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Bafna & Associates

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To

The Members of **The Rajasthan Small Industries Corporation Limited**

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of **The Rajasthan Small Industries Corporation Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph below, the aforesaid standalone 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 Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, except non-compliance of AS-28(Impairment of Assets) & AS-29(Provision ,contingent liabilities and contingent assets) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019 and its Loss and its cash flows for the year ended on that date.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the"ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

The company has not provided for the matters as mentioned in **Annexure "1"** of the audit report. We are unable to obtain sufficient appropriate audit evidence in relation to certain matters stated in the annexure. Consequently, we were unable to determine whether any adjustments to the financial statement were necessary.

Emphasis of Matter

We draw attention to the matters as mentioned in **Annexure "2"** of the audit report. Our opinion is not qualified in respect of these matters.

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Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report, management discussions, shareholders information and analysis reports but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "3"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(5) of the Companies Act 2013, we give a statement on the compliance to the directions issued by Comptroller and Auditor General of India in the **Annexure "4"**.
3. As required by Section 143 (3) of the Act, based on our audit we report that:
   (a) We have sought and, except for the effects of the matters described in the Basis for Qualified Opinion paragraph below, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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(b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, except AS-28(Impairment of Assets) & AS-29(Provision ,contingent liabilities and contingent assets).

(e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

(f) This Being a Government Company it is being exempted from applicability of Section 164 (2) of Companies Act 2013 vide Notification dated 5th June 2015.

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

(h) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refers to our separate report in **Annexure "5"**.

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note No.(B) Contingent Liabilities under Significant Accounting Policies and Notes Forming Part of the accompanied Financial Statement. However, pending litigations initiated by the employees against the RSIC stand undisclosed in the financial statement ;.

   ii. The Company do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There were no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR BAFNA & ASSOCIATES
Chartered Accountants
Firm Registration No. 001408C

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(SIDHARTH BAFNA)
Partner
Membership No. 405227
UDIN: 19405227AAAABS2305
PLACE: JAIPUR
DATE: 29.08.2019

ANNEXURE "1" TO THE INDEPENDENT AUDITOR'S REPORT

BASIS OF QUALIFICATION OPINION

1. The amount of Rs.48.54 Lacs received on account of raw material assistance scheme from State Government and appearing under the head Reserve and Surplus-Revolving fund was to be returned to the Government after expiry of five years of the scheme from the financial year 1991-92. Accordingly, this amount became refundable in the year 1996-97. The company is showing this amount under the head Reserve and Surplus instead of Current Liabilities. Accordingly, Reserve and Surplus/ Shareholders' Fund would be reduced by Rs.48.54 Lacs and Current liabilities will be increased by Rs.48.54 Lacs.

2. Advance payment was made to M/s SECL against purchase of coal during F.Y 2008-09/2009-10 out of which Rs. 5.04 Lacs is still lying with M/s SECL. The company is showing this amount under the head Trade Receivable. The company has neither taken any concrete efforts for the recovery of the same nor taken confirmation since 2009-10 for the same. Hence in our opinion recovery of this amount is doubtful. Accordingly, Trade Receivable and shareholders' fund would have been reduced by Rs.5.04 Lacs and loss for the year will be increased by Rs.5.04 Lacs.

3. The company has not claimed the credit under GST in relation to Service Tax Credit & KKC & SBC of Rs.224656/- and have continued to show it under the head Short Term Loan & Advances. As Trans-1 has not been filed by the company thus, such credit stand lapsed and shall be charged to profit and loss account. Accordingly, Short Term Loan & Advances and shareholders' fund would have been reduced by Rs.2.24 Lacs and loss for the year will be increased by Rs.2.24 Lacs.

4. As mentioned in Note No.(B) (iii) of contingent liabilities under Significant Accounting Policies and Notes Forming Part of the Financial Statements the company has not made the provision of interest and principal payable amounting to Rs.314.69 Lacs to the awardee. Matter is subjudice before the Hon'ble High court. We are unable to express any opinion of its impact on the financial statements of the corporation.

5. As mentioned in Note No.(B) (ix) of contingent liabilities under Significant Accounting Policies and Notes Forming Part of the Financial Statements the company has not made the provision of claim payable amounting to Rs.400.46 Lacs to the claimant. Matter is subjudice before the Arbitrator. We are unable to express any opinion of its impact on the financial statements of the corporation.

6. Deductions from H&T contractors are subject to confirmation, therefore, any disagreement or dispute in this regard is not known and, therefore, its impact on financial statement cannot be ascertained.

7. The company is not reconciling the provision of income tax with income tax refundable. In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of the income Tax Refundable-Short Term Loans & Advances and recoverability of the aforesaid refund and the consequential impact if any on the accompanying standalone financial statements.

8. FBT Refundable amounting to Rs.1.22 Lacs is shown by the company under the head Short Term Loans & Advances. In our opinion the same stand non recoverable. Accordingly, Short Term Loans & Advances and shareholders' fund would have been reduced by Rs.1.22 Lacs and loss for the year will be increased by Rs.1.22 Lacs

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9. Refer Note No. (7)(a) Regarding non–settlement of account of M/s RSRDCC Ltd. M/s RSRDCC Ltd. has done several construction works for the corporation several years ago, however the corporation has failed to properly reconcile the account. In the absence of final reconciliation and in absence of sufficient appropriate evidence the impact on Financial Statement is unascertainable. Final settlement of account with RSRDCC Ltd. will also have an impact on the carrying value of Property, Plant & Equipment (fixed assets).

10. Refer Note No. (4)(a) Regarding Non-availability of information regarding Rs.399854/- lying in interest accrued in due under head of 'Other Current Liabilities", In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of the same and the consequential impact, if any, on the accompanying standalone financial statements.

11. Under Note No.(B) (iii) of contingent liabilities under Significant Accounting Policies and Notes Forming Part of the Financial Statements, the company has shown contingent liability amounting to Rs.765.94 Lacs regarding claims against the company not acknowledged as debts. This includes Penalties/Recoveries/Interest/Economic Rent etc that have been raised by various Govt Departments (form RICCO , Customs, House Tax, UD Tax etc). Out of which Rs.601.32 Lacs are such claims/debts which are sujudice before the competent appellate authorities. However, for the remaining amount of Rs.164.62 Lacs, the company has not made any provisions. Accordingly, Short Term Provision and loss for the year will be increased by Rs.164.62 Lacs and shareholders' fund would have been reduced by Rs.164.62 Lacs.

12. Rs.14.15 Lacs is shown as trade receivables in relation to Jaipur Hastsheel Utsav-2018 since FY-2017-18. However, no invoice has been raised by RSIC in relation to the above amount on the debtors. Moreover, this amount stands un-confirmed by the respective parties/debtors. In our opinion, this amount of trade receivable is doubtful and provision shall be made for the same. Accordingly, Trade Receivable and shareholders' fund would have been reduced by Rs.14.15 Lacs and loss for the year will be increased by Rs.14.15 Lacs.

13. Rs.10.40 Lacs is shown as Advance to ITPO, Delhi and are classified under the head-Short Term Loan and advances. This amount subject to confirmation. In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of the same and the consequential impact, if any, on the accompanying standalone financial statements.

14. No provision has been made for interest payable for delayed payment to MSME Creditors. In the absence of sufficient appropriate evidence, we are unable to quantify the amount of interest payable and the consequential impact, on the accompanying standalone financial statements.

15. There are many Pending litigations against the company filed by the employees of RSIC. In the absence of sufficient appropriate evidence, we are unable to quantify the amount of such undisclosed contingent liability and the consequential impact, on the accompanying standalone financial statements.

16. The entire amount of Security Deposits-Payable are classified as Other Long-Term Liabilities. However, it also includes amount which is refundable to the party within 12 months from the reporting date. This has resulted in wrong classification. It should have been classified as Short

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Term liability. In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of the same and the consequential impact, if any, on the accompanying standalone financial statements.

17. GST not charged on Other Income-Penalty/Interest on late payment/tender fees. The GST is payable on these incomes. In the absence of sufficient appropriate evidence, we are unable to quantify the amount of such GST Outward liability and the consequential impact, on the accompanying standalone financial statements.

18. Debtors with credit balance are classified as Creditors and on the other hand creditors with debit balance are classified as Debtors. This has resulted in wrong classification of current asset. In the absence of sufficient appropriate evidence, we are unable to comment upon the consequential impact, of the wrong classification, on the accompanying standalone financial statements.

19. As per AS 28: Impairment of Assets "An enterprise should assess at each balance sheet date whether there is any indication that an asset may be impaired." The company is not carrying out the physical verification of the reported Fixed Assets. No impairment loss has been provided on in relation to impaired assets. In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of the Property, Plant and Equipment and the consequential impact, if any, on the accompanying standalone financial statements.

20. The company has charged the rates of depreciation as per schedule II of companies Act, 2013. Retrospective effect of change of Rate of Depreciation rates prior to F.Y 2014-15 is not given in the books of accounts. The GST is payable on these incomes. In the absence of sufficient appropriate evidence, we are unable to quantify the possible impact on the accompanying standalone financial statements.

21. The company is not periodically reviewing the classification of Trade Receivables as doubtful or good. This may have an impact on non-provisioning against assets which are in actuality doubtful but still classified as good. In the absence of sufficient appropriate evidence, we are unable to quantify the possible impact on the accompanying standalone financial statements.

ANNEXURE "2" TO THE INDEPENDENT AUDITOR'S REPORT

EMPHASIS MATTERS

1. As per the information and explanation provided to us, no internal Audit has been undertaken for FY-2018-19 and no internal audit report has been provided to us.

2. Trade receivables, Trade payables/Outstanding Liabilities, Security Deposits are subject to confirmation & reconciliation. These include some old/unlinked balances pending confirmation reconciliation/settlement.

3. Turnover Discount (TOD) of Rs.28.42 Lacs relating to FY-2016-17 which stand payable on the starting of the year, has been booked as income in current year on the basis of decision taken by the management. However, TOD of Rs.24 Lacs relating to FY-2017-18 and SSI Rebate of Rs.12.48 Lacs has continued to be shown in the financial statement as current liability. Management decision on this matter as to whether the same will be paid to the parties or will be considered as RSIC income, stand undecided.

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ANNEXURE "3" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of **The Rajasthan Small Industries Corporation Limited** of even date)

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. Property, Plant & Equipment:
   (a) The company has not maintained Proper records in respect of fixed assets.
   (b) Fixed Assets have not been physically verified by management.
   (c) Proper Title Deed of following Properties are not held by the company:

S.No	Description of Property	Area	Book Value
1.	Showroom at Rajasthali Kolkota. (Garihat)	88.07 Sq Mtr. (Leasehold)	Combined Value of S.No. 1 & 2 is Rs. 10.35 Lac
2.	Residential Flat at Kolkota	750 Sq Ft. (Leasehold)	
3.	Rajasthali Handicraft Mall at M.I Road Jaipur (Land & Showroom)	2020 Sq Yard (Leasehold)	Value of Land of is Rs.313.70 Lac (Only allotment letter issued by Nagar Nigam Jaipur is with Company). Depreciated value of the Rajasthali Building & Handicraft Mall is 213.09 Lac & 576.04 Lac
4.	H.O Building (Udyod Bhawan, Jaipur)	33944 Sq Ft. (Freehold)	Value of Land 13.69 Lac & Cost of Building is 60.10 Lac. (Only Possession letter issued by PWD is held by the company)
5.	Raw Material Depot Bharatpur	1264 Sq Mtr. (Freehold)	Value of Land 0.25 Lac. (Original Documents were not produced before us for verification)
6.	ICD Sector 9 Bhiwadi	9112.04 Sq Mtr. (Lease hold)	Value of Land 48.75 Lac. (Only Possession letter issued by UIT Alwar is held by the company)

2. Inventories:
   a) The inventory, except goods-in-transit and stocks lying with third parties, have been physically verified by the management at the year end. In our opinion, the frequency of such verification is not reasonable and needs augmentation.
   b) With respect to the goods in transit, if any, confirmation has been obtained.

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c) The discrepancies noticed on physical verification of inventory as compared to book records were not material & have been properly dealt with in the books of accounts except non adjustment of Rs.2.24 Lac pertaining to shortages detected during the year 1972-73 to 1998-99. Further no confirmation is available for goods lying with third party - artisans of Rs 0.20 Lac and goods with others of Rs 0.21 Lac from many years. Looking to age factor Rs 0.41 Lac is doubtful for which no provision has been made in accounts.

3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.

4. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

5. There are advance which are not appropriated against supply of goods or provision of services within a period of three hundred and sixty five days from acceptance of such advance and such advance are not subject matter of any legal proceedings before any court of law. Hence, such advances qualify as Deposits. The company has not complied with the directives issued by the Reserve Bank of India and provision of sec 73 to 76 or any other relevant provision of Companies Act, 2013 and the rules framed there under. No order has been passed by company law board (CLB) or National company law tribunal (NCLT) or RBI or any court or any other tribunal.

6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

7. In respect of statutory dues:

(a) To the best of our knowledge and information obtained and verifications made, we report that the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance, income tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it. Further according to the information & explanation given to us, no undisputed amounts payable of aforesaid dues were outstanding as at 31st March 2019 for a period of more than six months from the date they become payable except:

1. Old Provident fund amounting to Rs.137740/-.
2. Old Sales Tax amounting to Rs. 65995/-.
3. LIC amounting to Rs. 31533/- and Professional Tax-Rs.6073/-.
4. The company is not regular in payment of Lease rent tax, House Tax, as per the Corporation following **undisputed amount is** payable as on 31.3.2019(including interest and penalty as per demand)

Name of Statutory Liability	Nature of Dues	Amount in Lac	Period to which the amount relates
(Undisputed) lease rent	ICD Bhiwadi	146.97	April 1999 to March 2019

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(including int.)			
House Tax and U.D tax	RSIC,HO.Jaipur	3.89	Up to March 2019

Further it has been observed that complete information regarding House Tax demand is not available with the corporation hence we cannot comment on the same.

5. Income Tax accounts of the corporation are under reconciliation and exact information about the demands raised by the Income Tax Department for various years and its reconciliation with books of the corporation is not available with the corporation hence we are unable to comment on the same.
6. GST related accounting of the corporation is improper. Reconciliation of Books of accounts with GST Returns is not available with the corporation hence we are unable to comment on the same.

(b) According to the information and explanation given to us, there are no pending statutory dues regarding Income Tax/ Sales Tax/ Wealth Tax/ Service Tax/ Custom Duty/ Excise Duty/ Cess which are not deposited on account of any dispute, except in respect of sales tax & service tax dues the corporation has not deposited following disputed amounts:

Name of Dues	**Amount (in Rs.)**	**Period to which the amount related**	**From where dispute is pending**
RST	76,335	2005-06	Company has submitted required document/ information & requested to competent authority to set aside the demands.
VAT	68,513	2006-07	
VAT	60,132	2007-08	
VAT	51,14,300	2011-12	Mismatch at in VAT Returns. Representation is Given by the Company to Dept.
VAT	29,87,434	2012-13	
VAT	54,73,685	2013-14	
VAT	60,85,030	2014-15	
CST	2,560	2010-11	
CST	9,72,930	2014-15	
CST	6,74,870	2015-16	
VAT	20,70,490	2015-16	MISMATCH
VAT	18,37,410	2016-17	MISMTACH
CST	1,32,130	2016-17	
Total	25552114		
(The interest is also overdue on these demands)			
Service tax	2,16,340 9,16,887	2006-07&07-08 2007-13	CESTAT-Customs Excise Service Tax Appellate Tribunal & Commissioner appeals
Income Tax	280742	As on 31.03.2019	TDS Demand

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8. Repayment of Loans and Borrowings

In our opinion and according to the information and explanations given to us, the company has defaulted in repayment of under-mentioned dues:

S. No	Name	Amount Rs.	Due From
1	Govt. of Rajasthan	2500000	26th March 2011
2	Govt. of Rajasthan	2500000	26th March 2012
3	Govt. of Rajasthan	2500000	26th March 2013

On the basis of the meeting of the management of SRF held on 26.07.2018, the management of RSIC has considered the loan and interest payable to SRF as long term borrowings. The management is of the view that same won't be due for repayment within 12 months from the reporting date. Thus, same is not considered as default in repayment.

9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

11. This Being a Government Company it is being exempted from applicability of Section 197 of Companies Act 2013 vide Notification dated 5th June 2015. Accordingly, paragraph 3 (xi) of the Order is not applicable.

12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

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ANNEXURE "4" TO THE INDEPENDENT AUDITOR'S REPORT

As required by section 143(5) of the Act, we give a statement as under:

S. No.	Directions	Action Taken	Impact on Financial Statements
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company does not have system in place to process **all** the accounting transactions through IT system. The books of accounts are maintained in IT system unit wise **at year end basis**. Consolidation of books of accounts is done manually. **Moreover, books of accounts of certain Units like Rajasthali Jaipur, Kolkata and Delhi are maintained manually.** Many financial transactions are passed/ booked jointly as one single entry in IT system. The principle of maker and checker is not followed. Most of the entries passed in the IT system are without narrations. It does not have any central ERP system. There are negative implications of processing of accounting transactions outside IT system such as over payment to creditors, lower reversal of GST credit, TDS compliance verification. The same has been qualified in our audit report as well.	We are unable to quantify the direct financial impact of processing of accounting transactions outside IT system on the integrity of the accounts.
2.	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc. made by a lender to the company due to the Company`s inability to repay the loan? if yes, the financial impact may be stated.	According to information and explanations given to us, there has been no case of restructuring of an existing loan or of waiver/write off of debts/loans/interest etc.	Nil
3.	Whether Funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List of cases of deviations	Generally Funds received during the year for specific schemes are properly accounted for and utilized as per its term and conditions	Nil

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S.No.	Company specific Directions	COMMENTS
1	Whether Funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized? List of cases of deviations	Generally Funds received during the year for specific schemes are properly accounted for and utilized as per its term and conditions.
2	Whether the bank guarantees have been revalidated in time?	As per information and explanation given to us no Bank Guarantees exist as on 31.03.2019. In current year there is NIL case of delay in revalidation of Bank Guarantees.
3	Comment on the confirmation of balances of trade receivable, trade payable, term deposits, bank accounts and cash obtained.	Confirmation of Balances of Trade Receivables, Trade Payables are not obtained by the corporation. The same has been qualified in our audit report as well. Confirmation of balance with banks as on year end is obtained. Term deposits are cross verified with copy of acknowledgement of Term Deposit, however, the confirmation of the balance of term deposit is not obtained from the banks. Cash is verified physically at year end by the management and no discrepancies has been noticed/stated by them.

ANNEXURE "5" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act. 2013 ("the Act")

We have the Audited the internal financial controls over financial reporting of **The Rajasthan Small Industries Corporation Limited** ("the company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of internal Financial Controls over Financial Reporting Issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies; the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the companies Act,2013.

BAFNA & ASSOCIATES JAIPUR Chartered Accountants

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Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls our financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of Internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors judgment, including the assessment of the risks of materials misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company internal financial controls system over financial reporting of the company.

Meaning of internal Financial Controls over financial reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transaction are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls. Material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may becomes inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

SAFNA & ASSOCIATES JAIPUR Chartered Accountants

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Emphasis Matters

We draw your attention to under mentioned matters: -

1. The company does not have system in place to process all the accounting transactions through IT system. The books of accounts are not maintained regularly in IT system. Consolidation of books of accounts is done manually. Moreover, books of accounts of certain Units like Rajasthali Jaipur, Kolkata and Delhi are still maintained manually. Processing of accounting transactions outside IT system, reproduces lack of internal control.
2. Entries are combined and passed in IT system as one consolidated entry. Many accounting entries are passed on cash basis rather than on mercantile/accrual basis.
3. Narrations are not proper.
4. Payments are not crossed referenced/marked with the Bills of supplies.
5. Maker and checker principal not followed.
6. Physical verification of fixed assets is not carried out, due to which provision for impairment of assets are not been accounted or provided for in books.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion in the Annexure-"1", to the best of our information and according to the explanations given to us, the company has, reasonable and fairly internal financial controls systems over financial reporting. The internal control needs improvements and effective implementation as at 31 March, 2019.

FOR BAFNA & ASSOCIATES
Chartered Accountants
Firm Registration No. 001408C

BAFNA & ASSOCIATES JAIPUR Chartered Accountants

(SIDHARTH BAFNA)
Partner
Membership No. 405227
UDIN: 19405227AAAABS2305
PLACE: JAIPUR
DATE: 29.08.2019

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ANNUAL ACCOUNTS 2018-19

THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD

(A GOVERNMENT OF RAJASTHAN CONCERN)

JAIPUR

ANNUAL ACCOUNTS FOR THE YEAR

2018-19

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THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD.

(A Government Of Rajasthan Concern)

Jaipur

BALANCE SHEET AS AT 31ST MARCH, 2019

PARTICULARS	Note No.	AS AT 31st March2019		AS AT 31st March 2018	
			Rs		Rs
EQUITY & LIABILITIES					
SHARE HOLDERS' FUNDS					
Share Capital	1	696,40,300		696,40,300	
Reserves and Surplus	2	(1396,34,825)	(699,94,525)	(1277,05,094)	(580,64,794)
Share Application Money Pending Allotment					-
NON CURRENT LIABILITIES	3				
Long Term Borrowings	3.1	775,68,744		753,01,664	
Other Long Term Liabilities	3.2	404,50,172		415,76,279	
Long Term Provision	3.3	267,71,635	1447,90,551	230,61,249	1399,39,192
CURRENT LIABILITIES	4				
Short- Term Borrowings	4.1	-		-	
Trade Payables	4.2	1274,30,500		2150,03,382	
Other Current Liabilities	4.3	528,67,586		2681,46,353	
Short Term Provisions	4.4	1737,48,631	3540,46,717	1866,01,493	6697,51,228
TOTAL			4288,42,743		7516,25,626
ASSETS					
NON CURRENT ASSETS					
Property ,Plant & Equipment	5				
Tangible Assets		1895,33,505		1958,98,127	
Capital work-in-progress			1895,33,505		1958,98,127
Non-Current investments	6		2,86,140		2,86,140
Long Term Loans & Advances	7	63,89,222	63,89,222	63,74,717	63,74,717
Other Non Current Assets	8		-		-
CURRENT ASSETS	9				
Inventories	9.1	46,07,614		522,04,610	
Trade Receivables	9.2	76,56,289		63,88,043	
Cash And Bank Balances	9.3	1515,14,184		4183,95,402	
Short Term Loans and Advances	9.4	613,14,944		588,71,397	
Other Current Assets	9.5	75,40,846	2326,33,877	132,07,190	5490,66,642
TOTAL			4288,42,743		7516,25,626
Significant Accounting Polices and the notes forming part of the financial statements	1-22		(0)		0

AUDITORS REPORT

As per our report of even date

For Bafna & Associates
Chartered Accountants
(FRN 001408C)

Sidharth Bafna
Partner MNO 405227

(Dr. Akash Alha)
Chief Accounts Officer

(P.K.Jain)
Co.Secretary

(K.K.Pathak)
Managing Director
DIN-08328847

(Urmila Ranjoria)
Director
DIN02903609

Place: Jaipur,
Dated: 29-8-2019

BAFNA & ASSOCIATES JAIPUR Chartered Accountants

UDIN-19405227AAAABS2305

THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD.
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDING 31 MARCH 2019

PARTICULARS	Note No.		For the year ended 31st march 2019		For the year ended 31st march 2018
			Rs		Rs
INCOME					
Revenue from Operation	10		9738,36,472		13605,79,815
Less:-Excise Duty					
Net Revenue from Operation			9738,36,472		13605,79,815
Other Income	11		332,93,274		538,77,932
Total Revenue	(a)		10071,29,746		14144,57,747
EXPENDITURE					
Cost of Material Consumed	12		-		-
Purchase of Stock in Trade	13		7724,86,465		12236,60,010
Change in Inventories of finished goods ,stock in process & stock in trade	14		475,96,997		(207,93,663)
Employee Benefit Expense	15		790,54,847		656,42,446
Finance Cost	16		34,60,822		28,05,117
Depreciation & Amortisation	5		49,91,023		54,13,724
Other Expenses	17		1135,01,232		1253,59,000
Total expenses	(b)		10210,91,386		14020,86,634
Profit/(Loss)before exceptional and extraordinary items and tax	(a-b)		(139,61,641)		123,71,113
Less:Exceptional Items					
Prior Period Items:-	19		21,95,388		23,82,657
Excess Provision/petty balnces Written-Back	18		8,69,844		328,85,328
Profit/(Loss) before extraordinary items and tax			(108,96,408)		476,39,098
Add:Extraordinary items	20		11,98,567		45,847
Profit/(Loss) before tax			(96,97,841)		476,84,945
Tax Expenses					
(a)Current Tax Expenses for the Year			-		-
(b)(Less): MAT Credit Entitlement			-		-
(c) Net Current Year Tax			-		-
(d) Current year tax expenses relating to prior years					
(e)Net Tax Expenses			-		-
(f) Deferred Tax Provision			-		-
Profit/(Loss) for the year			-		0
			(96,97,841)		476,84,945
Basic and Diluted Earning Per Share	21		(13.93)		68.47
Significant Accounting Polices and the notes forming part of the financial statements	1-22				

AUDITORS REPORT
As per our report of even date

For Bafna & Associates
Chartered Accountants
(FRNo.001408C)

Sidharth Bafna

Partner MNO 405227

(Dr. Akash A lha)
Chief Accounts Officer
Place: Jaipur
Dated: 29-8-2019

(P.K.Jain)
Co. Secretary

K.K.Pathak
Managing Director
DIN 08328847

(Urmila Ranjoria)
Director
DIN 02903609

BAFNA & ASSOCIATES JAIPUR Chartered Accountants

UDIN-19405227AAAABS2305

THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD.

SIGNIFICANT ACCOUNTING POLICIES AND THE NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Forming Part of Balance Sheet as on 31.03.2019and Statement of Profit & Loss account on that date)

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(A) **ACCOUNTING POLICIES**

The Financial statement have been prepared under the historical cost convention on accrual basis of accounting and on the principles of going concern and generally accepted accounting principals and the provision of the company Act 2013 and in accordance with accounting standards as applicable,as adopted consistently by the company. The significant accounting policies are stated hereunder: -

1 **GRANT-IN-AID:-**

The expenditure and realisation as dealt in Annexure "A" in respect of Grant-in-Aid have not been dealt in the Statement of Profit & Loss Account.

2 **INVESTMENT:-**

i) Long term investment are valued at cost however in case of permanent diminution in value of investment, carrying amount of investment is reduced by the amount of such decline

ii) Current investment are valued at cost or net realisable value which ever is lower

3 **DEPRECIATION**

i) Land:-Amortization is provided in the accounts in respect of leasehold land on the basis of lease period.

II) Other Fixed Assets :Depreciation has been charged on Written down Value Method at the rates and methods in accordance with schedule II of the companies Act, 2013.Printer as considered as printer periphearls and Depreciation charged accordingly Property.

Property ,Plant and Equipment: (AS-10) Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

4 **Retirement Benefits**

Gratuity :-The corporation has taken a policy from LIC for the payment of Gratuity to its employees and annual contribution payable to LIC is debited to the P & L account of the Corporation on the basis of the actuarial valuation

Leave Encashment :-Provision for the value of leave encashment benefit on retirement of employees/officers have been made on accrual basis on the basis of calculation made by the Corporation.As per RSIC service rules 1972, unavailed medical leave are not being encash at time of retirement.

5 **Government Grants**

i) For Capital Expenditure:-Government grants received for capital Expenditure are transferred to Capital reserve upon capitalization of concerned assets and proportionate depreciation on subsidy portion of concerned asset is charged to Capital Reserve account, unutilized grant is shown in current liabilities.

ii) For Others:-Government grants received for revenue expenditure is set off against the concerned expenditure head / scheme. The same is shown as liability before utilization.

Miscellaneous income, unrealised Warehousing, handling charges, wharfage charge, rent in dispute, leave encashment, honorarium incentive payment to official other than payment under incentive scheme (Handicrafts) are accounted for an actual receipts/payment basis.

7 Interest on the staff advances for the employees who have left the organization will be accounted for as & when it will be received.

8 Sales includes transfer and expenses

9 VALUATION OF STOCK IN TRADE:-

a) Stock in trade of Iron & Steel etc. is Valued at Cost on FIFO method.

b) Stock in trade of Central Stores & DDRC is valued at cost/standard cost or realizable value whichever is lower on FIFO method. The stock at Emporia is valued at issue price of Central store. DDRC etc. or at realizable value whichever is lower on FIFO method. Shop soiled and damaged articles of handicrafts have been valued at 45% (Rajasthali, Central Stores etc.) at 30% (SSD Wing) on an estimated basis as in earlier years.

c) Stores, spare parts and raw material is valued at cost on FIFO method generally.

d) Work in process is valued at cost.

BAFNA & ASSOCIATES JAIPUR Chartered Accountants

10	TAXATION:-
i)	Current tax is the provision made for Income Tax Liability, if any on the profits accordance with the Provisions of the Income Tax Act 1961
ii)	Deferred Tax is recognized subject to the consideration of Prudence on timing difference, being the difference between the taxable income and accounting income that originate in one period and are capable or reversal in one or more subsequent period
iii)	Deferred Tax Assets and Liabilities are measured using the Tax Rate and Tax Law that has been enacted on the Balance Sheet date. However no DTA/DTL was created during the year due to uncertainty of the future profits to adjust accumulated losses
11	All the Assets and Liabilities are presented as current or non current as per the criteria set out in the ScheduleIII of the Company Act 2013.Based on the nature of products and realisation the comany has ascertain of its operating cycle of less than twelve months .Acordingly twelve month period has been consider for the purpose of current /non current classification of assets and liabilities
12	**Cash Flow Statement : (AS-3)** Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transaction of non -cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information. Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.
(B)	**DISCLOSURE OF CONTINGENT LIABILITIES**
	Contingent Liabilities are disclosed by way of notes on the Balance Sheet provision is made on account of those Liabilities, which are likely to materialize after the year end having effect on the position stated in the Balance Sheet as at year end.
i)	**Claims against the company not acknowledged as debts.Penelties/Recoveries/Interest etc has been raised by various Govt Departments (form RICCO , Customs, House Tax, UD Tax etc) amounting to Rs. 765.94 Lakh (Previous year Rs.960.74lakh), these Penelties/Recoveries/Interest /Economic Rent etc.are not yet acknowledged as debt as the appeals are pending at various stages.**
ii)	**Various Court cases/ arbitration cases filed by clients and employees Rs.129.19lakh (Previous Year Rs166.59 lakhs)**
iii)	**Claim of Rs. 3596.96 lacs filed by M/S Sadhu Ram Patel & Sons in which the District Magistrate, Jaipur city has passed award of Rs. 314.69 lakh (Including Interest of Rs. 108.52 lakh upto 31.03.12) against the corporation.** Sadhu Ram Patel & Sons (Erstwhile H & T Contractor of the corporation) has raised a claim of Rs. 3596.96 lakhs against the company against which the District Magistrate, Jaipur city has awarded a claim of Rs. 314.69 lakh (Including Interest of Rs. 108.52 lakh) against the corporation. The corporation has filed an appeal in High Court, Jaipur against the judgement of the District Magistrate, Jaipur city and Hon'ble High Court has ordered to be stayed the execution proceedings, Hon'ble High court has passed interim relief order dt 3.9.2008 that appellant shall deposit the amount of claim awarded by arbitrator and upheld by District Judge in favour of the respondent no. 1 one i.e Rs. 2,0,2,22,423/- Out of this amount a sum of Rs. 1,12,51,827/- will be paid to Syndicate Bank on furnishing usual undertaking by Bank for restitution of the amount with interest @ 9 % in case the appeal is allowed. The rest amount will be deposited in Fixed deposit in any nationalized bank during the pendancy of this appeal. In compliance of this order RSIC has deposited a sum of Rs. 2,02,22,423/- and same has been shown as advance against court order So far as amount of award relating to interest part is concerned, the same will remain stayed during the pendency of this appeal Therefore no liability has been provided against the same.
iv)	**Claim of Rs. 522.82 Lakh filed by M/S Ganesh Container Movers Syndicate, Mumbai (Including Rs. 100.00 lakhs damages and compensation)**
	Ganesh Container Movers Syndicate (Erstwhile H & T Contractor of the corporation) has raised claims involving total amount of Rs.522.82 lakhs (including Rs. 100.00 Lakh towards damages and compensation) plus interest thereon against the company. The arbitrator has passed the order on 24.04.2019 awarding Rs 4,18,110/- to claimant and Rs. 58,39,018/- in favor of RSIC. Till date the company has no information as to whether this order has been objected/challeneged by the party at higher level or not.

BAFNA & ASSOCIATES JAIPUR Chartered Accountants

v)	Estimated amount of contracts to be executed on capital account and not provided for this year Rs.Nil (Previous year Rs.Nil)
vi)	In respect of disallowance/additions in Income Tax assessments, the Company is in appeal before the appropriate Authorities. No material liability is likely to arise from the issues in dispute.
vii)	In respect of Sales Tax/VAT/CST Demand of Rs.255.52 Lakhs, (Previous year Rs.215.16 Lakhs.) the Company has submitted required documents /information before competant authority for set aside the demand
viii	The Corporation has no existing bank/corporate guarantee out standing as on 31st march 2019(Previous year nil)
ix)	Claim of Rs. 400.46 lacs filed by M/s Max Logistics Pvt. Ltd. (including Rs. 100.00lakh towards business loss).Matter is pending before Arbitrator.
(C)	(a) Value of imported raw material spare parts and component calculated on CIF basis by the Corporation. Current Year - Nil Previous Year - Nil

(b) The details of imported / indigenous raw material, spare parts and components consumed are as under:-

	Raw Material		Spares & Stores parts	
Current Year:	Importe	Indigenous	Imported	In digenous
Total Consumption	Nil	NIL	Nil	Nil
Percentage	Nil	Nil	Nil	Nil
Previous Year:				
Total Consumption	Nil	Nil	Nil	Nil
Percentage	Nil	Nil	Nil	Nil

(c)Earning in foreign currency on sale of goods:	Current Year :8.43 Lakh	Previous Year :18.90 Lakh
(d) Expenditure in foreign currency:	Current Year - Nil	Previous Year - Nil

(D)	Figures for Previous year has been regrouped/ rearranged where are necessary.
	Figures are rounded off to nearest rupee.
(F)	There is delay in payment beyond 45 days from the due date to supplliers covered under Micro Small and Medium Enterprises Development Act.2006 and no payment and provision for interest has been made during F.Y 2018-19 Details are at Annexxure "C"
(G)	There are cases of Micro Small and Medium to whom the company owes a sum of Rs 100000/- outstanding for more than 30 days as on 31st March 2019. Details are at Annexure "B"
(H)	Export and Import Operation at ICD, Bhilwara and Bhiwadi temporarly closed from 2012-13 (from 10.4.2012) similarly Rajasthali Mumbai ,WSP and DDRC were remained temporarly closed during 2018-19 .

(Dr. Akash Alha
Chief Accounts Office

(P.K.Jain)
Co.secretary

(K.K.Pathak)
Managing Director
DIN 08328847

(Urmila Ranjoria)
Director
DIN 02903609

AUDITORS REPORT

Place: Jaipur
Dated: 29 -8-2019

BAFNA & ASSOCIATES JAIPUR Chartered Accountants

Chartered Accountants
(FRN001408C)

(Sidharth Bafna)
Partner M No.405227

UDIN-19405227AAAABS2305

			As at 31 March 19		As at 31 March 18
	Note-1 SHARE CAPITAL		Rs		Rs
	AUTHORISED 850000 Equity Shares of Rs 100/each		850,00,000		850,00,000
			850,00,000		850,00,000
	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		As at 31 March 19		As at 31 March 18
	Equity Shares,Rs100 par value 696403 Equity Shares of Rs 100/-each fully paid up		696,40,300		696,40,300
			696,40,300		696,40,300
	The detail of Share Holders holding more than 5%		As at 31 March 19		As at 31 March 18
	Name of the Shareholders	No of Shares	% held	No of Shares	% held
	Honr'ble Governor of Rajasthan	6,64,387	95.40	6,64,387	95.40

	The reconcilation of the number of shares outstanding is setout		As at 31 March 19		As at 31 March 18
	Particulars		**No of Shares**		**No of Shares**
	Equity Share at the begining of the year Add:-Share issued during the year		6,96,403 -		6,96,403 -
	Equity Share at the end of the year		6,96,403		6,96,403

The Company has single class of the equity shares having face value of Rs. 100/- each. Each shareholder is eligible for vote in proportion to no. of equity shares held by him. In the event of the liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Amount in Rs.

			As at 31 March 19		As at 31 Mrarch 18
	NOTE '2' - RESERVES AND SURPLUS				
	Capital Reserve(State Subsidy) (a)Out of Sale Of Fixed Assets As per Last Balance Sheet Addition(+)/Deduction (-) during the year	43,67,245 -	43,67,245	43,67,245 -	43,67,245
	(b)Revolving Fund As per Last Balance Sheet Addition(+)/Deduction (-) during the year	278,54,000 -	278,54,000	278,54,000 -	278,54,000
	(c)Deffered Grants(Assets Accquired) As per Last Balance Sheet Addition(+) during the year	851,57,390		906,49,856 12,925	
		851,57,390		876,83,437	
	Less:-Amortisation of Fixed Assets Less:-Reducti oin of Assets Created out of Grants	22,31,890	829,25,500	25,17,644 8,403	851,57,390
	Surplus in Statement of Profit & Loss Account As per Last Balance Sheet Addition(+) / Deduction (-) during the year	(2450,83,729) (96,97,841)	(2547,81,570)	(2927,68,674) 476,84,945	(2450,83,729)
			(1396,34,825)		(1277,05,094)
	NOTE '3' - NON CURRENT LIABILITIES		As at 31 March 19		As at 31 March 18
3.1	**Long Term Borrowing (Unsecured)**				
	Unsecured Loans		Rs.		Rs.
	a)For VRS Scheme (2003-04) **[Note No-3(a)**	433,44,000		433,44,000	
	b)For VRS Scheme (2003-04) [Note No-3(a)	342,24,744	-	319,57,664	-
			775,68,744		753,01,664
3.2	**Other Long Term Liabilities(Unsecured)** Security Deposit Security Deposit from Staff		403,82,930 67,242		415,09,537 66,742
			404,50,172		415,76,279

BAFNA & ASSOCIATES JAIPUR Chartered Accountants

3.3	**Long Term Provisions**				
	State Renewal Fund **[Note No.3(b)]**		85,92,000		85,92,000
	Provision For leave Encashment		181,79,635		230,61,249
	Total -		267,71,635		316,53,249
3(a)	On the basis of the meeting of the management of State Renewal Fund (SRF)held on 26-7-2018 ,the management of RSIC has reclassified the loan Rs.Rs 566.77 Lakh(Rs. 433.44 Lakh +Rs.133.33 Lakh)and interest accrud and due of Rs.2,08,91,744/-on SRF Loan up to the financial year2018-19 payable to SRF as long Term Borrowings .The management is of the view that same wont be repayable by RSIC within 12 months from the reporting date				
3(b)	On the basis of the meeting of the management of State Renewal Fund (SRF)held on 26-7-2018 and 29-3-2019 ,the management of RSIC is of the view that outstanding contribution payable by RSIC wont be payble within 12 months from the reporting date and are classified as Long Term provisions.The current year contribution is considered as short term provisions				

			As at 31 March 19		As at 31 March 18
	NOTE '4' - CURRENT LIABILITIES		Rs.		Rs.
4.1	**Short Term Borrowings(Unsecured)**		-		-
4.2	**Trade Payables (Note No. 4(c)**				
	Creditors for Goods supply		27,37,095		530,28,600
	Payable to MSME		366,03,492		641,08,545
	Payable to others		880,89,913		978,66,237
			1274,30,500		2150,03,382
4.3	**Other Current Liabilities**				
	Interest Accrued But Not Due on SRF Loan	4,82,299		4,82,299	
	Interest accrued & Due [(Note No-4(a)]	3,99,854		3,99,854	
	Grant in Aid (Refundable)	119,53,204		139,32,509	
	Employees PF Payable	8,07,633		11,64,113	
	VAT/ CST Payable	65,994		66,775	
	TDS Payable	5,35,200		11,26,027	
	LIC Payable	40,447		50,239	
	Service Tax Payable	44,867		56,366	
	TDS ON GST	4,86,175		-	
	Other Statutory dues	1,13,857		1,85,889	
	Gratuity Payble [Note No.4(b)]	12,72,200		12,72,200	
	Advances Against Indent/Order	284,16,841		1483,39,413	
	Unidentify Receipt	7,48,922		8,70,578	
	Suspence	91	453,67,586	91	1679,46,353
	Current maturities of long term borrowings [Note No-4(d)]				
	From Government of Rajasthan:				
	a) For Rajasthali New Delhi **[Note No-4(di)]**	75,00,000		75,00,000	
	b)For procurement of coal **[Note No-4(dii)]**	-		77,00,000	
	c)For Setting up of Flatted Factory **[Note No.-4(diii)]**	-		850,00,000	
			75,00,000		1002,00,000
			528,67,586		2681,46,353
4(a)	Rs. 3,99,854/- belongs to old interest accrued and due on unsecured loan for which no information is available and are subject to confirmation.				
4(b)	Rs. 12,72,200 /- belongs to Gratuity payble to terminated employees.				
4(c)	The balances of Trade Payables/Outstanding Liabilities are subject to confirmation & reconciliation. These include some old/unlinked balances pending confirmation reconciliation/settlement. Adjustment if any will be made at the time of final reconciliation / confirmation/settlement. The balance of creditors of RM and ICD Jodhpur are not reconciled with main ledger. The difference shown in Suspense Account				
4(di)	Unsecured Loan includes Rs. 75,00,000/- received from State Government & State Renewal Fund which is over due and due within one year for payment as under:-				
	Unsecured Term loan of Rs 75,00,000/- without interest (Rs 25,00,000 repayable on 26/3/2011 and Rs 25,00,000 on 26/3/2012 and Rs. 25,00,000 on 26/3/2013				
4d(ii)	unsecured Loan of Rs. 77,00,000/- without interest paid on 22-10-2018				

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4d(iii)	Govt. of Rajasthan has sanctioned soft loan of Rs. 850 lacs without interst for Development of Flatted Factory Complex at Bais Godown area for the moratorium peiod of two years during the year 2015-16 vide order No. P(3) Udyog/Group-2/2007/03 dated 09-12-2015. But this project was found not feasible ,hence Govt. of Rajasthan vide their letter Pa7(3)Udyog/2/2015 dated 10-05-2018 has decided to refund the loan amount of Rs. 850.00 Lahk. therefore, same is refunded on 28-05-2018

4.4	Short Term Provisions	As at	31 March19	As at	31 March18
			Rs.		Rs.
	Provision for employees Benefit				
	Bonus	25,703		42,959	
	Employees Remuneration	50,24,783		59,82,140	
	Provision For Gratuity [(Note No-4(f)]	399,48,048		386,91,048	
	Provision For leave Encashment	72,01,050	521,99,584	119,68,498	566,84,645
	Rent [Note No.4(g)]	49,06,862		46,33,956	
	Audit Fees	73,000		68,500	
	Electricity & Water	3,82,932		5,41,423	
	Telephone	44,222		1,53,821	
	Provision of Income Tax [Note No.4(h)]	40,01,369		40,01,369	
	Custom Cost Recovery [Note No.4(i)]	597,16,610		569,93,825	
	ICD Operation Expenses [Note No.4(j)]	240,14,444		236,99,735	
	UD Tax & Lease Rent [Note No.4(k)]	70,53,385		66,50,258	
	UD Tax & Lease Rent Interest	76,12,638		63,36,067	
	Economic Rent	20,48,996		17,52,502	
	Renovation Exp.	67,83,073		63,41,193	
	Handling transportatin Exp.of coal	10,23,809		10,23,809	
	Incentive to CHA	3,71,409		8,69,553	
	State Renewal Fund [Note No.4(l)]	5,00,000		-	
	Advertising & Publicity	1,63,663		64,355	
	Exibition Exp.	2,60,597		61,80,388	
	Interest provision for delay in repayment	-		-	
	Other Provisions	25,92,037	1215,49,047	20,14,094	1213,24,848
			1737,48,631		1780,09,493

4(f)	LIC of India would be responsible for payment of full gratuity to RSIC employees. As per demand note of LIC of India present value of gratuity for past service is Rs.484.85 lakhs out of which the value of Corporation fund as on 31.3.2019 is Rs.85.37 lakhs, and provision of Rs 399.48 lakhs has been made against balance value to be funded.
4(g)	Provision for Rent for current year Rs .2,54,906/-and balance for previous years Rs.46,51,956/-
4(h)	Rs. 40.01 Lacs shown under the head Current Liabilities & as provision for income tax of previous years are subject to reconciliation. The efforts are being made to reconcile the same and resultant effect, if any will be accounted for in the year of final reconciliation. Further Additional liability for taxes duties and refund for pendingassessment/appeals/revision/reference as well as financial effect for pending cases of claim are accounted for at the time of final settlement/Decision.
4(i)	Provision for custom cost recovery for current year is Rs27,22,785 and balance for previous years Rs.5,69,93,825/-
4(j)	Provision for ICD/ACC Operation expenses for current year Rs.26,68,977/- and balance for previous years Rs.2,13,45,467/-
4(k)	UD Tax includes lease rent for current year Rs.4,03,127/-and interest on UD Tax for current year Rs.7,98,458/- belongs for ICD Bhiwadi.
4(l)	Provision for contribution to State Renewal Fund for current year is Rs. 5,00,000/-

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THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD

PROPERTY ,PLANT & EQUIPMENT AS ON 31ST MARCH, 2019

NOTE- 5

Tangible Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	UP TO 31.03.2018	ADDITION	SALES/ DEDUCTIONS	AS ON 31ST MARCH, 19	UP TO 31.03.2018	FOR THE YEAR	ADDITION	DEDUCTIONS	TOTAL	AS ON 31ST MARCH, 19	AS ON 31ST MARCH, 18
LAND (Lease Hold)	113389812			113389812	17421777	1121072			18542849	94846963	95968035
LAND (Free hold)	2397083			2397083	0	0			0	2397083	2397083
BUILDING	161408631			161408631	67857314	4555949			72413263	88995368	93551317
PLANT & MACHINERY	4689019			4689019	4357308	60039			4417347	271672	331711
FANS & FITTINGS	5282550			5282550	4642188	165725			4807913	474637	640362
OTHER OFFICE EQUIPMENT	32408501	942462	2712356	30638607	31329741	769595		2641291	29458045	1180562	1078760
FURNITURE & FIXTURES	16612339			16612339	15682833	240556			15923389	688950	929506
VEHICLE	2591997		488845	2103152	1590644	309977		475737	1424884	678268	1001353
TOTAL (A)	338779932	942462	3201201	336521193	142881805	7222913		3117028	146987690	189533505	195898127
Work in progess				0	0				0	0	0
Figures For Previous Year	338979937	1884924	200005	340664856	135140288	7931368		189851	142881805	197783051	203839649

Land & Building amounting to Rs.1534.34 lakhs (Previous Year1534.34akhs) have been accounted subjected to formal transfer of title deeds, since in use and possession of the company. The value of the land already with building amounting to Rs. 0.61 lakhs could not be ascertained shown in building

DETAIL OF DEPRECIATION AND AMMORTISATION		
Particulars	2018-19	2017-18
Depreciation & Amortisation Charged to P&L	4991023	5413724
Depreciation & Amortisation Charged to Capital Reserve	2231890	2517644
TOTAL	7222913	7931368

(PK Jain) Akash (KK Pathak) 13/9/19 (Urmila Raj...)
CAO MD Director

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	NON CURRENT ASSETS			Rs		Rs
	NOTE '6'-Non Current Investments			As at 31 March 19		As at 31 March18
	Investment In Equity(Non Trade)					
(a)	One Equity share of Rs. 1000 -(fully paid up) of all India Handloom Fabrics Marketing Cooperative			1,000		1,000
(b)	18000 " B" Equity shares of Rs.10/- each of Oberoi Holdings (P) Ltd, Kalkota			1,80,000		1,80,000
(c)	100 Equity Shares of Rs.1000/-each (fully paid up) of Rajasthan Consultancy Organaisation Ltd,		1,00,000		1,00,000	
	Less:- Provision for Diminution in Value			1,00,000		1,00,000
(d)	500 Equity Shares of Rs.1000/- each (fully paid up) of Rajasthan State Handloom Development Corporation Ltd, Jaipur		5,00,000		5,00,000	
	Less:- Provision for Diminution in Value		(5,00,000)	-	(5,00,000)	-
(e)	514 Equity Shares each of rs 10/- of Indian			5,140		5,140
				2,86,140		2,86,140

6(a) Value of Long Term investment in Rajasthan Handloom Development Corporation Ltd. Jaipur Rs. 5.00 Lakh, has been reduced by 100% due to permanent reduction in value of the said Investment as per AS-13.

6(b) Agreggate amount of unquoted investment of Rs 786140/- & in Previous Year is Rs 786140/-, Agreegate amount for diminution in value of investment is Rs 500000/- & Previous Year Rs.600000.

NOTE-'7'- LONG TERM LOANS & ADVANCES (Unsecured & Considered Good)		As at 31 March 19		As at 31 March 18
(a) Capital Advances		Rs.		Rs.
Advance for Capital Goods Unsecured and Considered Good	41,48,150	41,48,150	41,48,150	41,48,150
(b) Security Deposits (Unsecured considred good)				
Telephone Deposit	1,97,206		1,96,831	
Electricity Deposit	15,51,078		15,53,078	
Other Deposit	4,92,788	22,41,072	4,76,658	22,26,567
		63,89,222		63,74,717

7(a) Advance for capital goods includes advance given to M/s. RSRDCC Ltd. and AVL Rs. 41,48,150/- for Construction contractor for various works, account of corporation is under reconciliation. Final settlement of the same will affect fixed assets and other related accounts and fixed assets and other related accounts shall be debited/credited after the final settlement.

NOTE '8' -OTHER NON CURRENT ASSETS		As at 31 March 19		As at 31 March 18
Others		-		-

NOTE '9' - CURRENT ASSETS		As at 31 March 19		As at 31 March 18
INVENTORIES (As Verified,Valued & Certified By Management)				
Raw Material	78,152		78,152	
Work in Progress	66,622		66,622	
Finished Goods	43,62,712		519,59,709	
Stores & Consumables	1,00,127	46,07,614	1,00,127	522,04,610
		46,07,614		522,04,610

9(a) Stock in trade includes goods worth Rs. 0.21 lakhs (Previous year Rs. 0.21akhs) lying with others for which no confirmation taken is subject to confirmation

9(b) The goods worth Rs. 0.20 Lakhs lying with others for .(pervious year Rs.0.26 lakhs) clothes issued to the artisans for printing during 2001- 2002 and onwards,which is pending for adjustments.

9(c) Ivory items has been banned to be sold by the Govt., therefore ,it is not saleable condition .Hence as per AS 2 the value of Ivory items of Rs. 54,943/-is not included in Finished Goods.

9(d) In the earlier years amount towards shortage in stock under investigation was aggregating to Rs. 2,24,301/-(Previous year 2,24,301/-) not included in finished goods.

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9.2 Trade Receivable (Unsecured) (Unsecured,Cosidered good unless otherwise stated)		As at 31 March 19		As at 31 March 18
Considered good)				
Outstanding for a period exceeding 6 months				
Others :-		76,56,289		63,88,043
Considered Doubtful	231,36,585		232,64,674	
Less:- Provision	231,36,585	-	(232,59,781)	-
Others (Hire Purchase Debtor)	70,673		70,673	
Less:- Provision	70,673	-	(70,673)	-
		76,56,289		63,88,043

9(e) Trade Receivables are subject to confirmation & reconciliation. These include some old/unlinked balances pending confirmation reconciliation/settlement. Adjustment if any will be made at the time of final reconciliation / confirmation/settlement. The balance of debtors of RM and ICD Jodhpur are not reconciled with main ledger

9(f) The value of machinery supplied under the hire purchase scheme lying with the hirer has not been shown as stock though the ownership thereof vests in the company. However the provision for doubtful of Rs. 70,673/-is made for the same.

9.3 Cash & Cash Equivalents		For the Year ended 2019		For the Year ended 2018
Cash on hand(as certified by the management)	2,81,071		3,26,563	
Balance with Bank	364,34,089		1860,85,566	
(Subject to Bank Reconciliation)		367,15,160		1864,12,129
Government PD Account:				
a) Interest Bearing	12,25,986		918,16,934	
b)Non Interest Bearing	1,88,000	14,13,986	1,88,000	920,04,934
FDR ranging up to 90 days	839,78,440		439,69,649	
FDR more than 90 days	276,40,395		931,44,468	
FDR more than 12 months	-		9,23,424	
Accrued Interest on FDR	12,70,890	1128,89,725	19,36,602	1399,74,143
Staff Security(With Scheduled Bank)	4,95,313	4,95,313	4,196	4,196
		1515,14,184		4183,95,402

9.4 Short Term Loan & Advances (Unsecured,Consider Good Unless Otherwise Stated)		As at 31 March 19		As at 31 March 18
(i) Considered Good [Note No-9 (g)]		449,31,218		
(ii) Doubtful	449,31,218			448,40,994
Less :Provision	176,74,503		176,96,853	
Prepaid Expenses	176,74,503	-	176,96,853	-
Accrued Income [Note No-9(h))]		5,44,427		18,90,837
Duty & Penalty Under Protest amount of penalty & interest to PFC[Note No-9(I)]		-		1,88,985
Service Tax and GST& Cess Input Credit/ (subject to reconciliation with return/assessment order)	3,27,787		3,04,870	
Sales Tax & Vat deposited against pending Appeals	8,93,665	12,21,452	12,01,650	15,06,520
FBT Refundable	12,87,228	12,87,228	13,54,328	13,54,328
Income Tax Refundable [Note No-9(j)]	1,22,516		1,22,516	
	132,08,103	133,30,619	89,67,217	90,89,733
		613,14,944		588,71,397

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9(g)	Advance to others includes Rs. 20222423/- deposited before District Judge, Jaipur in compliance of Hon'ble High Court order in the case of Sadhu Ram Patel & Sons.Case is still for final court decision
9(h)	Accured income includes Rental income and Handling Charges
9(i)	Duty and penalty/interst deposited under protest belongs to Service Tax for 2010-11 and penalty and interest imposed by Provident Fund Organisation deposited under protest belongs to earlier years .Case is still for final decision
9(j)	Income tax refundable Rs.1,32,08,103/- and FBT refundable of Rs. 1,22,516/-relates to earlier years for which no assessment order has been received and stand subject to reconcilation.

			As at 31 March 19		As at 31 March 18
9.5	**Other Current Assets**				
	Claims Considered Good				
	DCHC Claims	2,24,077		5,06,028	
	Other Claims **[Note No 9(k)]**	73,16,769	75,40,846	127,01,162	132,07,190
	Doubtful Claims	15,00,681		15,07,879	
	Suspense	57,775		57,775	
		15,58,456		15,65,654	
	Less: Provision	15,58,456	-	15,65,654	-
			75,40,846		132,07,190

9(k)	As RSIC has requested to Govt. of Rajathan to accored permission to utilise the grant (Grant of Rs. 5.96 Lakh received during 2014-15) against the State Award Function conducted during the year 2016-17 for which permission is awaited,the expenses of Rs. 5.96 lakh incurred on State Award Function during the year 2016-17 have been shown under head "Other claims " - Input credit of GST Rs.69,61,960/-(83,67,713-1705753/-including of Rs.41,08,681 unclaimed of reversal) and TDS on GST Rs.59,100/- also shows under claims .

NOTES ON PROFIT AND LOSS STATEMENT

PARTICULARS		For the Year ended 2019		For the Year ended 2018
		Rs		Rs
NOTE '10' - REVENUE FROM OPERATIONS				
Sales of Product	8316,08,693		12268,55,160	
Less: Discount **SSI Rebate**	-	8316,08,693	109,82,164	12158,72,996
Sales of Services:-				
Commission & License Fees	189,76,095		157,43,825	
ICD & ACC Handling Charges	1232,51,684	1422,27,779	1289,62,994	1447,06,819
		9738,36,472		13605,79,815
NOTE '11' - OTHER INCOME				
Dividend From Non Tarding Investment	15,514		10,514	
Rental Income **[Note No-11(a)]**	167,59,228		357,22,707	
Interest Income	153,47,051		139,68,191	
Other Income	11,71,481		41,76,520	
		332,93,274		538,77,932
		332,93,274		538,77,932

1(a)	Rental Income includes Rs33.46Lacs receieved from License fees/contribution of Counters allotted during, IITF 2018. (pre. YearRs. 4 1.27 lacs IITF 17 and Rs. 126.05LACS PRUHU 2018 and Rs. 61.85 Lakh from Udyog Hastshilp Utsav Jaipur)

NOTE '12' - COST OF MATERIAL CONSUMED		As at 31 March 19		As at 31 March 18
RAW MATERIAL				
Opening Stock	78,152		78,152	
Add:Items found excess during physical verfication and change in valuation	-		-	
	78,152		78,152	
Less:Closing Stock	78,152	-	78,152	-

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NOTE '13' - PURCHASE OF STOCK IN TRADE		For the Year ended 2019		For the Year ended 2018
Purchases	7724,86,465		12236,60,010	
Less: Purchase Return	-	7724,86,465	-	12236,60,010
Purchase :(Inron & steel-6753.63 Lakhs)		7724,86,465		12236,60,010

NOTE '14' - CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS & Work In Progress		For the Year ended 2019		For the Year ended 2018
Opening Stock	66,622		66,622	
Less:Closing Stock	66,622	-	66,622	-
Stock in Trade				
Opening Stock	72,23,403		93,25,036	
Less: Closing Stock	43,62,712	28,60,691	72,23,403	21,01,633
Goods In Transit				
Opening Stock	447,36,306		218,41,010	
Less:Closing Stock	-	447,36,306	447,36,306	(228,95,296)
		475,96,997	-	(207,93,663)

NOTE '15' - EMPLOYEE COSTS		For the Year ended 2019		For the Year ended 2018
Salary & Allowances [Note No-15(a)]	510,48,000		494,08,922	
Gratutity	223,55,189		96,32,991	
Provident Fund	43,10,958		46,48,508	
Other benefits [Note No-15 (b)]	13,40,700		19,52,025	
		790,54,847		656,42,446

15(a) Salary and allowances include Rs26,96,732/- paid to the MD and Rs.7,10,145/- paid to Chairman from Grant in Aid & Rs. 1,70,657/- from RSIC Funds (Previous year Rs.8,19,372/-to MD and Rs.8,58,443/-paid to Chairman from Grant In Aid)

15(b) Other benefit includes pension contribution , staff welfare & Renewal permium of EDLI and gratuity Policy etc.

NOTE '16' - FINANCE COSTS		As at 31 March 19		As at 31 March 18
Bank Charges	2,17,992		2,31,653	
Interest of UD Tax of ICD Bhiwadi	7,98,458		2,71,970	
Interest on Long term Loan	22,67,080		23,00,791	
Interest to Others	1,77,292	34,60,822	703	28,05,117
		34,60,822		28,05,117

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NOTE '17' - OTHER EXPENSES		As at 31 March 19		As at 31 March 18
Manufacturing Exp				
Manufacturing Expenses	-		-	
Selling & Distribution Expenses				
Advertisement Expenses	1,99,468		7,09,002	
Packing & Forwarding	3,32,750		3,75,218	
Incentive To Exporter & CHA	38,45,391		63,03,879	
Exhibition Expenses{ **Note No. 17(b)**}	-		176,89,278	
Other Exp.	1,07,084		-	
Other Expenses				
ICD Operational Expenses	871,40,923		787,89,102	
Rates & Taxes	22,69,766		20,74,001	
Electricity & water	49,66,827		59,07,974	
ROC Filling Fees	12,400		6,000	
Membership fee	50,000		83,577	
Office Expenses	25,47,680		23,81,056	
Contribution To State Renewal Fund	5,00,000		5,00,000	
Travelling & Conveyance Exp.{**Note No.17(a)**}	3,16,678		3,79,644	
Insurance	4,88,015		5,80,394	
Printing,Stationary & Postage	3,03,356		3,03,677	
Rent	14,37,039		14,05,304	
Repair & Maintenance	26,77,818		12,67,036	
Telephone & Trunk Call	4,68,495		5,87,360	
Chokidari Expenses	28,21,643		33,04,344	
Legal and consultancy charges	17,90,707		15,03,040	
Vehicle Expenses	9,20,160		8,55,079	
Written Off(Bad debts,Misc Exp)	2,17,033		2,86,035	
Penalty	10,000		-	
PAYMENT TO AUDITORS				
As Auditor	78,000		68,000	
For taxation matters	-		-	
Other Services	-	1135,01,232	-	1253,59,000
		1135,01,232		1253,59,000

17(a) Traveling and conveyance expenses includes Rs.2649- paid to the MD and Rs.85,538/-paid to Chairman from Grant in Aid and Rs. 20070/- from RSIC Funds(Previous year Rs.16131/-paid to CMD/MD and Rs.2,27,732/-to Chairman from Grant in Aid)

17 (b) During the year under review the Corporation has received Rs.68.38 lakhs from Government of Rajasthan as grant for organizing India International Trade Fair 2018 in New Delh . The Corporation has incurred a total Exp of Rs.57.07Lakhs and same has been set off against the grant received. Previous year RSIC has organised Pashchami Rajasthan Udyog Hastshilp Utsav-18 at Jodhpur and Jaipur and incurred expenses of Rs. 176.89(103.56+73.33) Lakh which has shown in the Exibition Expenses.

18 Note '18'- **EXCESS PROVISION/PETTY BALANCES WRITTEN BACK** 869844 previous year 3,28,85,328

Exess provisioin items written back by Rs. 210787.55/- (previous year Rs.3,28,85,328/-). Rs. 1,52,744/ of Excess provision for doubtful debts and Rs. 54,840/-towards Employers PF written back . In persuant to the decision taken by BOD in its 350th Meetingheld on 27-8-2018, petty credit blances of Rs. 6,59,057/- has been written Back.(being credit balance payable below Rs. 2000/-of which no transaction /claim have been received from last five years)

NOTE '19' PRIOR PERIOD ITEMS		As at 31 March 19		As at 31 March 18
Expenses Pertaining to Previous Year	10,30,922		2,17,198	
Less:-Income Pertaining to Previous Year	32,26,310	(21,95,388)	25,99,855	(23,82,657)
		(21,95,388)		(23,82,657)

Prior Period Items has increased Profit by Rs. 21,95,388/- (previous year increased profit by Rs.23,82,657/-) a sum of Rs. 3,83,984/ of Admistative charges on PF, excess /wrongly charged during the period from January 2015 to Feb 2018 whch has shown un der income pertaining to previous years and same is shown under head prepaid exp.and will be adjusted in coming years Exp. . TOD and Consistency of previous years of Rs. 28,42,326/- also accounted for this year in RM cell.

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NOTE '20' EXTRAORIDINARY ITEMS		As at 31 March 19		As at 31 March 18
Profit on sale of Fixed Assets	70,666	11,98,567	45,847	45,847
Add:- Realisationof Fixed Assets (Note No. 20(a)	11,27,901			
	-	11,98,567	-	45,847

20(a) During the year 2016-17 Rajasthan Pavilion Building was haned over to India Trade Promotion Organization, New Delhi and same was demolished . Previous Year building was handed over to ITPO and same was demolished by ITPO , hence book value of building of Rs.11,89,810/-witten off. This year realisation of scrapvlue of buliding of Rs. 11,27,901/- remitted by ITPO to RSIC .

NOTE '21' EARNINGS PER SHARE (EPS)		As at 31 March 19		As at 31 March 18
i) Net profit/loss after tax as per Statements of		(96,97,841)		476,84,945
ii) Weighted Average number of equity shares		6,96,403		6,96,403
iii) Basic and Diluted Earnings per share		(13.93)		68.47
v) Face Value per equity share		100.00		100.00

NOTE '22' RELATED PARTY DISCLOSURES

A-List of Related party over with company control exist : Nil

B:List of related parties with whom transactions have taken place and their relationship.

Name of the Related Party	Relationship	Amount	Nature of Payment
Shri Megh Raj Lohiya	Chairman	8,80,802	Salary & Allowance
Shri Giri Raj Singh ,IAS	MD	24,58,396	Salary & Allowance
Shri Subodh Arawal, IAS	MD		
Shri Alok, IAS	Chairman	-	-
Shri K.K.Pathak,IAS	Director		
Shri GauraV Goyal ,IAS	Director	-	-
Smt. Shakuntala Singh ,IAS	MD	2,38,336	Salary & Allowance
Mrs. Urmila Rajoria ,IAS	Director	-	-
Shri Jagveer Singh ,IAS	Director	-	-
ShriMahendra Kumar Khurana	Director		
Shri R.S.Agrawal	CS	5,38,125	Salary & Allowance
Shri Balbir Singh	CAO	5,38,909	Salary & Allowance

AUDITORS REPORT
As per our report of even date
For Bafna & Associates
Chartered Accountants
(FRNo.001408C)

(Dr. Akash A lha)
Chief Accou n ts Officer
Place: Jaipu r
Dated: 29-8-2019

(P.K.Jain)
Co. Secrertary

(K.K.Pathak)
Managing Director
DIN 08328847

(Urmila Ranjoria)
Director
DIN02903609

Sidharth Bafna
Partner MNO 405227

BAFNA & ASSOCIATES JAIPUR Chartered Accountants

UDIN-19405227AAAABS2305

Based on the guding principal given in the Accounting Standard -17 Segment Reporting the Corporation ,s primary segment are :

Handicrat

Export Infrastructure services

Distribution and Marketing MSME product

Revenue and expenses have been accounted for based on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Expenses". Assets and liabilities which relate to the enterprise as a whole and are not allocable to the segments on a reasonable basis have been included under "Unallocable Assets / Liabilities".

Description	Handicraft's		EIS		Distribution and Marketing MSME product		Other		Total	
	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19
Sales & Service	370.81	363.58	1289.62	1246.63	11945.37	8128.16			13605.8	9738.37
Total Revenue	417.08	365.91	1292.48	1252.96	11986.28	8140.45	448.74	312.62	14144.58	10071.94
Segment Result	-11.78	22.59	575.38	157.7	95.02	51.88	0	0	658.62	232.17
Interest Received	0.10	0.74	0	0.13	9.44	6.78	130.14	145.82	139.68	153.47
Net Unallocable										
Income / Exp.							-181.77	-329.15	-181.77	-329.15
Net Loss/Profit										
Provision for current tax									476.85	-96.98
Profit/Loss after tax									0	0
Segment Assets									476.85	-96.98
Segment Liabilities	634.92	584.58	686.55	666.28	788.83	136.22	5405.96	2901.35	7516.26	4288.43
Capital Expenditure	546.23	490.24	1218.21	1271.37	3204.06	1120.37	2547.76	1406.45	7516.26	4288.43
Depreciation		6.15	0	0.38				2.89	0.00	9.42
	14.04	13.57	11.51	10.95	0.01	0.01	28.58	25.38	54.14	49.91

Note: - There is no inter segment sales & revenue

THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD
(A Government of Rajasthan Concern)
Jaipur

Consolidated Cash Flow Statement for the year ended 31.03.2019 (Indirect Method)

Particulars	Figures as at 31st March 2019(Rs)		Figures as at 31st March 2018(Rs)	
A. Cash Flow from Operating Activities				
Net /profit/Loss after tax and Extra Ordinary Items		-96,97,841		476,84,945
Adjustment for :				
Provision	37,10,386		-39,33,711	
Depreciation	49,91,023		54,13,724	
Loss on Sale of Fixed Assets/ AssetsW/o	11,27,901		0	
Profit on Sale of Fixed Assets	-70,666		-45,847	
Interest Received	153,47,051		-139,68,191	
Dividend Received	-15,514		-10,514	
Interest Paid	32,42,830		25,73,464	
Provision of diminishing in value W/B			-1,00,000	
		283,33,011		-100,71,075
Operating profit before working capital changes		186,35,169		376,13,870
Adjustment for working capital:				
Increase /Decrease in inventory	475,96,997		-207,95,249	
Increase/Decrease in Trade Receivable	-12,68,246		-44,47,020	
Increase/Decrease in shortLoans & Advance	-24,43,547		-6,57,444	
Increase/Decrease in other current assets	56,66,344		21,88,596	
Increase/Decrease in Trade Payable	-875,72,882		821,65,712	
Increase/Decrease in Short term borrowings	0		0	
Increase/Decrease in other current liabilities	-2152,78,767		1034,87,125	
Short term provision	-128,52,862		-313,56,831	
Capital Reserve Created during the year				
		-2661,52,963		1305,84,889
Net Cash flow from operating Activities		-2475,17,794		1681,98,759
B. Cash flow from investing activities				
Interest Received	-153,47,051		139,68,191	
Dividend Received	15,514		10,514	
Purchase of Fixed Assets (Other Then Purchased from Grant in Aid)	-9,42,462		0	
Sale of Fixed Assets	-9,73,062		56,001	
Decrease in WIP			1,68,433	
Increase in Long term Loans & Advance	-14,505		-1,90,056	
Reduction in fixed Assets		-172,61,565	-8,403	140,04,680
Net Cash Flow from investing activities		-2647,79,359		1822,03,439
C. Cash Flow from Financing Activities				
Interest Paid	-32,42,830		-25,73,464	
Long term Borrowings	22,67,080		-820,75,000	
Repayment of long term loan taken	-11,26,107		11,61,468	
Share Application Money				
Grant received	0	-21,01,857	0	-834,86,996
Net Cash Flow from Financing Activities		-2668,81,216		987,16,443
Net Increase in cash & Cash Equivalent				
Opening balance of cash & Cash Equivalent	3243,27,510		1963,01,764	
Opening balance of FDR ranging more than 90 days	931,44,468		1230,50,724	
Opening balance of FDR more than 12 months	9,23,424	4183,95,402	3,26,471	3196,78,959
Cash & Cash Equivalent includes FDR ranging up to 90 days	574,46,292		3243,27,510	
FDR more than 90 days	931,44,468		931,44,468	
FDR more than 12 months	9,23,424	1515,14,184	9,23,424	4183,95,402
Closing balance	1515,14,184	1515,14,186	4183,95,402	4183,95,402

AUDITORS REPORT
As Per Our Report of Even Date
Bafna & Associates
Chartered Accountants
(FRNO.001408C)

(Dr. Akash Alha) Chief Accounts officer

(P.K.Jain) Co.Secretary

(K.K.Pathak) Managing Director DIN08328847

(Urmila Ranjoria) Director DIN02903609

Partner
MNO405227

BAFNA & ASSOCIATES JAIPUR Chartered Accountants

Place: Jaipur
Date: 29-8-2019

UDIN-19405227AAAABS2305

THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD.
JAIPUR

Annexure "A"

Detail of Expenditure Charged to Grant-in aid and Realisation

Particulars	Figures as at 31st March 2019(Rs)	Figure as on 31st March 2018(Rs.)
EXPENDITURE		
Organizing Exhibition Expenses (IITF 2017-2018)	57,06,804	74,16,127
Chairman Expenses	18,21,509	28,25,092
TOTAL	**75,28,313**	**102,41,219**

(Dr. Akash Alha)
Chief Accounts Officer

(P.K.Jain)
Co. Secretary

(K.K.Pathak)
Managing Director
DIN08328847

(Urmila Ranjoria)
Director
DIN 02903609

AUDITORS REPORT
As Per Our Report of Even Date
Bafna & Associates
Chartered Accountants
FRNO.001408C

(Sidharth Bafna))
Partner
MNO.405227
UDIN-19405227AAAABS2305

Place: Jaipur
Date: 29-8-2019

HE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD

(A Government of Rajasthan Concern)

Udyog Bhawan, Tilak Marg, C-Scheme, Jaipur

UNIT - MARKETING CELL

Annexure- B

Statement showing MSME to whom the company owes a sum of Rs. 1.00 Lakh outstanding for more than 30 days

S. No.	Name of Supplier	Amount due	Specify the date which amt is due
1	Ms. A.K Enterprises Japiur	6033740	30.11.17
2	M/s. Asian Sales	6278003	30.8.2018
3	M/s. Garima Steel	3066715	31.12.17
4	M/s. Khandelwal Enterprises Jaipur	2516937	31.12.17
5	M/s. Mhadev Enterprises Japiur	3255987	31.12.17
6	M/s. Mohan Iron Works Alwar	4497249	31.12.17
7	M/s. S R K Solengri Furniture Co	2159472	31.12.17
8	M/s. S S Enterprises Jaipur	2486389	31.12.17
9	M/s. kayee and sons Jodhpur	480666	31.12.17
10	M/s Avon Plastic	146395	Old
11	M/s. Dayal Foundry and plastic works udr	201389	Old
12	M/s. Mehta Plast Corporation	341592	Old
13	M/s Padmawati Polymers Udr	127649	Old
14	M/s. Ravi Internation Jaipur	951558	Old
15	M/s. SRK Modular Furniture Co Jaipur	363103	Old
16	M/s. Western Industries Jodhpur	991779	Old
17	M/s. R.K Industries Jodhpur	1249037	Old
	Total Amt	35147660	

Note :- Sr. No 1 to 8 PAYMENT ISSUE OF THE ABOVE Units(8 MSME UNITS) ARE UNDER INVESTIGATION OF ANTI CORRUPTION BUREAU JAIPUR,GOVERNMENT OF RAJASTHAN FOR SUPPLY OF SUBSTANDARD GOODS.

BAFNA & ASSOCIATES JAIPUR Chartered Accountants

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THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD.

(A Government of Rajasthan Concern)

Udyog Bhawan, Tilak Marg, C-Scheme, Jaipur

UNIT - MARKETING CELL

Annexure- C

LIST OF MSME TO WHOM PAYMENT MADE/DUE AFTER 45 DAYS UP TO 31.3.2019

S. No.	Name of Supplier	Amt	The date on which amt is due	No of days
1	A. K. Enterprises Jaipur	60,33,740.12	30.11.17	486
2	Asian Sales	62,78,003.00	30.8.2018	213
3	Garima Steel Industries	30,66,715.12	31.12.17	455
4	Khandelwal Enterprises	25,16,937.00	31.12.17	455
5	Mahadev Enterprise	32,55,987.00	31.12.17	455
6	Mohan Iron Works	44,97,249.78	31.12.17	455
7	SRK Solengri Pvt Ltd.	21,59,472.26	31.12.17	455
8	S. S. Enterprises	24,86,389.96	31.12.17	455
9	A. B. Surgical	2,160.00	Old	
10	Adarsh Kutir Udyog	36,329.00	Old	
11	Advantage Furniture	52,223.40	Old	
12	Agri Industrial Engg. Works	2,024.00	Old	
13	Alpana Industries, Jaipur	3,726.25	Old	
14	Anmol Industries	17,848.55	Old	
15	Arihant Pre Fabrication	29,790.00	Old	
16	Arjun Pipe Products	2,337.00	Old	
17	Ashok Plastic	4,990.00	Old	
18	Avon Plastic	1,46,395.00	Old	
19	Baijnath Asherfi	35,456.75	Old	
20	Bhagawati Metals	3,721.23	Old	
21	Bohra Praishtan	46,361.47	Old	
22	C' Construction Udyog	11,861.00	Old	
23	Capital Dyeing Tent Works	3,206.25	Old	
24	Chanchal Plastic Industries	13,664.00	Old	
25	Craftman Society, Alwar	9,814.00	Old	
26	Dayal Foundry & Plastic Works UDAIPUR	2,01,389.77	Old	
27	Fatehpur Sikri Dari Bhandar	6,812.74	Old	
28	Gagan Plastic	87,286.00	Old	
29	G M Enterprises, Alwar	18,444.50	Old	
30	Govind Enterprises	52,764.20	Old	
31	Govind Hast Karga Vastra Udyog	7,520.15	Old	
32	Hind Safe Company Jaipur	4,274.00	Old	
33	Hind Techno Machine (P) Ltd.	3,289.95	Old	
34	Hindusthan Engg. Co.	2,475.00	Old	
35	Jai Plastic Industries	3,837.00	Old	
36	Jaipur Polymers, Jaipur	6,326.00	Old	
37	Kanta Udyog	12,073.50	Old	
38	Karnawat & Company	16,114.00	Old	
39	Karnawat Tarpo Jaipur (Cr)	89,846.70	Old	
40	Karnawat Traders, Jaipur	86,069.00	Old	
41	Kaycee & Company Jodhpur	6,773.02	Old	
42	Kaycee Industries, Jaipur	6,846.00	Old	

BAFNA & ASSOCIATES JAIPUR Chartered Accountants

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S. No.	Name of Supplier	Amt	The date on which amt is due	No of days
43	Kaycee & Sons, Jodhpur	4,80,666.00	Old	
44	Khandelwal International Fabric	25,171.99	Old	
45	Khandelwal Tripati Industries	50,084.00	Old	
46	Kishan Krishi Yantra Udyog, Kanpur	5,610.00	Old	
47	Krishna Engg. Industries	77,621.00	Old	
48	Krishna Plastic Udyog	73,672.48	Old	
49	Krishna Udyog	6,484.00	Old	
50	LAXMI ENETRPRISES	10,445.22	Old	
51	Meera Polymar	43,201.00	Old	
52	Mehta Plast Corporation	3,41,592.19	Old	
53	Menuwal Industries	5,750.90	Old	
54	Nagar Hindi Tools Cooperative Nagaur	6,112.00	Old	
55	Nikhil International	43,946.30	Old	
56	Novelty Manufacturing Company, JAIPUR	9,781.80	Old	
57	Packing & Packing Industries, Jaipur	4,467.00	Old	
58	Padmawati Polymers	77,324.60	Old	
59	Padmawati Polymers, Udaipur	1,27,649.60	Old	
60	Paliwal Steel, Kota	6,632.00	Old	
61	Paras Polyfab	92,350.26	Old	
62	Patel Cement Udyog	7,841.00	Old	
63	Plastomate	6,237.90	Old	
64	Polymer Plastic Products, Kota	27,037.60	Old	
65	Rajasthan Agencies	17,469.00	Old	
66	Rajasthan Plastic (P) Ltd	9,036.55	Old	
67	Rajasthan Spun Pipe	19,877.00	Old	
68	Ravi International, Jaipur	9,51,558.80	Old	
69	Rishi Spun Pipe	22,381.00	Old	
70	R.K. Industries, Jodhpur	12,49,037.16	Old	
71	Rohilla Industries	2,762.00	Old	
72	SAH CONTNER UDYOG	2,535.50	Old	
73	SEJAL ENETRPRENURE	3,397.00	Old	
74	SGG GEN	3,128.00	Old	
75	Shreenath Industries, Jaipur	68,635.14	Old	
76	SINGHAL STEEL	4,449.00	Old	
77	SRK Modular Furniture Co. Jaipur	3,63,103.98	Old	
78	STRONG STEEL	3,272.55	Old	
79	SUDHEER TRADING CO	11,888.13	Old	
80	SUMEER ENGINEERING WORKS	3,822.40	Old	
81	SURAJ INDUSTRIES	2,687.00	Old	
82	TIRUPATI PLASMATE	5,889.50	Old	
83	UTTAM UDYOG	8,561.00	Old	
84	Western Industries, Jodhpur	9,91,779.44	Old	
	TOTAL	366,03,492.66		

BAFNA & ASSOCIATES
JAIPUR
Chartered Accountants

... INDUSTRIES CORPORATION LTD
(A Government of Rajasthan Concern)
Jaipur

Unit-Wise Comparative Statements of Turnover Profit & Loss for the year 2017-18and 2018-19

(Figures in Lacs)

	Name of Unit	Turnover						Profit & Loss after Appropriation	
		2017-18			2018-19				
		Corpn.sales& comm.,Licence fee	Consignment sales	Total	Corpn.sales &comm.,Licence fee	Consignment sales	Total	2017-18	2018-19
	A. Handicrafts								
1	Rajasthali New Delhi	130.67	245.12	375.79	120.34	219.02	339.36	39.17	51.21
2	Rajasthali Kolkata	62.07	68.3	130.37	67.87	71.21	139.08	3.58	3.74
3	Rajasthali Jaipur	164.51	122.2	286.71	158.83	139.76	298.59	(40.15)	(21.62)
4	Rajasthali Udaipur	13.57	12.37	25.94	16.44	10.45	26.89	(9.44)	(7.66)
5	D.D.R.C Jaipur			-			-	(4.94)	(3.08)
	Total (A)	370.82	447.99	818.81	363.48	440.44	803.92	(11.78)	22.59
	B. E.I.S								
6	Air Cargo Sanganer	444.48	0	444.48	320.49	0	320.49	300.09	201.51
7	I.C.D, Sanganer	29.55	0	29.55		0	0.00	(29.45)	(27.39)
8	I.C.D, Jodhpur	815.6	0	815.60	926.23	0	926.23	15.22	15.08
9	I.C.D, Bhiwadi	0	0	0.00	0	0	0.00	(14.28)	(24.63)
10	I.C.D Bhilwara	0	0	0.00	0	0	0.00	(7.90)	(6.87)
	Exceess provision of lease rent and its interest for the year 2001-17of ICD Bhiwadi witten back							311.70	-
	Total (B)	1289.63	0	1289.63	1246.72	0	1246.72	575.38	157.70
	C. Distribution & MKTG.							-	-
	(a) Raw Material	9788.71	0	9788.71	7218.06	0	7218.06	27.94	25.33
	(b) Marketing Division	2156.62		2156.62	910.1		910.1	67.08	26.55
	Total (C)	11945.33	0	11945.33	8128.16	0	8128.16	95.02	51.88
	D.Head Office (Exp.-Income)including IITF and Jodhpur Fair								
	Total (D)							(181.77)	(329.15)
	Grant Total (A+B+C+D)	13605.78	447.99	14,053.77	9738.36	440.44	10,178.80	476.85	(96.98)

BAFNA & ASSOCIATES
JAIPUR
Chartered Accountants

Addendum to the Directors Explanatory note on the Auditors Report to the Share holders on The Rajasthan Small Industries Corporation Ltd. for the year ended 31st March 2019

Report on other legal and Regulatory Requirements

Point No. (a)(b)(c)(d)(e)(f)(g)(h)(i) Needs no comments

Annexure "1 "to the Audit Report on the accounts of The Rajasthan Small Industries Corporation Ltd.

I

1 Noted, provision will be made after ascertaining factual position
2 Noted provision will be made after ascertaining factual position
3. Noted Trns -1 will be filed as when opened for filling the same
4. Noted
5. Noted
6. Noted
7. Noted
8. Noted
9. Noted
10. Noted
11. Noted
12. Noted, necessary provision will be made during current year.
13. Noted, confirmation will be obtained from ITPO
14. Noted.
15. Noted
16. Noted, next year proper classification will be made.
17. Noted for future.
18. Noted
19. Noted for future
20. Noted.
21. Noted

ANNEXURE-2" EMPHASIS MATTERS to the Audit Report on the accounts of The Rajasthan Small Industries Corporation Ltd.

1 Noted

2 Noted

3 Noted

Annexure"3" referred in CARO2016 to the Audit Report on the accounts of The Rajasthan Small Industries Corporation Ltd.

1 Needs no Comments

2 Needs no Comments

3 Needs no Comments

4 Needs no Comments

5 Needs no Comments

6 Needs no comments

7 Needs no Comments

8 Needs no Comments

9 Needs no Comments

10 Needs no Comments

11 Needs no Comments

12 Needs no Comments

13 Needs no comments

14 Needs no comments

15 Needs no comments

16 Needs no comments

ANNNEXURE "4" AND "5" OF AUDIT REPORT to the Audit Report on the accounts of The Rajasthan Small Industries Corporation Ltd.

Comments of Statutory Auditors -NOTED

(K.K.Pathak)
Managing Director
DIN 08328847

(Urmila Ranjoria)
Director
DIN02903609

Form No. MGT-11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN- U 91110RJ1961SGC001118

Name of the Company: The Rajasthan Small Industries Corporation Limited

Registered Office: Udyog Bhawan, Tilak Marg,C-Scheme, Jaipur

Name of the Member(s):

Registered address:

E-mail Id:

Folio No./Client Id & DP Id:

I/We, being the Member(s) of ....shares of the above named Company, hereby appoint

1. ....of ....having mail id.......................... or failing him

2. ....of ....having mail id.......................... or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 58th Annual General Meeting of the Company, to be held on .... 2018 at .... at ....

and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2018, together with the Reports of the Board of Directors and the Auditors thereon. 2 Appointment of a Director in place of Mrs. Urmila Rajoria (DIN 06447437) who retires by rotation and is eligible for re-appointment. 3. To fix the remuneration of Statutory Auditors for the year 2019-20.	4. Appointment of Shri Gaurav Goyal (DIN06447437) as regular director. 5. Appointment of Shri Ajay Aswal(DIN08465756), as regular director.

Signed this on.........................day of 2019

Affix Revenue Stamp

Signature of shareholder(s)

Signature of Proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 58th Annual General Meeting.

THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD.

UdyogBhawan, TilakMarg, C-Scheme, Jaipur-302005

Phone: 0141-2227267Fax: 0141-5115766

Website:http://industries.rajasthan.gov.in/rajsico E-mail:rajsico@rajasthan.gov.in

CIN: U91110RJ1961SGC001118

Attendance Slip

Please fill in this attendance slip and hand it over at the entrance of the meeting venue

D.P.I.D*	
Client ID*	

Folio No.	
No. of Share(s) held	

I Certify that I am a member/ proxy for the member of the Company.

I hereby record my presence at the 58th Annual General meeting of the RSICDR Limited held on .... 2019 at .... at .... Jaipur.

Members/ Proxy's name in Block letters

Signature of Member/ proxy

***Applicable for investor holding Share(s) in electronic form.**

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