is supplying medicines etc. to all the government health institutions through District Drug Warehouses (DDWs) established in all 33 districts of the State. Besides of, medical equipments and other hospital supplies directly to the consignee medical institutes as per demand.
- The scheme is being implemented through 28 Medical college attached hospitals, 52 DH/SDH/Satellite Hospitals, 543 CHCs , 1880 PHCs, 232 city dispensary, 14,365 Sub-centres & 125 other Medical Institutes i.e about 17,000 outlets.
- Distribution of drugs to patients is ensured through approximately 17000 free Drug Distribution Centres (DDCs) established across all healthcare institutions of the state.
- Quality of drugs procured is ensured by testing each batch of drugs from empanelled drug testing laboratories.

Medicine availability at healthcare institutions

Medical College & attached Hospitals: 450 to 500, District Hospital: 350 to 400

CHCs: 200 to 250, PHC / Dispensary: 150 to 200, Sub-centre: 20 to 30



- Under the scheme medicines for the treatment of critical and severe diseases are also available for example 21 drugs for Cancer, 35 drugs for heart diseases, 13 drugs for Diabetes & 12 drugs for Asthma *etc.*
- Costly medicines are also being made available under the scheme. At present of the total drugs, 45 drugs & 14 Surgical & Suture items are costing more than ₹ 500.
- Number of beneficiaries since the launching of the Scheme are approximately 10.68 crore patients.
- As of now over two lac patients are benefitted every day from the scheme.

IMPACT

- After implementation of scheme, outdoor and indoor patients have been increased significantly at government hospitals.
- Due to implementation of this scheme several youth have got employment. About 1345 Pharmacists and 3500 informatics assistants have been recruited permanently under this Scheme.
- After implementation of the Scheme, number of girl child (upto age of 6 years) coming for treatment to Government Hospitals has been increased significantly. This will help improve gender ratio by aiding "Save the girl child" programme.
- There is huge amount of reduction in out of pocket expenditure in the treatment of common man because now they are getting most of costly medicines free of cost.



Contents

S.No.	Particulars	Page No.
1.	Notice	1-3
2.	Directors Report	4-9
3.	Compliance Certificate	10
4.	Auditors Report	11-13
5.	Annexure to the Auditor's report	14-18
6.	Balance Sheet	19
7.	Statement of Profit & Loss Account	20
8.	Cash Flow Statement	21
9.	Notes to the Financial Statement	22-46
10.	Comments of the C.A.G. of India	47-48



BOARD OF DIRECTORS

(As on 03.09.2013)

Chairman	:	Shri Deepak Upreti, IAS Principal Secretary, Medical Health and Family Welfare
Managing Director	:	Dr. Samit Sharma, IAS Managing Director, RMSCL
Directors	1.	Shri Pradeep Sen, IAS Principal Secretary, Medical Education
	2.	Shri Suresh Chandra Dinkar, IAS Special Secretary, Finance (Expenditure)
	3.	Smt. Gayatri Rathore IAS Mission Director, NRHM
	4.	Shri Ravi Kumar Surpur, IAS Director, IEC
	5.	Dr. Badri Ram Meena Director, Public Health
	6.	Dr. J.P. Singhal Director, RCH
	7.	Dr. S.S. Chouhan Director, AIDS
	8.	Shri Chandra Mohan Agrawal Financial Advisor, Directorate of Medical and Health Services
	9.	Shri S. S. Bohra Financial Advisor, NRHM
	10.	Shri D.K. Shringi Drug Controller, Rajasthan
Executive Director	:	Shri Brijesh Kishore Sharma Executive Director (Finance), RMSCL
Audit Committee	1.	Dr. Samit Sharma Managing Director, RMSCL
	2.	Dr. Badri Ram Meena Director, Public Health
	3.	Shri Chandra Mohan Agrawal Financial Advisor, Directorate of Medical and Health Services
Company Secretary	:	Miss Mamta Agarwal
Statutory Auditor	:	Khandelwal And Co. Chartered Accountants
Registered Office	:	Gandhi Block, Swasthaya Bhawan, Tilak Marg, C-Scheme, Jaipur-302005
Phone No	:	0141-2228066
Fax No	:	0141-2228065
e-mail	:	rmsc@nic.in



Rajasthan Medical Services Corporation Ltd.

Gandhi Block, Swasthya Bhawan, Tilak Marg, C-Scheme, Jaipur
Phone No: 0141-2228062 • Fax No: 0141-2228065 • E-mail : edf-rmsc-rj@nic.in

NOTICE

NOTICE is hereby given that Second Annual General Meeting of the members of Rajasthan Medical Services Corporation Limited will be held on Thursday, the 26th September, 2013 at 11.00 A.M. at its Registered Office at Gandhi Block, Swasthya Bhawan, Tilak Marg, C-Scheme, Jaipur (Rajasthan) to transact the following business :-

Ordinary Business

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2013 and Statement of Profit & Loss for the year ended 31st March, 2013, together with Directors Report, Auditors Report and the Comments of the CAG of India.
2. To consider and pass with & without modification, if any, the following resolution as ordinary resolution :-

"RESOLVED THAT the remuneration of Statutory Auditors M/s Khandelwal & Co., Chartered Accountants, Jaipur for the year ended 31st March, 2013 be and is hereby fixed at ₹ 99,000/- plus service tax as applicable, pursuant to provision of section 224(8) (aa) of Companies Act, 1956"

By Order of the Board


(Dr. Samit Sharma, IAS)
Managing Director

Dated: 03.09.2013
Registered Office
Gandhi Block, Swasthya Bhawan,
Tilak Marg, C-Scheme,
Jaipur (Raj.)

Notes :

1. An Explanatory statement pursuant to provision of section 173(2) of Companies Act, 1956 in respect of item 2 is annexed here to.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the company. The Proxy should be lodged with the company at its registered office not less than 48 hours before the commencement of the meeting.



Rajasthan Medical Services Corporation Ltd.

Gandhi Block, Swasthya Bhawan, Tilak Marg, C-Scheme, Jaipur
Phone No: 0141-2228062 • Fax No: 0141-2228065 • E-mail : edf-rmsc-rj@nic.in

NOTICE

NOTICE is hereby given that abjourned Second Annual General Meeting of the members of Rajasthan Medical Services Corporation Limited will be held on Wednesday, the 20th November, 2013 at 3.00 P.M. at its Registered Office at Gandhi Block, Swasthya Bhawan, Tilak Marg, C-Scheme, Jaipur (Rajasthan) to transact the following business :-

Ordinary Business

1. To receive, consider and adopt the Comments of the Comptroller and Auditor General (CAG) of India on the Annual Accounts for the financial year ended 31st March, 2013

By Order of the Board

(Dr. Samit Sharma, IAS)
Managing Director

Dated: 25.10.2013
Registered Office
Gandhi Block, Swasthya Bhawan,
Tilak Marg, C-Scheme,
Jaipur (Raj.)

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the company. The Proxy should be lodged with the company at its registered office not less than 48 hours before the commencement of the meeting.
2. The 02nd Annual General Meeting was held on 26th September, 2013 and was adjourned for want of comments of CAG. Now the comments of CAG have been received, the aforesaid notice for holding the adjourned second AGM is now being circulated.



Rajasthan Medical Services Corporation Ltd.

Gandhi Block, Swasthya Bhawan, Tilak Marg, C-Scheme, Jaipur
Phone No: 0141-2228062 • Fax No: 0141-2228065 • E-mail : edf-rmsc-rj@nic.in

Explanatory Statement Pursuant to Section 173 (2) of Companies Act, 1956

Item No.2

Pursuant to provision of section 619 of Companies Act, 1956 M/s Khandelwal & Co., Chartered Accountants, Jaipur were appointed by the CAG of India as Statutory Auditor of the Company for the year ended 31st March, 2013. The remuneration of Auditor appointed under Sec 619 by CAG of India shall be fixed by the company in General Meeting as per the provision of section 224 (8) (aa) of Companies Act, 1956.

The Board of Directors have recommended for payment of ₹ 99,000/- plus service tax as applicable as remuneration, to Statutory Auditor for the aforesaid period in consultation with the Auditor. The same is for consideration and approval by the members of the company in General Meeting.

None of the Directors is interested in the said Resolution.

By Order of the Board

(Dr. Samit Sharma, IAS)
Managing Director

Dated: 03.09.2013
Registered Office
Gandhi Block, Swasthya Bhawan,
Tilak Marg, C-Scheme,
Jaipur (Raj.)



Rajasthan Medical Services Corporation Ltd.

Gandhi Block, Swasthya Bhawan, Tilak Marg, C-Scheme, Jaipur
Phone No: 0141-2228062 • Fax No: 0141-2228065 • E_mail : edf-rmsc-rj@nic.in

Director's Report

Dear Shareholders,

The Board of Directors have great pleasure in presenting the Second Annual Report on the working of the company and Audited Balance Sheet as on 31st March, 2013 and the Statement of Profit and Loss for the year ended 31st March, 2013.

Rajasthan Medical Services Corporation Limited (RMSCL) has been constituted by the Government of Rajasthan vide order No. F.20(3)MH/2/2011 Dated 31.03.2011 of Medical Health and Family Welfare Department, Government of Rajasthan in order to procure and store quality Generic Drugs, Surgicals, Sutures and equipments etc and distributing these to medical college attached hospitals and other Government Hospitals in Rajasthan for onward free distribution to patients, besides, the laid down objectives are as follows :

- ★ Procurement through e-tendering.
- ★ Developing Model Drug warehouses for storing drugs.
- ★ Using information & technology for efficient inventory management.
- ★ Ensuring transparency at all levels.

1. Operations:

1.1 Procurement Policy: The vision is to procure qualitative Generic Drugs in competitive and transparent manner :-

- ★ Prospective suppliers are pre-qualified through open and transparent e-tendering system; bids received are evaluated through a process, which considers product quality, service reliability, delivery time and financial viability.
- ★ RMSCL procures drugs from reliable, licensed manufacturer's importers that comply with GMP and have good records of performance, to ensure that medicines procured meet the required standards of quality. RMSCL follows two bid systems in which technical and financial bids are received in separate covers.
- ★ The technical responsiveness of every bidder is adjudged based on various eligibility criteria such as GMP Certificate, Market Standing Certificate, Turn Over, Non Conviction Certificate etc.
- ★ Corporation invites tender for executing annual Rate Contracts.

During the year corporation engaged in procurement of Drugs/Surgicals/ Sutures and equipment as well, Corporation procured approximately as many as 600 Drugs/Surgicals/Sutures etc for onward supply to public health institutions viz Medical Colleges attached Hospitals, District Hospitals, Sub-Divisional Hospitals, Satellite Hospitals, CHCs and PHCs etc for further distribution free of cost to



all patients visiting public health institutions of the State. During year under review corporation also procured as many as 50 types of equipments.

The Corporation remains constantly in touch with all its stakeholders and is ever ready to fine-tune its policies for improving its response and operations.

1.2 Supply of Medicine : After award of annual rate contract, agreement is being executed with successful bidder for a period of one year for supply of the drugs.

- ★ Manufacturer should ensure that agreement is entered into for purposes of the supply of medicines in the name of the legal entity (company, corporation, partnership or sole proprietor), which is appropriately authorized to purchase such medicines.
- ★ The onus is on the manufacturer to meet all legal requirements when medicines are supplied.
- ★ The contract also specifies penalties for default.
- ★ Purchase orders (PO) are placed on demand and are issued centrally to get supply at District Drug Warehouses (DDWs) located in every district of the State.
- ★ Supplied medicines are accepted at DDWs if medicines are found with the appropriate documentation including :-
 - i. A batch wise certificate of analysis (in house drug testing report) issued by the manufacturer/importer.
 - ii. Detailed product specifications including quality standards (IB, BP, USP), labeling, nomenclature, and packaging etc.
 - iii. For biological products a test report issued by the drug regulatory authorities such as CRI, Kasaulli are necessary.

1.3 Quality Control Policy : This vision and mission is to ensure best quality standards

- ★ The supplied drugs are accepted only, if Drugs/Surgicals/Sutures are accompanied by the manufacturer's OK test report, i.e. certificate of analysis. The distinctive feature of the Quality Control Policy followed by corporation is testing quality check of each batch supplied from empanelled lab, samples are drawn randomly from all batches, and initially drugs supplied to the warehouses are kept in quarantine area until the quality testing by RMSC from empanelled lab is completed.
- ★ The details like manufacturer's name, batch No. etc are concealed and secret coding of sample is done, samples are sent to different empanelled laboratories for analysis. Testing is done as per Pharmacopoeia specifications.
- ★ The drugs are issued to public health institutions only when it passes all the specified quality tests. The rejected drugs/NOSQ drugs are returned to the manufacturer if it fails even minutely in the quality tests.

1.4 Drug Distribution/Issue Policy :

Each public Health institution viz, Medical College attached Hospitals, District Hospitals (DHs), SDHs, SHs, CHCs and PHCs directly interface with DDW to get Drugs issued using web based



application on the e-Aushadhi software subject to online indent submitted. The indicative budget allocation required for each user medical institute are made on recommendation of designated committee considering patient load and bed strength of respective public health institutions in view. However, it is very flexible allowing surplus of one user institute to be transferred to the institute having deficit.

1.5 Financial Management

- ★ A sound and prudent financial management is a major strength of the Corporation. The main activities especially the transactions relating to inventory management viz, receiving and issue of Drugs/Surgicals/Sutures are done online using e-Aushadhi Software application.
- ★ The manufacturers have been provided online access to view their stock position along with their due payment position against drugs supplied any time/anywhere, heralding an era of real transparency in functioning of the Corporation.
- ★ Corporation follows centralized disbursement system, where all due payment of employees viz, salary, T.A. & all other admissible allowances are processed/released centrally to respective employees. Moreover, claims of suppliers are also processed centrally and ensuring instant transfer of funds in the account of respective creditor, using Core Banking Solution (CBS) and other electronic means viz, RTGS/NEFT of funds transfer.
- ★ During the year, Corporation released supplier's payment and other payments fully through RTGS (Real Time Gross Settlement)/NEFT dispensing with issuing of physical cheques to respective supplier.

2. Storage :

The corporation has got scientifically designed & constructed District Drug Warehouses (DDWs) in every District of Rajasthan at 34 Locations for speedy movement of Drugs/Surgicals/Sutures to public health institutions. During the Year, Corporation procured and Govt. installed 33 Walk in cooler one each in every district of Rajasthan in order to preserve & store the drugs under most appropriate conditions especially for the drugs to be stored between 2° to 8 °C temperature.

Corporation has further strengthened the existing godown space in each of districts, approximately constructing 3000 Sq.M additional space at 27 DDWs.

3. On line Transaction

The Corporation has been carrying out its whole activities especially relating to inventory management through online web based e-Aushadhi software, which enables maintenance of total transparency in operations. Manufactures and Public Health Institutions etc have been given online access to the Corporation's software application in order to access all relevant information viz, receipt of Drugs etc at DDW, issued to public Health Institutions, stock position including expiry details of various Drugs etc.

4. Infrastructure/Computerization

In addition to basic facilities like furniture, telephone etc, all the DDWs have been well equipped with walk-in-cooler, computer, Internet connectivity for running online software, Online UPS and



Generator sets for meeting power crisis. During the year, Govt. of Rajasthan sanctioned a loan amounting to ₹ 37.88 Cr. to be considered for converting into Grant-in-Aid, for the computerization of the sub-stores and the Drugs Distribution Centre under the administrative control of Medical Education and Medical Health and Family Welfare Department in order to keep and maintain inventory management in an efficient manner.

5. **Future Outlook :**

The second year of operations too proved to be significant, as the Corporation successfully lived up to the confidence reposed by the Government & General Public. Corporation implemented Government mandate earnestly and tirelessly. Your Directors are confident that the Corporation would play a meaningful role in further reforms in the Medical and Health Sector.

6. **Financial Performance :**

The Corporation during the year purchased Drugs/Surgicals/Sutures of value ₹ 2,53,07,22,325 for onward distribution to public health institutions of the state. Out of this value, Drugs/Surgicals/Sutures worth ₹ 205,14,60,599 have issued to the public Health institutions of the State.

Upon issuing of Drugs/Surgicals/Sutures and Equipments etc, Corporation has earned a surcharge @ 5% of ₹ 10,68,28,462 besides of other income viz. testing charges, penalties, interest etc of ₹ 10,31,25,823 Thus, during the year, the total income of the Corporation was ₹ 21,00,04,285.

7. **Dividend :**

Your Directors have not recommended dividend for the year 2012-13 owing to loss.

8. **Material Changes and commitments from the date of Balance Sheet till today.**

There are no material changes and commitments from the date of Balance Sheet till the date of signing of Directors Report.

9. **Directors Responsibility Statement :**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm:-

- 9.1. That in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- 9.2. That the Directors had selected such accounting Policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period.
- 9.3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Act for safe guarding the assets of the company and for preventing and detecting frauds and other irregularities.
- 9.4. That the Director's had prepared the annual accounts on a going concern basis.

10. **Capital Structure**

The RMSCL has been incorporated under the Companies Act, 1956 on 04th May, 2011 with



Authorized Capital of ₹ 5.00 Cr. During the year under review, there has been no change in Authorized Share Capital and Paid up Capital of the company.

11. Current Outlook :-

The performance of your Corporation during the current year justifies an optimistic outlook. We are confident that we can look forward to maintain the growth and improve the profitability of the Corporation in the years to come.

12. Energy Technology-Absorption & foreign exchange earning & out go :

As required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, information regarding Conservation of Energy, Technology Absorption and Research & Development is not applicable to the Company.

13. Disclosure Under Section 217(2A) of the Companies Act, 1956

There are no employees covered by the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

14. Personnel & Industrial Relations :

During the period under review, the personnel and industrial relations with the employees remained cordial in all respects.

15. Board Meetings :

During the year under review, the Corporation has been benefited by the valuable guidance of the Board of Directors, which has resulted in achieving the notable results.

Board of Directors :-

The following Directors were appointed by the Government of Rajasthan on the Board of Directors of this Corporation during the year under review: Sh. Deepak Upreti IAS, Sh. Pradeep Sen IAS, Sh. Tapesw Pawar IAS, Sh. Siyaram Meena IAS, Sh. Suresh Chandra Dinkar IAS, Smt. Rajesh Yadav IAS, Sh. Ravi Kumar Surpur IAS, Dr. M.P. Budania, Dr. J.P. Singhal, Dr. S.S. Chouhan, and Sh. S.S. Bohara. 11 Directors namely Sh. B.N. Sharma IAS, Sh. Mukesh Sharma IAS, Sh. Tapesw Pawar IAS, Sh. Ashok Shekhar, IAS, Sh. Vinod Pandya IAS, Sh. Kan Singh Rathore, Smt. Rajesh Yadav IAS, Dr. P.K. Sarda, Dr. M. P Budania, Dr. J.P. Dhamija and Sh. K. K. Gadeock ceased to be Directors during the period under review.

We place on the record, our deep appreciation of the valuable advice and guidance, the Corporation received from the members of the Board, during the year as Directors on the Board of the Corporation.

16. Audit Committee

The Audit Committee has been constituted in accordance with the requirements under the Companies Act, 1956. The constitution of Audit Committee as on 31.03.2013 is as under:

- (a) Dr. Samit Sharma, MD, RMSC- Chairman
- (b) Dr. Badri Ram Meena, Director, (P.H.) - Member
- (c) Shri Chandra Mohan Agrawal, F.A. (Med. & Health)- Member



The roles and terms of reference, the authority and powers of committee are in conformity with the requirements under section 292A of the companies act, 1956. The Executive Director (F) acts as Member Secretary to the committee.

17. Auditors :

M/S Khandelwal & Co. Chartered Accountants, Jaipur were appointed Statutory Auditor by the C&AG of India for Statutory Audit of Corporation for the year 2012-13. Management replies to the observations, if any, made by auditors in their report are given at Annexure -1 hereto.

18. Acknowledgement :

Your Directors express their sincere appreciation of the loyal and commendable services rendered by the officers and staff of the Corporation in achieving the improved services during the year under review and confident that officers and staff will continue to strive hard to improve the performance of the Corporation in the years to come. The Board of Directors also takes this opportunity to record their deep sense of gratitude to the Central Government/State Government/ Company Bankers/other autonomous bodies/suppliers for their cooperation and valuable assistance given to the Corporation during the year under review.

For & Behalf of the Board

Place : JAIPUR

Date : 03rd September, 2013

(Dr. B. R. Meena)

Director

(Dr. Samit Sharma)

Managing Director



Compliance Certificate

We have conducted the audit of accounts of **Rajasthan Medical Services Corporation Limited** for the year ended 2012-13 in accordance with the directions/sub-directions issued by the C & AG of India under section 619(3)(a) of the Companies Act, 1956 and certify that we have complied with all the direction/sub-directions issued to us.

For **Khandelwal & Co.**
(Chartered Accountants)
FRN No. 000573C

(Rajendra Gupta)

Partner

Membership No. 403782

Place : Jaipur

Date : 19.09.2013



INDEPENDENT AUDITOR'S REPORT

To the Members of M/s Rajasthan Medical Services Corporation Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of **M/s Rajasthan Medical Services Corporation Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
 - (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
 - (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

Further to our comments in the annexure referred to above, we report that:-

1. The consequential impact of the following on the accounts is unascertainable :
 - a. Cost of inventory is ascertained using the batch wise method of cost formula instead of FIFO or weighted average method which is not in accordance with the requirement of Para 16 of AS-2.
 - b. It has been observed that observations and qualifications given in the reports of the international auditors relating to purchase, issue and stock have not been fully attended and complied with.
2. The Corporation has not introduced the information system audit to ascertain that data generated through this software are reliable. Accordingly the final accounts are subject to any observation/qualification given by the system auditor in future.
3. Corporation is having 33 DDWs for which Division-wise internal auditors have been appointed. Since the Corporation has given the assignment to the internal auditors to submit report of each DDW on monthly basis, hence we have not visited the DDWs being centralized accounting of all the DDWs and relied upon the reports given by the internal auditors.
4. We also drawn attention to:-



- a. Note No.23(E) regarding confirmation of Trade Payables.
Corporation has not obtained any confirmation from the suppliers. Accordingly impact thereof on the financial position could not be ascertained.
- b. Note no. 23(G) regarding compliance to MSMED Act, 2006.
The Corporation has not obtained the required information from the suppliers. Accordingly impact thereof on the financial position could not be ascertained.
- c. Due to change in accounting policy (as per note No. 235) the profit of the corporation has been reduced to the extent of Rs. 16,49,29,387 due to the above change in accounting policies. The above reduction in profit includes Rs. 62850051 related to financial year 2011-12 and 10,08,19,370 related to current year 2012-13 & prior period LD of Rs. 12,59,966.
- d. That liquidated damages for financial year 2011-12 has been transferred to grant account as per Govt. of Rajasthan, Medical & Health Department order no. F/02(08)5/2013 dated 10-06-2013 and it has resulted in reducing the income by Rs. 6,28,50,051.

8. As required by Section 227(3) of the Act, we report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet and the Profit & Loss Account dealt with by this report comply with the Accounting Standard referred to in sub section (3C) of section 211 of the Companies Act, 1956 except otherwise stated.
- (e) In pursuant to the Notification No. GSR 829 (E) dated 21-10-2003 issued by Government of India, the provisions of Section 274 (1) (g) of Companies Act, 1956 not applicable to the Company.

For Khandelwal & Co.
Chartered Accountants
Firm Registration No. : 000573C

(RAJENDRA GUPTA)
Partner
M. No. 403782

Place : JAIPUR
Date : 03rd September, 2013

**RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED, JAIPUR****ANNEXURE TO THE AUDITOR'S REPORT**

(Referred in paragraph (1) of our report of even date)

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its Fixed Assets as explained to us by the Management.
(b) All the assets have been physically verified by the management at the end of the year, which is our opinion is reasonable having regards to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
2. (a) The inventory has been physically verified at the end of the financial year by respective District Drug Warehouse(DDW). Excess stock(net) of ₹ 5,14,821/- was found which is credited to Statement of Profit and Loss under other income by way of "Stock Appreciation Income". In our opinion, the physical verification is conducted at reasonable interval having regard to the date commencement of the activity.
(b) In our opinion, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) The Company is maintaining records of inventory through web based software application named "e-Aushadhi".
3. (a) The Company has not granted loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
(b) As informed to us the company has not taken any loans, secured or unsecured from companies firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. since the Company has not taken any loans, secured or unsecured to/ from companies firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 accordingly Clause 4 (iii)(b)(c)(d),(f) and (g) of the Order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, internal control system with regard to purchase of material, fixed assets and with regard to the issue of drugs is inadequate and needs to be strengthened. During the course of our audit, in few cases it has been observed that Delivery dates, Batch No. of Drugs name with Drug codes, invoice/challan no. as mentioned in primary documents are not in conformity with the data generated with web based software. We have also observed that rescheduling of Drug quantity and period also not promptly updated in the software "e-Aushadhi".
5. (a) According to the information and explanation given to us, we are the opinion that the



particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act 1956, have been so entered.

- (b) According to the information and explanation given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5.00 Lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
6. In our opinion and according to the information and explanation given to us the Company has not invited any deposits. Hence question of non compliance of directives of Reserve Bank of India and the provisions of section 58A and 58AA or any other relevant provisions of the Act and rules framed there under arises.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. Company is not required to maintain the cost records under section 209(1) (d) of the Companies Act, 1956 having regards to the nature of its business.
9. (a) According to the information and explanations given to us in respect of Statutory Dues and according to the books and records as produced and examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities, undisputed statutory dues applicable to it with appropriate authority.
- (b) According to the records of the company, there are no dues of sales tax/ income tax/ wealth tax/ service tax/ custom duty excise duty/ cess has not been deposited on account of any dispute
10. The Company is not having any accumulated loss as on date.
11. In our Opinion and according to the Information and explanation given to us, the company has not defaulted in repayment of dues to banks and financial Institutions.
12. According to the information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi, mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditors Report) order, 2003 are not applicable to the Company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4 (xiv) of the Companies (Auditors Report) order, 2003 are not applicable to the Company.
15. According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from Bank or financial institutions.
16. In our opinion the term loan were applied for the purpose for which the loans have obtained.



17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
18. According to the information and explanations given to us, during the year, the Company has not made preferential allotment of share to parties and companies covered in the register maintained under section 301 of the Act.
19. The Company has not issued any debentures and hence clause 4 (xix) of the Companies (Auditors Report) Order, 2003 is not applicable to the company.
20. During the year covered by our report the company has not raised any money by way of public issue.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For **Khandelwal & Co.**
Chartered Accountants
Firm Registration No. : 000573C

(RAJENDRA GUPTA)
Partner
M. No. 403782

Place : JAIPUR
Date : 03rd September, 2013



Annexure-I

Management's reply to observation made by Auditors on the Accounts for the period ended 31st March, 2013.

Sr.No.	Observation made by Auditors	Management Reply
1	The consequential impact of the following on the accounts is unascertainable :	
a	Cost of inventory is ascertained using the batch wise method of cost formula instead of FIFO or weighted average method which is not in accordance with the requirements of Para 16 of AS - 2.	In general as far as possible the drugs/surgical/sutures have been issued following FIFO method. However, because of difficulty in following the FIFO in letter and spirit, to some extent weighted average principle in-strict-sense has been followed. Now it is followed as per Para 16 of AS-2.
b	It has been observed that observations and qualifications given in the reports of the internal auditors relating to purchase, issue and stock have not been fully attended and complied with.	Monthly audit reports are submitted by the internal auditors and compliances for most of the observations were made by concerned DDWs. Some unattended observations are being sorted out as per records.
2	The Corporation has not introduced the Information System Audit to ascertain that data generated through this software are reliable. Accordingly, the final accounts are subject to any observation/qualification given by system auditor in future.	System Audit of E-Aushadhi software as suggested shall be got done by outside agency.
3	Corporation is having 33 DDWs for which Division-wise internal auditors have been appointed. Since the Corporation has given the assignment to the internal auditors to submit report of each DDW on monthly basis, hence we have not visited the DDWs being centralized accounting of all the DDWs and relied upon the reports given by internal auditors.	No Comment.



Sr.No.	Observation made by Auditors	Management Reply
4	We also draw attention to :	
a	Note No. 23 (F) regarding confirmation of Trade Payables. Corporation has not obtained any confirmation from the suppliers. Accordingly impact thereof on the financial position could not be ascertained.	i. Login ID/Password provided to each supplier for viewing the status on line. ii. Balances are subject to confirmation/ verification
b	Note No. 23 (G) regarding compliance to MSMED Act, 2006. The Corporation has not obtained the required information from the suppliers. Accordingly impact thereof on the financial position could not be ascertained.	Letters are being issued to all suppliers. However, till date no supplier has ever raised/claimed any dues under the said act.
c	Due to change in accounting policy (as per note no. 23S) the profit of the corporation has been reduced to the extent of ₹ 16,49,29,387 due to the above change in accounting policies. The above reduction in profit includes ₹ 62850051 related to financial year 2011-12 and ₹ 10,08,19,370 related to current year 2012-13 & prior period LD of ₹ 12,59,966.	As explained in Note 23(S).
d	That liquidated damages for financial year 2011-12 has been transferred to grant account as per Govt. of Rajasthan, Medical & Health Department order no. F/02(08)5/2013 dated 10-06-2013 and it has resulted in reducing the income by ₹ 6,28,50,051.	As explained in Note 23(S).



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Balance Sheet as at 31 March, 2013

Particulars	Note No.	As at 31st March 2013 (₹)	As at 31st March 2012 (₹)
A EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	2	5,00,00,000	5,00,00,000
(b) Reserves And Surplus	3	8,09,33,640	8,59,66,340
(c) Money Received Against Share Warrants		-	-
		13,09,33,640	13,59,66,340
2 Share Application Money Pending Allotment		-	-
3 Non-Current Liabilities			
(a) Long-Term Borrowings	4	44,70,40,000	5,00,00,000
(b) Deferred Tax Liabilities (Net)	22	-	86,937
(c) Other Long-Term Liabilities	5	4,04,27,896	75,20,560
(d) Long-Term Provisions		-	-
		48,74,67,896	5,76,07,497
4 Current Liabilities			
(a) Short-Term Borrowings		-	-
(b) Trade Payables	6	39,58,27,854	53,34,64,870
(c) Other Current Liabilities	7	1,05,23,66,673	13,92,29,556
(d) Short-Term Provisions	8	-	1,71,86,810
(e) Deferred Government Grants	9	1,89,51,99,021	76,22,74,456
		3,34,33,93,548	1,45,21,55,692
TOTAL		3,96,17,95,084	1,64,57,29,529
B ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10.A	11,98,16,034	97,36,254
(ii) Intangible Assets	10.B	1,01,216	38,730
(iii) Capital Work-in-Progress	11	86,84,273	53,78,008
(iv) Intangible Assets Under Development		-	-
		12,86,01,523	1,51,52,992
(b) Non-Current Investments		-	-
(c) Deferred Tax Assets (Net)	22	10,08,194	-
(d) Long-Term Loans And Advances		-	-
(e) Other Non-Current Assets		-	-
		12,96,09,717	1,51,52,992
2 Current Assets			
(a) Current Investments		-	-
(b) Inventories	12	1,27,80,40,483	79,87,78,757
(c) Trade Receivables		-	-
(d) Cash And Cash Equivalents	13	2,06,87,95,068	75,11,95,827
(e) Short-Term Loans And Advances	14	33,53,88,138	7,95,60,588
(f) Other Current Assets	15	14,99,61,678	10,41,365
		3,83,21,85,367	1,63,05,76,537
TOTAL		3,96,17,95,084	1,64,57,29,529
Significant Accounting Policies and Notes to Accounts	1 & 23		

In terms of our report of even date

For Khandelwal & Co.

Chartered Accountants

FRN. 000573C

(Rajendra Gupta)

Partner

M. No. 403782

(Mamta Agarwal)

Company Secretary

(Brijesh Kishore Sharma)

Executive Director (Finance)

(Dr. B. R. Meena)

Director

(Dr. Samit Sharma)

Managing Director

Place : JAIPUR

Date : 03rd September, 2013



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED
SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR
Statement of Profit and Loss for the year ended 31 March, 2013

Particulars	Note No.	For the year ended 31st March, 2013 (₹)	For the year ended 31st March, 2012 (₹)
A CONTINUING OPERATIONS			
1 Revenue From Operations (Gross)	16	10,68,28,462	4,97,74,814
Less: Excise Duty			-
Revenue From Operations (Net)		10,68,28,462	4,97,74,814
2 Other Income	17	10,31,75,823	7,79,33,820
3 Total Revenue (1+2)		21,00,04,285	12,77,08,634
4 Expenses			
(a) Cost Of Materials Consumed		-	-
(b) Purchases Of Stock-in-Trade		-	-
(c) Changes in inventories		-	-
(d) Employee Benefits Expense	18	5,23,86,371	1,71,19,200
(e) Finance Costs	19	1,45,83,562	7,26,028
(f) Depreciation And Amortisation Expense	10	75,92,711	98,690
(g) Other Expenses	20	14,15,29,651	5,65,24,630
Total Expenses		21,60,92,295	7,44,68,548
5 Profit / (Loss) Before Exceptional And Extraordinary Items and Tax (3 - 4)		-60,88,010	5,32,40,086
6 Prior Period Items	21	15,365	-
7 Exceptional Items		-	-
8 Profit / (Loss) Before Extraordinary Items And Tax (5 6+7)		(60,72,645)	5,32,40,086
9 Extraordinary Items		-	-
10 Profit / (Loss) Before Tax (8+9)		(60,72,645)	5,32,40,086
11 Tax Expense :			
(a) Current Tax Expense		-	1,71,86,810
(b) (Less): MAT Credit		-	-
(c) Current Tax Expense Relating To Prior Years		55,186	-
(d) Net Current Tax Expense		55,186	1,71,86,810
(e) Deferred Tax	22	(10,95,131)	86,937
		(10,39,945)	17,273,747
12 Profit/(Loss) From Continuing Operations (10+11)		(50,32,700)	3,59,66,339
13 DISCONTINUING OPERATIONS		-	-
14 Profit / (Loss) For The Year (12+13)		(50,32,700)	3,59,66,339
15 Earnings Per Share (of ₹100/- each):			
(a) Basic		-10.07	154.64
(b) Diluted		-10.07	154.64
Significant Accounting Policies and Notes to Accounts	1 & 23		

In terms of our report of even date
 For Khandelwal & Co.
 Chartered Accountants
 FRN 000573C

Rajendra Gupta
 (Rajendra Gupta)
 Partner
 M. No. 403782

Mamta
 (Mamta Agarwal)
 Company Secretary

Brijesh Kishore Sharma
 (Brijesh Kishore Sharma)
 Executive Director (Finance)

Dr. B. R. Meena
 (Dr. B. R. Meena)
 Director

Dr. Samit Sharma
 (Dr. Samit Sharma)
 Managing Director

Place : JAIPUR
 Date : 03rd September, 2013



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED
SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR
Cash Flow Statement for the year ended 31 March, 2013

Particulars	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
	₹	₹	₹	₹
A Cash flow from operating activities				
Net Profit/(Loss) before extraordinary items and tax		-60,72,645		5,32,40,086
Adjustment for :				
Depreciation and amortisation	75,92,711		98,690	
Finance costs	1,45,83,562		7,26,028	
Interest income	-3,41,14,060		-1,03,96,229	
	-1,19,37,787		-95,71,511	
Operating profit/(loss) before working capital changes		-1,80,10,432		4,36,68,575
Change in working capital :				
Adjustments for (increase)/decrease in operating assets :				
Inventories	-47,92,61,726		-79,87,78,757	
Short-term loans and advances	-25,58,27,550		-7,95,60,588	
Other current assets	-14,89,20,313		-10,41,365	
Adjustment for increase/(decrease) in operating liabilities:				
Trade payables	-13,76,37,016		53,34,64,870	
Other current liabilities	82,13,77,117		13,92,29,556	
Other long-term liabilities	3,29,07,336		75,20,560	
Short-term provisions	-1,71,86,810		1,71,86,810	
Deferred Govt. Grants	1,13,29,24,565		76,22,74,456	
Long-term provisions	-		-	
	94,83,75,603		58,02,95,542	
Cash flow from extraordinary items				
Cash generated from operations		93,03,65,171		62,39,64,117
Current Tax Expense Relating To Prior Years		55,186		1,71,86,810
Net Cash flow from/(used in) operating activities (A)		93,03,09,985		60,67,77,307
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	-12,10,41,242		-1,52,51,681	
Interest received	3,41,14,060		1,03,96,229	
Net cash flow from/(used in) investing activities (B)		-8,69,27,182		-48,55,452
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		5,00,00,000	
Corpus fund received	-		5,00,00,000	
Redemption/buy back of preference/equity shares	-		-	
Proceeds from issue of share warrants	-		-	
Share application money received/(refunded)	-		-	
Proceeds from long-term borrowings	48,88,00,000		5,00,00,000	
Finance cost	-1,45,83,562		-7,26,028	
	47,42,16,438		14,92,73,972	
Cash flow from extraordinary items				
Net cash flow/(used in) financing activities (C)		47,42,16,438		14,92,73,972
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		1,31,75,99,241		75,11,95,827
Cash and cash equivalents at the beginning of the year		75,11,95,827		-
Effect of exchange difference on restatement of foreign currency Cash		-		-
Cash and cash equivalents at the end of the year		2,06,87,95,068		75,11,95,827

In terms of our report of even date

For Khandelwal & Co.

Chartered Accountants

FRN. 000573C

(Rajendra Gupta)

Partner

M. No. 403782

(Mamta Agarwal)

Company Secretary

For and on behalf of Board of Directors

(Brijesh Kishore Sharma)

Executive Director (Finance)

(Dr. B. R. Meena)

Director

(Dr. Samit Sharma)

Managing Director

Place : JAIPUR

Date : 03rd September, 2013



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED
SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Note 1 : SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF ACCOUNTING :

The financial statements of the Corporation have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.

The financial statements have been prepared on accrual basis under the historical cost convention except in case of expenses incurred at DDWs which is accounted for on the basis of their claims.

B. USE OF ESTIMATES :

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumption to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialized.

C. FIXED ASSETS AND DEPRECIATION :

- i. Fixed assets are stated at their cost of acquisition or construction less accumulated depreciation and impairment losses.
- ii. Cost of acquisition comprise all cost incurred to bring the assets to their location and working condition up to the date the assets are put to use. Cost of construction are composed of those costs that relate directly to specific assets and those are attributable to the construction activity in general and can be allocate to specific assets up to the date the assets are put to use.
- iii. Impairment testing of assets has been duly done and any impairment loss or reversal thereto has been accounted for as per the provisions of Accounting Standard 28 Impairment of Assets".
- iv. Building of RMSCL (head office) has been constructed by NRHM. The said building has been allotted to RMSCL vide Office Order No. F(10)IPHS/civil/2011-12/3070 dated 30.5.2011. Accordingly it has been recorded at a nominal value of ₹ 1 in accordance with Para- 7.1 of AS-12. Assets Transferred from other departments of Medical Health and Family Welfare Department at District Drug Warehouse (DDWs) have not been accounted for in the books of accounts being insignificant value involved in such transfers. However, same have been entered in fixed assets register under " other assets"
- v. Depreciation has been provided, pro-rata for the period of use, on the written down value method as per the rates prescribed in Schedule XIV of the Companies Act, 1956.

D. BORROWING COST :

Borrowing cost related to a qualifying asset is worked out on the basis of actual utilization of funds out of project specific loans and/or other borrowings to the extent identifiable with the qualifying asset and is capitalized with the cost of qualifying asset. Other borrowing costs incurred during the period are charged to statement of profit and loss.

E. INVESTMENTS :

- i. Investments are classified as current and long term in accordance with Accounting Standard 13 "Accounting for investments".
- ii. Current investments are stated at lower of cost and fair value. Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the profit and loss account.
- iii. Long term investments are stated at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of such investments.

F. INVENTORIES :

Inventories of drugs/surgical/sutures are valued at lower of the actual cost and net realizable value in accordance with Para 5 of AS-2. Cost in general is ascertained using the batch wise method of cost formula instead of FIFO or weighted average method.

G. REVENUE RECOGNITION :

- i. Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.
- ii. As per Government of Rajasthan Notification and Order No. 49/2011 Dated 04.04.2011, RMSCL is entitled to get 5% surcharge on cost of drugs/ surgical/sutures distributed/supplied to Government Hospitals including Primary Health Centers (PHCs) & Community Health Centers (CHCs) through District Drug Warehouse (DDWs). Income of surcharge is accounted for on accrual basis. Bill wise and DDW wise details of drugs/surgical/sutures distributed are maintained in the e-Aushadhi software and consolidated entry of issues is passed in the books of accounts on monthly basis.
- iii. Interest income is accounted on accrual basis, However, penalties are accounted on actual basis.
- iv. Liquidated Damages has not been considered as part of income from FY. 2012-13 and the same shall be credited to Grant For Medicines thereby reducing the net grant utilized by RMSCL as per order no F/02(08)/5/2013 dated 12 June, 2013 as issued by Medical and Health Department, Government of Rajasthan.

H. EMPLOYEE BENEFITS :

- i. Employee benefits such as salaries, allowances, non-monetary benefits under defined contribution plans such as provident and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense to the profit and loss account in the period in which the service is rendered.



- ii. All the employees of RMSCL are on deputation from the Government of Rajasthan. The Corporation has paid salaries and allowances to the employees in accordance with the provisions prescribed by the Government of Rajasthan

I. TAXATION :

- i. Income taxes are accounted for in accordance with Accounting Standard 22 "Accounting for Taxes on Income". Taxes comprise both current and deferred tax.
- ii. Current tax is measured at the amount expected to be paid/recovered from the revenue authorities, using the applicable tax rates and tax laws. Minimum Alternate Tax (MAT) credit entitlement available under the provisions of Section 115 JAA of the Income Tax Act, 1961 is recognized to the extent that the credit will be available for discharge of future normal tax liability.
- iii. The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or a deferred tax liability. They are measured using the substantively enacted tax rates and tax laws.
- iv. RMSCL has been exempted from payment of tax payable under the RVAT Act, if any, on the sale or purchase of medicines and medical equipments within the state vide notification No. 54 dated 30.09.2011. The corporation has also been exempted from payment of tax payable under Rajasthan Tax on Entry of Goods into Local Areas, 1999 on the medicines and medical equipments brought into local areas vide notification no. 55 dated 30.09.2011.

J. TREATMENT OF PRE-INCORPORATION EXPENDITURE :

Pre Incorporation Expenses were expensed off in the year of incorporation i.e.2011-12. 1/5th of the same shall be allowed as per Section 35D of the Income Tax Act 1961 and the same shall be considered for calculating Deferred Tax as per AS 22.

K. SOFTWARE EXPENDITURE :

Software system and development expenses and user's license fees are expended in the year in which it is incurred.

L. ACCOUNTING FOR GOVERNMENT GRANTS :

RMSCL has received grant from Government of Rajasthan for procurement and disbursement of medicines. Amount of Government grant utilized during the year has been shown in the statement of profit and loss and the balance of unutilized grant has been separately disclosed in the Balance Sheet. Amount of government grant utilized shall be cost of medicines distributed during the year plus 5% surcharge.

M. EARNING PER SHARE :

The Corporation reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 "Earnings per share". Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares



outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

N. CONTINGENT LIABILITIES :

Contingent liabilities as defined in Accounting Standard 29 "Provisions, Contingent Liabilities and Contingent Assets" are disclosed by way of notes to the accounts. Disclosure is not made if the possibility of an outflow of future economic benefits is remote. Provision is made if it is probable that an outflow of future economic benefits will be required to settle the obligation.

O. CASH FLOW STATEMENT

The Corporation will prepare Cash Flow Statement as per "Indirect Method" as prescribed in Para 18(b) of Accounting Standard-3. The cash Flow Statement will be prepared in accordance with the matter contained with Accounting Standard-3 "Cash Flow Statements".

P. SEGMENT REPORTING

RMSCL neither has any Business Segment nor it has any Geographical Segment as defined in Para 5.1 & 5.2 of Accounting Standard 17, hence it is not required to make any disclosure under AS-17.

Q. POLICY ON AMOUNT RECEIVED FOR COMPUTERISATION

RMSCL has received a loan of ₹ 37.88 Crores for computerization of substore. As per order no. F02(4) Medical-5/2013 dated 28 March 2013 It may be considered for conversion into grant in aid as and when the installment becomes due. The same is to be utilized for computerization of substores being expenses in the nature of revenue and capital. However the same has no direct bearing to the working of the organization and the same cannot be capitalized being no future benefits shall arise of the same.

For better presentation and disclosure and keeping in view the Matching Principle of Accountancy RMSCL has treated all the expenses incurred during the year of ₹ 11,83,19,590/- as a part of Assets and the same shall be amortized in the ratio in which the loan will be converted to Grant.

In case if the loan is not so converted into Grant in Aid then the same shall be treated to be expenses in the year of denial.



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Notes forming part of the financial statements for the year ended 31st March, 2013

Note 2: SHARE CAPITAL

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
(A) Authorised : Equity shares of ₹100 each with voting rights	5,00,000	5,00,00,000	5,00,000	5,00,00,000
(B) Issued : Equity shares of ₹100 each with voting rights	5,00,000	5,00,00,000	5,00,000	5,00,00,000
(C) Subscribed and fully paid up : Equity shares of ₹100 each with voting rights	5,00,000	5,00,00,000	5,00,000	5,00,00,000
Total	5,00,000	5,00,00,000	5,00,000	5,00,00,000

Note 2.1: Reconciliation of number of shares

Particular	Number of shares as at 31st March, 2013	Number of shares as at 31st March, 2012
Opening number of Shares	5,00,000	-
Add: Shares issued during the year	-	5,00,000
Closing number of shares	5,00,000	5,00,000

Note 2.2: Shares held by each shareholder holding more than 5 percent of number of shares

Name of Shareholder	As at 31st March, 2013		As at 31st March, 2012	
	No. of shares held	% of Holding	No. of shares held	% of Holding
H.E. GOVERNOR OF RAJASTHAN	5,00,000	100.00	5,00,000	100.00
Total	5,00,000	100.00	5,00,000	100.00

Note 3: RESERVES AND SURPLUS

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
(A) Capital Reserve		
Opening Balance	5,00,00,001	-
Add : Addition during the year	-	5,00,00,001
Less: Utilised / transferred during the year	-	-
Closing Balance	5,00,00,001	5,00,00,001
(B) Profit & Loss Account		
Opening Balance	35,966,339	-
Add: Profit for the year	(50,32,700)	3,59,66,339
Closing Balance	3,09,33,639	3,59,66,339
Total	8,09,33,640	8,59,66,340



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Notes forming part of the financial statements for the year ended 31st March, 2013

Note 4: LONG TERM BORROWINGS

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
(A) Term Loans		
A.1 Secured	-	-
A.2 Unsecured		
(i) Loan from Government Of Rajasthan	5,00,00,000	5,00,00,000
Less: Current maturities of Long Term Debt	50,00,000	-
	4,50,00,000	5,00,00,000
(Loan is repayable in 10 equal installments starting from 31-Mar-2014 bearing a interest rate of 10% p.a.)		
(ii) Loan for strengthening and modernisation of DDW	11,00,00,000	-
Less: Current maturities of Long Term Debt	1,10,00,000	-
	9,90,00,000	-
(Loan is repayable in 10 equal installments starting from 31-Mar-2014 bearing a interest rate of 10% p.a.)		
(iii) Loan for Computerisation	37,88,00,000	-
Less: Current maturities of Long Term Debt	7,57,60,000	-
	30,30,40,000	-
(Loan is repayable in 5 equal installments starting from 31-Mar-2014. It is a non-interest bearing loan and the installment may be converted into grant as and when it becomes due.)		
Total	44,70,40,000	5,00,00,000

Note 5: OTHER LONG TERM LIABILITIES

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
(A) Interest Accrued on Loan	1,53,09,590	7,26,028
Less: Current repayment of Accrued Interest	1,53,09,590	-
	-	7,26,028
(B) Security Deposit	4,04,27,896	67,94,532
Total	4,04,27,896	75,20,560

Note 6: TRADE PAYABLES

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
(A) Creditors For Supply Of Medicines (the figure shows net of debit balance)	39,58,27,854	53,34,64,870
Total	39,58,27,854	53,34,64,870



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Notes forming part of the financial statements for the year ended 31st March, 2013

Note 7: OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
(A) Statutory Dues		
A.1 GPF	-	65,700
A.2 RPF	-	6,770
A.3 State Insurance	-	34,433
A.4 VAT-TDS	4,82,328	6,76,816
A.5 TDS Payable	11,36,514	12,45,137
A.6 Patrakar Kalyan Kosh	6,546	503
A.7 NCPS	1,71,132	-
A.8 Service Tax	7,367	-
	18,03,887	2,029,359
(B) Payable For Purchase of Fixed Assets	10,22,923	13,55,532
(C) Outstanding Expenses	2,68,23,346	2,86,87,189
(D) Security Deposits	-	1,26,87,452
(E) Earnest Money	3,41,04,650	4,82,30,600
(F) Funds Received From Others (See Appendix A)	87,29,54,251	4,62,35,279
(G) Other Outstanding Deductions	38,000	4,145
(H) Short Term Maturities		
H.1 Loan From Government Of Rajasthan	50,00,000	-
H.2 Loan For Strengthening and Modernisation Of DDW	1,10,00,000	-
H.3 Loan For Computerisation	7,57,60,000	-
	9,17,60,000	-
(I) Prize Liabilities	5,40,000	-
(J) Creditors For Equipment	15,39,715	-
(K) Accrued Interest	1,53,09,590	-
(L) Payable for construction of Building	64,70,311	-
Total	1,05,23,66,673	13,92,29,556

Note 8: SHORT TERM PROVISIONS

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
(A) Provision For Income Tax	-	1,71,86,810
Total	-	1,71,86,810



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Notes forming part of the financial statements for the year ended 31st March, 2013

Note 9: DEFERRED GOVERNMENT GRANTS

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
(A) Grant For Medicines		
Opening Balance	73,62,61,660	-
Add: Grant Recieved During The Year	2,92,31,53,000	1,89,99,98,000
Less: Grant Utilized During The Year	1,77,50,57,031	1,16,37,36,340
Closing Balance	1,88,43,57,629	73,62,61,660
(B) Grant For Running Of DDC		
Opening Balance	2,60,12,796	-
Add: Grant Recieved During The Year	-	4,90,00,000
Less: Grant Utilized During The Year	1,51,71,404	2,29,87,204
Closing Balance	1,08,41,392	2,60,12,796
(C) Grant For SC and ST		
Opening Balance	-	-
Add: Grant Recieved During The Year	5,00,00,000	-
Less: Grant Utilized During The Year	5,00,00,000	-
Closing Balance	-	-
Total	1,89,51,99,021	76,22,74,456



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Notes forming part of the financial statements for the year ended 31st March, 2013

Note 10 FIXED ASSETS

Note 10.A TANGIBLE ASSETS

S.No	10.A Tangible Assets	Gross Block			Depreciation And Amortisation			Net Block	
		Balance as at 1st April, 2012	Additions	Disposals	Balance as on 31st March, 2013	Depreciation charged upto 1st April, 2012	Depreciation charged during the year	Depreciation upto 31st March, 2013	Balance as at 31st March, 2013
1	Furniture & Fixture	₹ 3,260,312	₹ 5,592,067	-	₹ 8,852,379	₹ 7,011	₹ 883,519	₹ 890,530	₹ 7,961,849
2	Air Conditioner	1,446,203	280,791	-	1,726,994	550	225,891	226,441	1,500,553
4	Computer and Printers	604,408	2,419,314	-	3,023,722	70,023	930,216	1,000,239	2,023,483
5	D.G Set	843,297	-	-	843,297	320	117,258	117,578	725,719
6	Electric Substation	1,689,742	654,740	-	2,324,482	635	232,672	233,307	2,091,175
7	EPABX Work	270,369	177,038	-	447,407	103	44,736	44,839	402,568
8	Fax Machine	10,500	16,530	-	27,030	1,002	3,060	4,062	22,968
9	LAN System	910,770	344,500	-	1,255,270	346	166,883	167,029	1,088,241
10	Mobile Phone	5,450	32,240	-	37,690	259	2,872	3,131	34,559
11	Photo Copier	310,573	14,279	-	324,852	12,770	42,561	55,331	269,521
12	Printer and Scanner	209,700	653,074	-	862,774	1,689	166,491	168,180	694,594
13	Refrigerator	22,150	16,357	-	38,507	1,507	4,654	6,161	32,346
14	U.P.S	158,550	565,950	-	724,500	663	66,169	66,832	657,668
15	Water Cooler	86,792	-	-	86,792	33	12,068	12,101	74,691
16	Water Purifier	24,359	17,450	-	41,809	9	3,806	3,815	37,994
17	Walk in coolers	-	43,207,412	-	43,207,412	-	4,281,941	4,281,941	38,925,471
18	Plasma TV	-	39,800	-	39,800	-	106	106	39,694
19	Information Kiosk	-	270,162	-	270,162	-	48,851	48,851	221,311
20	Vehicle	-	632,002	-	632,002	-	118,599	118,599	513,403
21	Camera	-	9,100	-	9,100	-	912	912	8,188
22	Vending & Coffee Machine	-	22,873	-	22,873	-	715	715	22,158
23	LAN Switch	-	18,337	-	18,337	-	98	98	18,239
24	LAN Works	-	35,178	-	35,178	-	147	147	35,031
25	Fire System	-	990,257	-	990,257	-	93,699	93,699	896,558
26	Water Tank	-	324,514	-	324,514	-	18,540	18,540	305,974
27	Lift	-	1,783,494	-	1,783,494	-	85,429	85,429	1,698,065
28	Building	-	-	-	-	-	-	-	-
29	Building DDW	1	59,522,168	-	59,522,168	-	8,154	8,154	59,514,014
	Total	9,833,174	117,639,627	-	127,472,803	96,920	7,559,847	7,656,767	119,816,034
									9,736,254

Note 10.B INTANGIBLE ASSETS

S.No	10.B Intangible Assets	Gross Block			Depreciation And Amortisation			Net Block	
		Balance as at 1st April, 2012	Additions	Disposals	Balance as on 31st March, 2013	Depreciation charged upto 1st April, 2012	Depreciation charged during the year	Depreciation upto 31st March, 2013	Balance as at 31st March, 2013
1	Tally	₹ 40,500	-	-	₹ 40,500	₹ 1,770	₹ 15,492	₹ 17,262	₹ 23,238
2	Website	-	95,350	-	95,350	-	17,372	17,372	77,978
	Total	40,500	95,350	-	135,850	1,770	32,864	34,634	101,216
									38,730



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Notes forming part of the financial statements for the year ended 31st March, 2013

Note 11: CAPITAL WORK-IN-PROGRESS

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
(A) Advance for Construction of Building	86,84,273	53,78,008
Total	86,84,273	53,78,008

Note 12: INVENTORIES

(At lower of cost and net realisable value)

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
(A) Stock at DDW	1,27,06,47,446	79,61,56,703
(B) Stock at Head Office	28,76,376	17,78,271
(C) Stock in Transit	45,16,661	8,43,783
Total	1,27,80,40,483	79,87,78,757

Note 13: CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
(A) Cash on Hand	-	500
A.1 Cash in hand	-	-
A.3 Imprest Cash Head Office	12,098	-
A.2 Imprest Cash	9,10,392	4,12,182
(B) Balances with Banks	-	-
B.1 PNB	45,08,56,136	5,02,71,331
B.2 SBBJ	7,24,26,442	7,09,66,254
(C) Balance in PD Account	1,42,45,90,000	49,89,98,000
(D) Fixed Deposit	12,00,00,000	13,05,47,560
Total	2,06,87,95,068	75,11,95,827

Note 14: SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
(A) IEC Advance	5,69,861	19,45,459
(B) Local Purchase Advance	77,41,931	5,71,35,333
(C) Running Of DDC Advance	73,91,130	2,04,62,796
(D) Advance to Employees	-	17,000
(E) Advance For Training of Pharmacists	11,85,473	-
(F) Advances for Expenditure	4,58,539	-
(G) Sundry Advances	18,42,46,613	-
(H) Computerisation of Substore Advance	13,33,64,591	-
(I) Advance For Registration of RMRS	4,30,000	-
Total	33,53,88,138	7,95,60,588



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Notes forming part of the financial statements for the year ended 31st March, 2013

Note 15: OTHER CURRENT ASSETS

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
(A) TDS Receivable	3,380,150	10,41,365
(B) Prepaid Expenses	827,661	-
(C) Advance Tax	1,40,00,000	-
(D) Computerisation of Substore	11,83,19,590	-
(E) Accrued interest	1,34,34,277	-
Total	14,99,61,678	10,41,365

Note 16: REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
	₹	₹
(A) Surcharge @ 5% on Dispatch of Medicines	10,32,11,326	4,97,74,814
(B) Surcharge on Equipments	36,17,136	-
Total	10,68,28,462	4,97,74,814

Note 17: OTHER INCOME

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
	₹	₹
(A) Interest On Auto Sweep And Fixed Deposit	3,41,14,060	1,03,96,229
(B) Income From Tender Fees	9,20,000	10,29,700
(C) Income Under RTI Act 2005	18,527	814
(D) EMD Forfeiture	1,17,75,000	11,00,000
(E) Liquidated Damages	6,69,882	6,35,34,454
(F) Penalty	98,52,059	10,01,540
(G) Stock Appretiation Income	5,14,821	8,71,083
(H) Security Deposit Forfeiture	2,22,27,210	-
(I) Income From Testing Charges	2,30,83,067	-
(J) Miscellaneous Income	1,197	-
Total	10,31,75,823	77,933,820



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Notes forming part of the financial statements for the year ended 31st March, 2013

Note 18: EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
	₹	₹
(A) Salaries and Wages	4,84,64,748	1,58,64,945
(B) Pension Contributions	35,44,451	12,44,028
(C) Medical Expenses	1,45,145	10,227
(D) Bonus	40,644	-
(E) Newspaper Expenses	13,414	-
(F) Telephone Expenses	1,77,969	-
Total	5,23,86,371	1,71,19,200

Note 19: FINANCE COSTS

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
	₹	₹
(A) Interest Expense on Loan	1,45,83,562	7,26,028
Total	1,45,83,562	7,26,028

Note 20: OTHER EXPENSES

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
	₹	₹
(A) Advertisement Expenses	73,82,360	97,95,422
(B) Legal And Professional Charges	68,85,171	15,32,550
(C) Office Expenses	11,37,930	5,24,345
(D) Telephone And Internet Expenses	18,99,574	7,53,197
(E) Breakage & Spoilage	5,58,345	2,14,327
(F) Hiring of Machine with Man	48,73,992	16,03,444
(G) Hiring Of Vechile	58,63,670	22,92,387
(H) Hosting Of Bandwidth Charges	5,05,620	4,96,350
(I) Miscellaneous Expenses	12,74,721	4,16,252
(J) Packers Service Charges	49,35,559	11,42,616
(K) Postage & Courier Charges	14,66,132	3,01,962



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Notes forming part of the financial statements for the year ended 31st March, 2013

(L) Preliminary Expenses	-	6,07,000
(M) Printing And Stationery	87,43,846	6,05,644
(N) Repair And Maintenance	1,54,949	28,325
(O) Security Services	10,44,213	1,14,895
(P) Supply of OPD Slips	1,25,61,222	3,41,86,199
(Q) Testing Charges (Net)	-	8,17,508
(R) Training And Workshop Expenses	12,99,893	2,97,117
(S) Travelling Expenses	12,57,731	1,64,494
(T) Vehicle Running And Maintenance	2,39,881	39,257
(U) Electricity Expenses	42,38,826	413,882
(V) Entertainment & Hospitality Expenses	3,55,843	1,77,002
(W) Bank Charges	3,456	455
(X) Books And Modules	25,59,968	-
(Y) Diesel Expenses	4,49,364	-
(Z) Insurance Cover of DDW	27,679	-
(AA) National Conference Expenses	5,51,705	-
(AB) Rent	3,58,520	-
(AC) Transport Expense	19,28,077	-
(AD) Prizes	26,00,000	-
(AE) Interest On Income Tax	25,75,899	-
(AF) Training Of Pharmacists	4,13,190	-
(AG) Expired Goods	5,32,264	-
(AH) Reversal of Liquidated Damages (See Note 23.S)	6,28,50,051	-
Total	14,15,29,651	5,65,24,630

Note 21: PRIOR PERIOD ITEMS

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
	₹	₹
(A) Breakage and Spoilage	-35,651	-
(B) Interest on Fixed Deposit	17,414	-
(C) Prior Period Surcharge	-6,38,296	-
(D) Stock Appreciation Income	6,71,898	-
Total	15,365	-



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Notes forming part of the financial statements for the year ended 31st March, 2013

Note 22: DEFERRED TAX LIABILITY/(ASSET)

Particulars	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
Deferred tax Liability /(Asset)		
Items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	59,20,644	7,53,552
Items constituting deferred tax liability	59,20,644	7,53,552
Items constituting deferred tax assets		
Defferment as per Section 35D of IT Act 1961	-	4,85,600
Loss as per IT Act 1961	94,17,390	-
Items constituting deferred tax assets	94,17,390	4,85,600
Items constituting reversal of deferred tax assets		
Amount allowed as per Section 35D of IT Act 1961	1,21,400	-
	1,21,400	-
(Q) Funds Received From Others (See Appendix A)	(33,75,346)	2,67,952
Net deferred tax Liability/(Assets) transferred to Profit & Loss A/c	(10,95,131)	86,937
Deffered Tax Liability/(Assets) in previous year Balance Sheet	86,937	-
Net deferred tax Liability/(Assets) carried to Balance Sheet	(10,08,194)	86,937

**RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED**

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

Note 23 : NOTES TO ACCOUNTS**A. GENERAL (NATURE OF OPERATION) :**

- (i) Rajasthan Medical Services Corporation Limited (RMSCL) has been constituted by the Government of Rajasthan vide order No. F. 20(3)MH/2/ 2011 Dated 31.03.2011 of Rajasthan Medical Health and Family Welfare Department in order to procure and store quality Generic Drugs, surgical , sutures and equipments etc and to distribute these to Government Hospitals and attached hospitals to Medical Colleges in Rajasthan for onward free distribution to patients.
- (ii) The RMSCL has been incorporated under the Companies Act, 1956 on 04th May, 2011 with Authorized Capital of ₹ 5.00 Crore. The 100% equity of the RMSCL is owned by the Government of Rajasthan. As per Clause XII of Cabinet Memo, RMSCL is required to be incorporated by Authorized Capital of ₹ 10.00 Crore in which State Govt. will contribute ₹ 5.00 Crore as capital and remaining ₹ 5.00 Crore shall be contributed by NRHM. However the NRHM has transferred the fund of ₹ 5.00 Crore to RMSCL as Corpus Fund and not as a part of equity capital as communicated on 19th December, 2012 by NRHM.
- (iii) Purchase orders (PO) are issued centrally from Jaipur to get supply at District Drug Warehouses (DDWs) located in every district of the State of Rajasthan. Drugs so received at DDW are issued to Public Health institutes viz. District Hospital/SDH/SH/CHC/PHC etc as per the demand /indent submitted by user medical Institutes, keeping availability of drugs in view at DDW, for onward free distribution to patients visiting public medical institutions. All these receipts and issues of drugs are chronologically maintained through web based software application named "e-Aushadhi" software.
- (iv) In case of equipments Purchase Order too are issued centrally but directing the supplier to deliver consignments directly to at Stores of medical institutes.
- (v) Each medical institute viz. Medical College attached Hospitals, District Hospitals (DHs), Community Health Centers (CHCs), Primary Health Centers (PHCs) directly interface with DDW to receive drugs/surgical/sutures. The value of Drugs issued from DDW to each of these medical Institutes is chronologically maintained through e -Aushdhi soft ware. The indicative budget required is decided keeping in view the patient load & bed strength etc of respective institute.

- (vi) Being the just second financial year of its operation, notwithstanding, all transactions such as receiving/issuing of drugs, inter Depot transfer of drug, etc carried out with the help of e-Aushadhi software through various software modules thereby improving the system of inventory management immensely.

B. INCOME RECOGNITION :

(i) Surcharge :

As per Government of Rajasthan Notification and Cabinet order 49/2011 dated 04.04.2011 RMSCL is entitled to surcharge @ 5% on cost of drugs/surgical/suture distributed/supplied free of cost to government hospitals including Primary Health Centers (PHCs) & Community Health Centers (CHCs). Income of surcharge is accounted for on accrual basis. Bill wise and Health Centre wise details of drugs/surgical/suture distributed are maintained in the e-Aushadhi software, consolidated entry of dispatch on monthly basis is passed in the books of accounts. Surcharge is recovered on cost of medicine by using batch wise method of cost formula. In the case of equipments especially pertaining to procurement for the items on DGS&D rate contracts Board of Director in its meeting 21st dated 19.07.2012 decided to charge surcharge @ 1% of the cost instead of 5%. The Corporation has also issued drugs to NGO, Trusts and various other central Govt. units etc and charged surcharge@5% on such supply uniformly.

(ii) Liquidated Damages :

As per the order of Govt. of Raj medical and health letter no. F/02(08) Med.5/2013 Dated 10.06.2013, the Liquidated Damages has not been considered as part of income from 2012-2013 and the liquidated damages treated as income in 2011-2012 is also reversed in the current year.

C. NOT OF STANDARD QUALITY (NOSQ) DRUGS :

- (I) Each batch supplied by manufacturer is kept in quarantine area at DDW till the batch is tested by the empanelled labs and declared of standard quality. If the batch is found to be Not of Standard Quality (NOSQ), the whole of NOSQ drugs supplied stands rejected and placed in prohibited area which eventually is to be recalled by the supplier.
- (ii) Drugs/surgical/suture worth of ₹ 4, 35,09,450/- declared NOSQ during the period under review. The value has been debited to respective supplier by crediting purchase account and hence not treated in the valuation of stock. Purchases pertaining to NOSQ drugs have been shown separately by way of note hereinafter.

D. INVENTORIES :

- (i) Inventory details are maintained in e-Aushadhi software. Purchase & Dispatch entries are made by way of passing consolidated entry on monthly basis based upon reports of e-Aushadhi Software. Cost in general is ascertained using the batch wise method of cost formula instead of FIFO or weighted average method. . Effect of such discrepancies is not ascertainable.
- (ii) There is difference of ₹ 5,14,821/- in the inventory as per books of accounts and physical verification as on 31.03.2013 which has been credited to Statement of Profit and Loss under Other Income by way of "Stock Appreciation Income". The difference arises due to following reasons :-
 - (a) As the DDWs earlier under the control of Medical Health and Family Welfare Department transferred to RMSCL, hence Drugs/surgical/sutures continued to be received at these DDWs under various special programs from other agencies viz from Government of India etc as well so in few cases possibilities of mixed up of drugs received from suppliers of RMSCL cannot be ruled out altogether. Despite, that the drugs received have been kept separately and record their of has been maintained distinctly.
 - (b) In spite of sustained effort for highly efficient inventory management some percentage of drug is ought to expire, waste, so, keeping this in view , in lines with similar guide lines prevalent in some of the Govt. of India programs board of directors approved policy for the same in its 30 the meeting held on 30.01.2013

The adjustments (net decrease) in purchase and sale of ₹ 1,34,37,820/- and ₹ 1,27,65,922/- respective relating to previous period i.e. financial year 2011-12 have been accounted for during current financial year.

- (iii) Inter Depot transfer of drugs of ₹ 45, 16,661/- has been considered stock-in-transit which is subject to verification/confirmation by respective DDW.

E. The balances outstanding as on 31 March 2013 in respect of Trade Payables, wherever not confirmed by them, in so far they have not been subsequently recovered or adjusted are subject to confirmation or reconciliation.

F. In the opinion of the Board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

G. Micro, Small And Medium Enterprises Development Act, 2006 :

The Corporation has not received the requisite information from the suppliers regarding



their status under the Act. Hence disclosures relating to amount unpaid as at the yearend together with interest paid /payable as required under the said Act have not been made.

- H.** Government of Rajasthan (Medical & Health Department) vide order No. प. 02(04) चिकि. 5/2013 Dated 28.03.2013 sanctioned a loan amounting to ₹ 37.88 Cr. to RMSCL, will be considered to be converted in Grant-in-Aid in subsequent year as & when the installation become due, in order to computerize the sub stores, drug dispensing centers (DDC) of medical and health Deptt. for efficient inventory management of Drugs.

I. DISCLOSURES AS REQUIRED BY AS - 12 "ACCOUNTING OF GOVERNMENT GRANTS: EXTENT OF GRANT RECOGNISED

Particulars	Grant for Medicines (₹)	Grant for running of DDC (₹)	Grant for SC and ST (₹)
Opening balance of Grant	73,62,61,660	2,60,12,796	Nil
Amount of Grant Received	292,31,53,000	Nil	5,00,00,000
Amount of Grant Utilised	177,50,57,031	1,51,71,404	5,00,00,000
Closing balance of Grant	188,43,57,629	1,08,41,392	Nil

J. DISCLOSURES AS REQUIRED BY AS - 18 "RELATED PARTY DISCLOSURES": REMUNERATION TO MANAGING DIRECTOR

Particulars	Amount as on 31.03.2013 (₹)
Salary	6,59,690
Travelling Allowance	2,65,515
Pension Contribution	68,877
Total	9,94,082

K. PAYMENT TO AUDITORS :

31.03.2013 (₹)

Statutory Auditors:	Audit Fees	99,000/-
	Tax Audit Fee	33,000/-
	Service Tax	16,315/-

L. AS - 15 "EMPLOYEES BENEFIT" :

Staff of RMSCL is on deputation basis hence no provision has been made towards retirement benefits payable to staff as per State Govt. Service Rules. However, Pension contribution is remitted to director pension.

M. BORROWING COST :

There is no asset with the organization which comes under the meaning of Qualifying Asset as defined in para 3.2 of Accounting Standard- 16 "Borrowing Cost".

- N.** Compliance of Accounting Standard - 22 "Accounting for Taxes on Income" with regard to calculation of provision for current tax liability is subject to Tax Audit Report.
- O.** In the opinion of the Management, Service Tax is not payable for activities pursued. However, the Company is liable to pay service tax as per the Reverse charge mechanism and now get its registration done.
- P.** Assets transferred from other departments of Medical and Health have not been accounted for in the books of accounts other than Building which has been accounted at ₹ 1 in books of accounts. However same have been entered in the fixed assets register at zero value.
- Q.** Figures have been rounded off to the nearest of rupee.
- R.** Security Deposit for the year 2012-13 has not been bifurcated into current non-current liability unlike financial year 2011-12 as it was not practicable to do so and classified as non-current liability same treatment shall be continued in future.

S. CHANGE IN ACCOUNTING POLICIES :

- (i) Liquidated damages were credited to profit and loss account of the corporation for the financial year 2011-2012. However, the same has not be treated as part of income from financial year 2012-2013 with retrospective effect i.e. from 2011-12 and stands transferred to Grant Account as per Govt. of Rajasthan, Medical & Health Department order no. F/02(08)5/2013 dated 10.06.2013.
- (ii) Hence, Liquidated Damages of ₹ 6,28,50,051 related to financial year 2011-2012 has been reversed in the current financial year and as per para 15 of AS 5-" Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies " has been separately disclosed on the face of statement of profit and loss account as Prior Period Item.
- (iii) The profit of the corporation has been reduced to the extent of ₹ 16,49,29,387 due to the above change in accounting policies. The above reduction in profit includes ₹ 6,28,50,051 related to financial year 2011-12 and ₹ 10,08,19,370 related to current year 2012-2013 and prior period LD of ₹ 12, 59,966



T. Information regarding purchases, issues, and stock are as under :

PARTICULARS			AMOUNT (₹)
A. Opening Stock	79,87,78,757		79,87,78,757
B. Purchases			
Drugs/Medicines received from Suppliers	2,61,12,21,099		
Expired Goods	5,32,264		
Breakage and Spoilage Prior Period	5,58,344		
Issued to Third Party	3,40,924		
Breakage and Spoilage Prior Period	35,651		
Stock Transferred to HO	39,63,118		
Stock Appreciation	11,86,719	2,60,69,77,516	
Less:			
NOSQ Drugs	4,35,09,450		
Purchase Return	1,93,07,919		
Prior Period Report	1,34,37,820	7,62,55,190	
			2,53,07,22,325
C. Cost of Drugs/ Medicines Distributed			
Distributed by DDW	2,15,62,75,388		
Dispatch to Third Party	10,11,515	2,15,72,86,904	
Less:			
Sales Return	9,30,60,381		
Prior Period Sales	1,27,65,922	10,58,26,304	
			2,05,14,60,599
D. Closing Stock (A+B-C)			1,27,80,40,483



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

APPENDIX : A

FUNDS RECEIVED FROM OTHERS

S.NO.	PARTICULARS	OPENING BALANCE	AMOUNT RECEIVED DURING THE YEAR	AMOUNT UTILISED	CLOSING BALANCE
		₹	₹	₹	₹
1	EQUIPMENT FOR TRAUMA CARE CENTRE				
1.1	BHILWARA, PMO	-	1,44,03,000	-	1,44,03,000
1.2	CHITTORGARH, PMO	-	1,46,34,725	-	1,46,34,725
1.3	KOTPUTLI JAIPUR, PMO	-	1,55,38,000	-	1,55,38,000
1.4	SIROHI, PMO	-	1,50,00,000	-	1,50,00,000
2	FLORIDE IONOMETER				
2.1	AJMER, CMHO	-	3,50,000	-	3,50,000
2.2	BHILWARA, CMHO	-	3,50,000	-	3,50,000
2.3	CHURU, CMHO	-	3,50,000	-	3,50,000
2.4	DAUSA, CMHO	-	3,50,000	-	3,50,000
2.5	DUNGARPUR, CMHO	-	3,50,000	-	3,50,000
2.6	JAIPUR 1, CMHO	-	3,50,000	-	3,50,000
2.7	JAISALMER, CMHO	-	3,50,000	-	3,50,000
2.8	JALORE, CMHO	-	3,50,000	-	3,50,000
2.9	PALI, CMHO	-	3,50,000	-	3,50,000
2.10	SIKAR, CMHO	-	3,50,000	-	3,50,000
2.11	TONK, CMHO	-	3,50,000	-	3,50,000
2.12	UDAIPUR, CMHO	-	3,50,000	-	3,50,000
2.13	JAISALMER, CMHO	-	3,50,000	-	3,50,000
3	NON COMMUNICABLE DISEASE				
3.1	JAISALMER, CMHO	627,138	-	-	6,27,138
3.2	JODHPUR, CMHO	500,000	-	-	5,00,000
3.3	BARMER, CMHO	2,000,000	-	-	20,00,000
3.4	BIKANER, CMHO	559,838	-	-	5,59,838
3.5	GANGANAGAR, CMHO	559,244	-	-	5,59,244
3.6	NCD BHILWARA, CMHO	-	6,27,138	-	6,27,138



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

APPENDIX : A

FUNDS RECEIVED FROM OTHERS

4	NPCDCS				
4.1	BARMER, CMHO	-	34,30,000	-	34,30,000
4.2	BHILWARA, CMHO	-	30,15,000	-	30,15,000
4.3	BIKANER, CMHO	-	33,80,000	-	33,80,000
4.4	JAISALMER, CMHO	-	16,45,000	-	16,45,000
4.5	JODHPUR, CMHO	-	64,80,000	-	64,80,000
4.6	NAGOUR, CMHO	-	20,65,000	-	20,65,000
5	NPHCE				
5.1	BARMER, CMHO	-	4,54,500	-	4,54,500
5.2	BIKANER, CMHO	-	7,53,500	-	7,53,500
5.3	GANGANAGAR, CMHO	-	2,40,000	-	2,40,000
5.4	JAISALMER, CMHO	-	3,85,500	-	3,85,500
5.5	JODHPUR, CMHO	-	19,07,000	-	19,07,000
6	NAREGA KIT				
6.1	CHURU, CMHO	-	1,33,513	1,13,661	19,852
7	RAC				
7.1	COMMANDANT FIFTH BATALLION, JAIPUR	-	42,999	-	42,999
7.2	COMMANDANT FIRST BATALLION, JODHPUR	-	43,000	-	43,000
7.3	COMMANDANT FOURTH BATALLION	-	43,000	-	43,000
7.4	COMMANDANT NINTH BATALLION, TONK	-	43,000	42,997	3
7.5	COMMANDANT SECOND BATALLION, KOTA	-	43,000	40,930	2,070
7.6	COMMANDANT SIXTH BATALLION, DHOLPUR	-	42,912	42,898	14
7.7	COMMANDANT TENTH BATALLION, BIKANER	-	43,000	-	43,000
7.8	COMMANDANT THIRD BATALLION, BIKANER	-	43,000	-	43,000



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED
SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

APPENDIX : A

FUNDS RECEIVED FROM OTHERS

7.9	POLICE AYUKT, JODHPUR	-	70,000	-	70,000
8	NRHM				
8.1	NRHM EQUIPMENT				
i	108 AMBULANCE EQUIPMENT	-	26,00,00,000	-	26,00,00,000
ii	BASE AMBULANCES NRHM	-	12,00,00,000	11,01,15,590	98,84,410
iii	FBNC EQUIPMENT	-	1,80,00,000	-	1,80,00,000
iv	HAEMOGLOBIN EQUIPMENT	-	50,00,000	-	50,00,000
v	INDILABEL INK MARKER PEN	-	12,98,221	12,50,275	47,946
vi	NBSU	-	6,63,99,996	-	6,63,99,996
vii	NEW BORN CARE CORNERS	-	9,60,80,000	-	9,60,80,000
viii	PREVENTION OF ROP BLINDNESS-PPP	-	90,00,000	-	90,00,000
ix	PROCUREMENT OF BABY WEIGHING MACHINE	-	1,64,02,500	-	1,64,02,500
x	PROCUREMENT OF EQUIPMENT MATERNAL HEALTH	-	2,79,35,000	-	2,79,35,000
xi	PROCUREMENT OF LAPROSCOPE ADVANCE	-	5,09,84,000	5,07,22,560	2,61,440
xii	PROCUREMENT OF MEDICAL MOBILE UNIT	-	2,55,00,000	-	2,55,00,000
xiii	PROCUREMENT OF MEP EQUIPMENT	-	1,00,00,000	-	1,00,00,000
xiv	PROCUREMENT OF MEP SUPPLIES	-	1,00,00,000	-	1,00,00,000
xv	RNTCP ACTIVITIES	-	20,00,000	-	20,00,000
xvi	ROUTINE IMMUNISATION PROGRAMME (STATE HEALTH SOCIETY)	-	17,25,000	-	17,25,000
8.2	NRHM MEDICINE				
i	108 AMBULANCE	75,00,000	-	5,13,915	69,86,085
ii	ASHA DRUG KIT	44,23,000	76,06,000	1,08,52,264	11,76,736
iii	FBNC	-	52,50,000	33,89,534	18,60,466
iv	FREE MEDICINES FOR PREGNANT WOMAN-RJSSY	-	15,90,00,000	15,90,00,000	-



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

APPENDIX : A

FUNDS RECEIVED FROM OTHERS

v	FREE MEDICINES FOR SICK NEONATES-RJSSY	-	60,00,000	60,00,000	-
vi	HAEMOGLOBIN	-	72,33,000	10,47,133	61,85,867
vii	IFA TABLETS	1,13,66,059	11,45,18,000	2,45,23,511	10,13,60,548
viii	IV IRON SUCROSE INJECTION	-	10,00,000	-	10,00,000
ix	MTC (3 BEDDED)	-	10,00,000	10,00,000	-
x	MTC (6 BEDDED)	-	10,00,000	10,00,000	-
xi	NATIONAL RURAL HEALTH MISSION VITAMIN A	-	2,68,91,000	71,67,132	1,97,23,868
xii	NPCDC\NPHCE\STATE HEALTH SOCIETY	-	1,46,720	1,46,720	-
xiii	NTCP	-	43,552	43,552	-
xiv	ORAL SUSPENSION	-	2,33,10,000	2,33,10,000	-
xv	RAJIV GANDHI MOBILE MEDICAL YOJANA	1,87,00,000	2,82,00,000	1,18,91,527	3,50,08,473
9	APNA GHAR BHARATPUR	-	1,00,000	99,384	616
10	C-ARM WITH ORTHOPAEDIC TABLE	-	11,35,100	10,91,701	43,399
11	CHC BAGIDORA BANSWARA	-	13,00,000	-	13,00,000
12	CMHO BARMER NCD\NPCDCS\NPHCE	-	2,00,000	-	2,00,000
13	DCP HEAD QUARTER JAIPUR	-	1,16,226	1,17,729	(1,503)
14	DCS	-	2,00,000	-	2,00,000
15	DG JAIL	-	38,70,000	14,62,505	24,07,495
16	EQUIPMENT UNDER NPHCE	-	57,60,000	-	57,60,000
17	FOLDABLE INTRACULAR LENSES	-	80,00,000	-	80,00,000
18	ITEM 100A X-RAY MEDICINE	-	2,00,000	-	2,00,000
19	JLN HOSIPTAL AJMER EF	-	46,997	-	46,997
20	KSTPC HOSPITAL KOTA	-	2,01,678	2,01,623	55
21	KUHAD TRUST	-	24,029	24,029	-
22	MAHATMA GANDHI UNIVERSITY	-	8,40,000	8,40,000	-
23	MAHESH HOSPITAL JAIPUR	-	1,25,000	97,731	27,269



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR

APPENDIX : A

FUNDS RECEIVED FROM OTHERS

24	NPHCE	-	3,00,000	-	3,00,000
25	NVBDCP (STATE HEALTH SOCIETY)	-	1,25,00,000	65,00,000	60,00,000
26	PMO BHILWARA	-	52,17,000	-	52,17,000
27	PTC JODHPUR	-	46,000	-	46,000
28	PURCHASE OF EQUIPMENT (DTL)	-	47,00,000	-	47,00,000
29	RSMM LTD UDAIPUR	-	1,00,000	-	1,00,000
30	SAMBHAR SALTS LIMITED	-	20,000	-	20,000
31	SP BIKANER	-	70,000	-	70,000
32	SP KOTA	-	70,000	-	70,000
33	TAABAR SOCIETY	-	17,000	8,933	8,067
34	DIRECTOR MSU JAIPUR	-	1,36,39,000	-	1,36,39,000
	TOTAL	4,62,35,279	1,24,93,76,806	42,26,57,834	87,29,54,251



संख्या / No. GSSA-II/55/AA/RMSCL/2012-13/K223/D-1245

भारतीय लेखा तथा लेखापरीक्षा विभागकार्यालय प्रधान महालेखाकार (सामान्य एवं सामाजिक क्षेत्र लेखापरीक्षा) राजस्थान,
जनपथ, जयपुर- 302005**INDIAN AUDIT AND ACCOUNTS DEPARTMENT**OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (GENERAL AND SOCIAL SECTOR AUDIT) RAJASTHAN,
Janpath, Jaipur-302005

दिनांक/Date 30.09.2013

प्रबन्ध निदेशक,
राजस्थान मेडिकल सर्विस कॉर्पोरेशन लिमिटेड,
गाँधी ब्लॉक, स्वास्थ्य भवन,
तिलक मार्ग, सी-स्कीम,
जयपुर

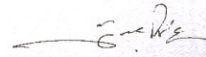
विषय : राजस्थान मेडिकल सर्विस कॉर्पोरेशन लिमिटेड, जयपुर के 31 मार्च, 2013 को समाप्त
वर्ष के लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणी।

महोदय,

मुझे कम्पनी अधिनियम की धारा 619 (5) के अंतर्गत कम्पनी की वार्षिक साधारण सभा में प्रस्तुत करने हेतु
31 मार्च, 2013 को समाप्त वर्ष के लिए राजस्थान मेडिकल सर्विस कॉर्पोरेशन लिमिटेड, जयपुर के लेखाओं पर कम्पनी
अधिनियम की धारा 619 (4) के अधीन 'शून्य टिप्पणी प्रमाण पत्र' जारी करने का निर्देश हुआ है।

उपरोक्त अवधि के वार्षिक लेखे एवं लेखापरीक्षकों की रिपोर्ट की सात प्रतियां जैसी कि साधारण सभा में रखी
जावें तथा स्वीकृत की जावें, कृपया इस कार्यालय को शीघ्र भिजवाने का श्रम करें।

भवदीय,


वरि. उपमहालेखाकार
(जी.एस.एस.ए.-II)

संलग्न : उपरोक्तानुसार

टेलेक्स : 2285

फैक्स : 0141-2385181

टेलीफोन : 2385430-39, 2385230, 2385131, 2385232

तार : लेखापरीक्षा

Telex : 2285

Fax : 0141- 2385181

Telephone 2385430-39, 2385230, 2385131, 2385232

Telegram : Lekhapariksha



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED, JAIPUR FOR THE YEAR ENDED 31 MARCH, 2013.

The preparation of financial statements of Rajasthan Medical Services Corporation Limited, Jaipur for the year ended 31 March, 2013 in accordance with financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body the institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 03 September, 2013.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619 (4) of the financial statement of Rajasthan Medical Service Corporation Limited, Jaipur for the year ended 31 March, 2013. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries to the statutory auditor and corporation personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comments upon or supplement to Statutory Auditor's report under Section 619 (4) of the Companies Act, 1956.

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

Place:- Jaipur

Date:- 30-09-2013


(Sunil Bahri)
Principal Accountant General
(G&SSA)
Rajasthan, Jaipur



Drug Storage at Sub-Store



Drug Distribution Centre



Drug Distribution Centre



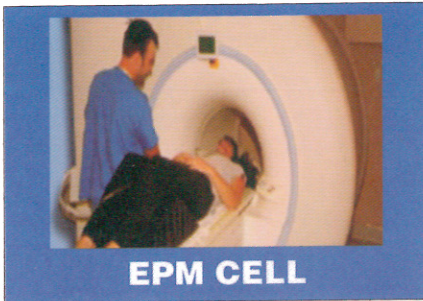
Drug Storage at Sub-Store



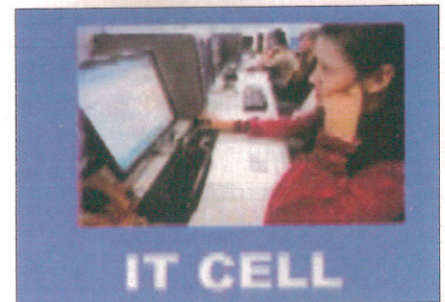
Drug Distribution Centre



Orientation Training



॥ सर्वे सन्तु निरामयाः॥



Phone
0141-2228066
Fax
0141-2228065
Mobile
9166005500



E-mail Address
rmsc@nic.in



डाक पता
प्रबन्ध निदेशक
राजस्थान मेडिकल
सर्विसेज कार्पोरेशन
गाँधी ब्लॉक,
स्वास्थ्य भवन,
तिलक मार्ग,
सी-स्कीम,
जयपुर