



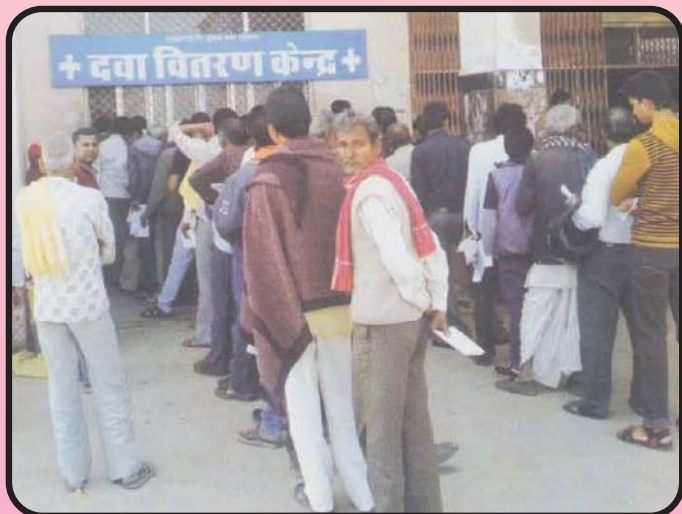
7th Annual Report 2017-18



*"Enhancing Access to
Essential Medicines"*

Rajasthan Medical Services Corporation Limited
(A Government of Rajasthan Undertaking)

Gandhi Block, Swasthya Bhawan, Tilak Marg, C-Scheme, Jaipur-302005





ABOUT MUKHYAMANTRI NISHULK DAVA YOJNA....

- ❖ Mukhyamantri Nishulk Dava Yojna was launched on 2nd Oct, 2011. The scheme aims to benefit all the patients coming to government hospitals for treatment.
- ❖ Under the aegis of this ambitious scheme for health care sector of the state, essential medicines are provided free of cost to all patients visiting government hospitals. The entire population of the state i.e. approximately 7 crores is entitled to avail benefits under the scheme. The objective of the scheme is that no human being is deprived of access to essential medicines.
- ❖ All outdoor and indoor patients visiting all levels of government hospitals like Medical college hospitals, District hospitals, Satellite hospitals, Sub-divisional hospitals, Community health centres, Primary health centres and Sub centres are provided with commonly used essential medicines.
- ❖ The current Essential Drug List comprises of 608 medicines, 147 surgical items and 77 sutures.
- ❖ Medical equipments and other hospital supplies are directly supplied to the consignee medical institutions as per demand. During the year under review, corporation has also procured about 244 types of medical equipments and other hospital supplies.
- ❖ Rajasthan Medical Services Corporation has been constituted as a central procurement agency for purchase, storage, supply and issue of medicines, surgical and sutures items, equipments and other hospitals supplies to the department of Medical and Health and Medical Education. RMSC is supplying medicines etc. to all the government health institutions through 34 District Drug Warehouses (DDWs) and 6 Medical College Drug Warehouses (MCDWs) established in 33 districts of the state.
- ❖ The scheme is being implemented through 25 Medical College Hospitals, 34 District Hospitals, 19 Sub-divisional hospitals, 9 Satellite hospitals, 586 CHCs, 193 Dispensaries, 2081 rural PHCs, 52 Urban PHCs, 118 MCWC, 13 Urban Aid-posts, 14407 Sub- Centres, in total 17564 outlets. Distributions of medicines, surgical and suture items to patients is ensured through Drug Distribution Centres (DDC) established at health care institutions (No. of DDC is based on patient load at the institutions)
- ❖ Quality of drugs procured is ensured by testing each batch of drug through empanelled drug testing laboratories.
- ❖ Under the scheme, medicines for the treatment of critical and severe diseases are also available eg. 37 drugs for cancer, 53 drugs for heart diseases, 20 drugs for Diabetes, 20 drugs for Ashtma and Respiratory diseases etc.
- ❖ No. of costly medicines are also being procured under the scheme for the benefit of patients with critical diseases. Presently out of the total drugs being procured 36 drugs and Surgical and sutures are costing more than Rs. 500.



ESSENTIAL DRUG LIST - Provisioning of Medicines, Surgical and Sutures

S.N.	Level of Care	Type of Medical Institutions	Medicines	Surgical	Sutures	Total
1	Tertiary Level	Medical College attached hospitals	608	147	77	832
2	Secondary Level	District/Satellite /SDH	563	142	37	742
		Community Health Centre	447	111	11	569
3	Primary Level	Primary Health Centre	245	73	02	320
		Sub Centre	33	10	0	43

IMPACT

- ❖ After implementation of scheme, the number of outdoor and indoor patients has increased significantly at government hospitals.
- ❖ The scheme has been a source for employment generation for several youth as no. of pharmacists and informatics assistant have been recruited by the government for successful implementation of the scheme.
- ❖ There is huge amount of reduction in out of pocket expenditure by the common man towards treatment cost.



BOARD OF DIRECTORS

(As on 27.09.2018)

Chairperson	:	Smt. Vecnu Gupta, IAS Additional Chief Secretary, Medical, Health and Family Welfare, Deptt.
Managing Director	:	Shri Anil Gupta, IAS
Directors	1.	Shri Naveen Jain, IAS Mission Director, NHM & Special Secretary MH&FW Deptt.
	2.	Dr. Arushi Ajey Malik, IAS Director (IEC), Medical & Health Deptt., Jaipur
	3.	Shri Ushaspati Tripathi Joint Secretary Finance (G&T)
	4.	Shri Jaman Lal Jangid Financial Advisor, Medical & Health Deptt., Jaipur
	5.	Shri Sultan Singh Director Finance, NHM, Jaipur
	6.	Dr. V.K. Mathur Director (Public Health), Medical & Health Services, Jaipur
	7.	Dr. S. S. Chouhan Director (AIDS)
	8.	Shri Rajaram Sharma Drug Controller, Rajasthan



Executive Director (Finance), RMSCL : **Shri V.C. Bunkar**

Company Secretary : **Mrs. Mamta Agarwal**

Statutory Auditors : **M/s L S Kothari & Co.**
Chartered Accountants, Jaipur

Registered office : Gandhi Block, Swasthya Bhawan, Tilak Marg,
C-Scheme, Jaipur -302005
Phone: 0141-2228066, Fax: 0141-2228065
E-mail: mdrmsc@nic.in,
Website: www.rmsc.health.rajasthan.gov.in
CIN: U24232RJ2011SGC035067



Rajasthan Medical Services Corporation Limited

Gandhi Block, Swasthya Bhawan, Tilak Marg, C-Scheme, Jaipur-302005

Phone No: 0141-2228066, Fax No: 0141-2228065

Email: mdrmsc@nic.in

CIN: U24232RJ2011SGC035067

Website: www.rmsc.health.rajasthan.gov.in

NOTICE

NOTICE is hereby given that Seventh Annual General Meeting of the members of Rajasthan Medical Services Corporation Limited will be held on Monday, the **10th day of December, 2018 at 04:30 PM** at its Registered Office at Gandhi Block, Swasthya Bhawan, Tilak Marg, C-Scheme, Jaipur (Rajasthan) to transact the following business :-

Ordinary Business

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31st March, 2018 and the reports of the Directors and Auditors thereon and the comments of the Comptroller and Auditor General of India.
2. To consider and pass with or without modification if any, the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to provisions of section 142 of Companies Act, 2013, the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditors of the Company appointed by the Comptroller and Auditor General of India for the Financial Year 2018-19."

By Order of the Board of Directors

Sd/-

**(Mamta Agarwal)
Company Secretary**

Dated: 03.12.2018

Registered Office

Gandhi Block, Swasthya Bhawan,

Tilak Marg, C-Scheme,

Jaipur-302005.

Notes:

1. A member entitled to attend and vote at the meeting, is entitled to appoint a proxy, to attend and vote instead of himself / herself and the proxy need not be a member of the Company.
2. The proxy form, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than forty eight hours before the commencement of the meeting.
3. All documents referred in the notice are open for inspection at the registered office of the company during office hours till the date of AGM.





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Website: www.rmsc.health.rajasthan.gov.in

Directors' Report

Dear Shareholders,

The Board of Directors have great pleasure in presenting the Seventh Annual Report on the business and operations of the company and Audited Financial Statements for the financial year ended on 31st March, 2018 together with Report of Independent Auditors.

Rajasthan Medical Services Corporation Limited (RMSCL) has been constituted by the Government of Rajasthan vide order No. F.20(3)MH/2/2011 Dated 31.03.2011 in order to procure quality generic drugs, surgical, sutures and equipments etc. and provide these to Medical College attached hospitals and other Government Hospitals in Rajasthan for onward free distribution to patients and use.

Financial summary/ Highlights

The summary of financial results for the year ended on 31st March, 2018 are summarized below:

(Rs. in crore)

Particulars	For the Year ended on 31 st March, 2018	For the Year ended on 31 st March, 2017
Revenue from operations	644.70	526.86
Other income	22.53	24.74
Total Expenses	653.42	538.44
Profit/ (Loss) before exceptional items and tax	13.81	13.16
Exceptional & prior period items	0.95	(0.50)
Profit/ (Loss) before tax	14.76	12.66
Tax Expenses	7.53	(1.87)
Profit / (Loss) from continuing operations	7.23	10.79

Dividend

Your Directors have not recommended any dividend for the year 2017-18.

Brief description of the Company's working during the year

Procurement of Drugs/ Medicines and Surgical & Sutures

- ? As on 31st March, 2018, the Essential Drug List (EDL) of RMSCL consists of 608 drugs and 147 surgical & 77 sutures, while on the date of this report, EDL of RMSCL consists of 606 drugs and 147 surgicals.



- ❖ The following drugs have been added in the Essential Drug List (EDL) of RMSCL during F.Y. 2017-18:-
 - Addition of Factor –VIII 500 & 1000 IU for DH and above level.
 - Addition of Recombinant Coagulation Factor- VIIa 1mg & 2 Mg for MCH category.
 - Addition of Oseltamivir Phosphate Oral Solution 12mg/ ml as 60ml packing for PHC & above level.
- ❖ During the year, Corporation engaged in procurement of quality generic drugs, surgical and sutures and other hospital supplies for onward supply to public health institutions viz. Medical College Hospitals, District Hospitals, Sub-divisional Hospitals, Satellite Hospitals, CHCs, and PHCs for further distribution free of cost to all patients visiting public health institutions of the State.
- ❖ Corporation invites open tender through E-portal for procurement of Drugs, surgical, sutures and equipments.
- ❖ At present, the corporation has rate contract of around 552 drugs & medicines and 156 surgical sutures out of 606 drugs and 147 surgical and 77 sutures included in EDL.

Supply of Medicines, Surgical & Sutures

- ❖ After executing rate contract with successful bidder for two years, purchase orders are placed keeping in view the annual demand received from Director (PH), Medical & Health Services, Medical Education Department, RUHS Institutions and other departments viz. NHM, RCH, ICDS, MGNREGA, Jail Department etc.
- ❖ Drugs, surgical & sutures are supplied at District Drug Warehouses (DDWs) located in every district of the State and at 06 Medical College Drug Warehouses (MCDWs) at zonal level.
- ❖ Each public Health institution viz, Medical College attached Hospitals, District Hospitals (DHs), SDHs, SHs, CHCs and PHCs directly interface with DDWs using web based application on the e-Aushadhi software to get the drugs issued subject to online indent submitted.
- ❖ The stock of near expiry, short, excess drugs are managed through inter-district transfers.

Quality Control

- ❖ The drugs supplied by manufacturer/ firm are accepted, only if drugs/surgical/sutures are accompanied by the manufacturer's OK test report, i.e. certificate of analysis.
- ❖ Each batch supplied by manufacturer is stored in quarantine area at DDWs/ MCDWs until the quality testing from empanelled lab is completed.
- ❖ The drugs are issued to public health institutions, only when it passes all the specified quality tests and are found as of standard quality. The rejected drugs even if it fails on account of minor reason, are returned to the manufacture.

During the year, test reports of 12390 drug samples were received from empanelled laboratories of RMSCL and out of them 236 batches have been rejected due to Not of Standard Quality (NOSQ) and physical defects (i.e. labeling defects, non-fixing of labels, melting and adhering of dry drug powder). Percentage of failure of drugs during the year was 1.93%. As per Quality policy 26 items and 03 companies were de-



barred due to NOSQ supply.

Procurement and Maintenance of Equipment & Instruments

- ❖ Equipment are procured by Corporation as per demand received from Medical, Health and Family Welfare Department, Medical Education Department, NHM, and other public health institutions. Rate contract with the successful bidder is executed by Corporation for a period of 24 months for supply of equipment, instruments and other hospital supplies.
- ❖ Bio-medical Equipment maintenance agreement has been executed by RMSCL for the period of two years for repair and maintenance of equipment and instruments. This will facilitate better management and timely repair of equipments. Repair and Maintenance program is managed and controlled by RMSCL through e-upkaran software.
- ❖ During the year a software e-TMTS (electronic- tender management and tracking system) application has been developed by Corporation for monitoring and tracking of all tender of equipment and instrument. This software helps in generation of reports related to number of RC executed with validity period, number of bids floated and current stage of bids, generation of demand, issue of proforma invoice and purchase orders etc. Payment module has also been developed in e-TMTS, through which bills received from suppliers are being tracked.

Storage

The corporation has got scientifically designed & constructed District Drug Warehouses (DDWs) in every District of Rajasthan at 34 locations for storage and speedy movement of drugs/surgicals/sutures to public health institutions and Medical College Drug Warehouses (MCDWs) at 6 locations i.e. Ajmer, Bikaner, Jodhpur, Kota and Udaipur and Jaipur to cater the need of hospitals attached to Medical Colleges. These drug warehouses are under the administrative control of RMSCL. Adequate manpower has been provided for management of drug warehouses which is supervised by Officer in-Charge of the rank of MO/SMO/ Asst. Prof. The process of furnishing of DDWs/ MCDWs through NHM funds (Rs. 14.14 crore) is under-way.

During the year, officials of other States viz. Secretary Health, UP Government, UP Corporation team and Government of India officials and management trainees from IIHMR visited the RMSCL and drug warehouses to study the procurement system, supply chain management etc. of RMSCL.

On line Transactions

The Corporation has been carrying out most of its activities especially relating to inventory management through online web based e-Aushadhi software. This application has various modules like Annual demand generation, Rate Contract, Purchase Order generation, Challan process, Quality Control, Issue & Return, Supplier interface, Lab Interface and various kinds of reports which facilitate management of drugs availability.

This software includes all the processes required for smooth operation of “MNDY”. The software also provides all the reports which are required for decision making for higher level management. Every year new modules are added in e-Aushadhi software as per requirement of the organization. During the Financial



Year, automated Non Availability Certificate, automated Purchase Order Extension and POP UP alerts to various users has been added. Also updation of the current modules as required was undertaken.

Financial Performance

During the year, the Corporation purchased drugs / surgical / sutures and equipments worth Rs. 6,266,223,797 as compared to that of Rs. 5,103,884,299 in previous year, for onward distribution to public health institutions of the State. Out of this, drugs / surgical / sutures and equipment worth Rs. 6,446,963,141 have been issued to the public health institutions of the State as against Rs. 526,85,98,873 in previous year.

The Company has achieved profit before tax of Rs. 147,567,494 during the year as compared to that of Rs. 12,65,62,585 during 2016-17. The profit after tax for the year ended 31st March, 2018 amounts to Rs.72,273,227 as against profit of Rs. 10,78,73,806 for the previous year.

Change in the nature of business, if any

There has been no change in the nature of business of the Company.

Share Capital

There has been no change in the authorized and paid up share capital of the Company during Financial Year 2017-18.

Directors

The following changes have taken place in the Board of Directors of Company since the date of last report:-

Sr. No.	Name of Directors	Designation	From	To
1	Sh. Apoorv Joshi	Director	10.08.2016	24.08.2017
2	Sh. Babu Lal Kothari	Director	10.08.2016	10.11.2017
3	Dr. R. Venkateswaran	Director	17.08.2016	27.11.2017
4	Sh. Ajay Phatak	Director	10-03-2017	29.12.2017
5	Sh. Mahavir Prasad Sharma	Managing Director	15-05-2017	31.08.2018
6	Sh. Anand Kumar	Director	24-05-2017	17.09.2018
7	Dr. Shyam Murari Mittal	Director	24.08.2017	31.08.2018
8	Sh. Laxmi Narayan Soni	Director	10.11.2017	04.06.2018
9	Sh. Sultan Singh	Director	24.08.2017	Continuing
10	Sh. Rajaram Sharma	Director	29.12.2017	Continuing
11	Dr. Arushi Ajey Malik	Director	04.06.2018	Continuing
12	Sh. Anil Gupta	Managing Director	31.08.2018	Continuing



The tenure of two Independent Directors Shri Atul Sethi and Shri Abhishek Mishra, appointed for a term up to two consecutive years with effect from 23rd December, 2015, has been expired on 23rd December, 2017. The appointment of two new Independent Directors of Company is under process with the administrative department.

During the Financial Year, company had one woman Director on its Board (Smt. Veenu Gupta, IAS Additional Chief Secretary, Medical & Health Department and Chairperson of Corporation).

The Board place on the record its sincere appreciation of the contribution made by the outgoing Managing Director and Directors during their tenure as members of the Board.

Meetings of the Board of Directors

Five meeting of Board of Directors were held during the Financial Year 2017-18 on 08.05.2017, 04.07.2017, 21.08.2017, 06.11.2017 and 21.02.2018. The attendance of Directors at the Board Meeting during the F.Y. 2017-18 are given below:-

S.No.	Name of Director	Attendance during 2017-18
1.	Dr. Badri Ram Meena	0/0
2.	Dr. Surender Singh Chauhan	4/5
3.	Sh. Naveen Jain	1/5
4.	Dr. Virendra Kumar Mathur	4/5
5.	Sh. Jaman Lal Jangid	5/5
6.	Sh. Om Prakash Kasera	1/1
7.	Sh. Atul Sethi	2/4
8.	Sh. Abhishek Mishra	2/4
9.	Smt. Veenu Gupta	5/5
10.	Sh. Babu Lal Kothari	3/4
11.	Sh. Apoorv Joshi	2/3
12.	Sh. Ramawatar Sharma	1/1
13.	Dr. R. Venkateswaran	1/4
14.	Smt. Roli Singh	0/1
15.	Sh. Ajay Phatak	2/4
16.	Sh. Mahavir Prasad Sharma	4/4
17.	Sh. Anand Kumar	4/4
18.	Sh. Ushaspati Tripathi	0/4
19.	Dr. Shyam Murari Mittal	1/2
20.	Sh. Sultan Singh	2/2
21.	Sh. Laxmi Narayan Soni	1/1
22.	Sh. Rajaram Sharma	0/1



Audit Committee

The company has an Audit Committee formed as per the requirements of section 177 of the Companies Act, 2013, consisting currently the following Directors of the Company as members:

1. Shri Anil Gupta, IAS, Managing Director, RMSCL- Chairman
2. Dr. V.K. Mathur, Director (PH), Medical & Health Services- Member
3. Shri Jaman Lal Jangid, Financial Advisor, Medical & Health Services-Member

As on 31st March, 2018, the Audit Committee consisted of the following:-

1. Shri Mahavir Prasad Sharma, IAS, Managing Director, RMSCL- Chairman
2. Shri Atul Sethi, Independent Director- Member
3. Shri Abhishek Mishra, Independent Director- Member

During the financial year 2017-18, one meeting of Audit Committee held on 21.08.2017.

Nomination & Remuneration Committee

The company has a nomination and remuneration committee of Board formed pursuant to section 178 of the Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and its powers) rules, 2014. Currently the nomination and remuneration committee of Board consists of following Directors of Company as members:-

1. Dr. V.K. Mathur, Director (PH), Medical & Health Services
2. Shri Jaman Lal Jangid, Financial Advisor, Medical & Health Services
3. Dr. Surendra Singh Chauhan, Director (AIDS).

Corporate Social Responsibility (CSR) Committee

Pursuant to provisions of section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee of the Board has been constituted by the Company, consisting currently the following Directors of the Company as members:-

1. Shri Anil Gupta, Managing Director, RMSCL- Chairman
2. Dr. V.K. Mathur, Director (PH), Medical & Health Services -Member
3. Shri Jaman Lal Jangid, Financial Advisor, Medical & Health Services- Member
4. Shri Sultan Singh, Director (Finance), NHM- Member

As on 31st March, 2018, the CSR Committee consisted of the following:-

1. Shri Mahavir Prasad Sharma, IAS, Managing Director, RMSCL
2. Dr. V.K. Mathur, Director (PH), Medical & Health Services
3. Shri Jaman Lal Jangid, Financial Advisor, Medical & Health Services
4. Shri Abhishek Mishra, Independent Director.



During the financial year 2017-18, one meeting of CSR Committee was held on 28.03.2018. A report on CSR activities is enclosed as Annexure –I to this report.

Extract of Annual Return

The extracts of Annual Return in Form No. MGT-9, as required under Section 92 of the Companies Act, 2013 is annexed hereto as Annexure- II and forms part of this Report. Annual Return of Company for F.Y. 2017-18 in Form No. MGT-7 will be available on Company Website at: www.rmhc.health.rajasthan.gov.in

Statutory Auditors

The Comptroller and Auditor General of India, New Delhi appointed M/s L S Kothari & Co., Chartered Accountants, Jaipur as Statutory Auditor of the Company for audit the Company's Annual Accounts for the Financial Year ending 31st March, 2018.

Secretarial Audit

As per provisions of section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s C.M. Bindal & Company, Practicing Company Secretaries, Jaipur were appointed to conduct the Secretarial Audit of Company for Financial Year 2017-18. The Secretarial Audit report for Financial Year ended on 31st March, 2018 is annexed hereto as Annexure-III and forms part of this Report. The report is self explanatory.

Material Changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which financial year relate and the date of the report.

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as required under section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption is not applicable in view of nature of business of the Company. There are no foreign exchange earnings and outgo during the year under review.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

In the matter of Shivek Labs Private Ltd v/s RMSCL, an award against RMSCL of Rs. 7.73 crore plus 18% interest had been passed by the sole arbitrator on 29.06.2015. Corporation had filed an objection appeal before Hon'ble District & Session Judge, Jaipur Metropolitan, Jaipur, which has been dismissed by Hon'ble court of ADJ No.1 vide decision dated 28.09.2016. Against which, Corporation had filed a petition before



Hon'ble Rajasthan High Court bench, Jaipur. Hon'ble Rajasthan High Court bench, Jaipur has quashed and set aside the judgment dated 28.09.2016 and award dated 29.06.2015 and accordingly disposed of the petition vide order dated 10.05.2018.

Particulars of Loans, Guarantees or Investments made Under Section 186 of the Companies Act, 2013

The Company has not given any loans and guarantees or made any investments pursuant to section 186 of Companies Act, 2013.

Particulars of Contracts or Arrangements with Related Parties

There were no contracts or arrangements with related parties in the corporation referred to in sub-section (1) of section 188 of the Companies Act, 2013.

Particulars of Employees

None of the employees of the company falls under the purview of the provisions of Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Personnel & Industrial Relations

Happy and pleasant relations continued throughout the year between the management and employees of the Corporation.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has duly constituted Internal Complaints Committee (ICC) for redressing the complaints relating to Sexual Harassment pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial, no complaints were received under the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Risk Management

The company has appropriate risk management systems in place for identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting. The Company has introduced several measures to control the risks such as efficient management at all levels and the internal audit methodologies and processes.

Directors Responsibility Statement

In pursuance to the requirement under Section 134(5) of the Companies Act, 2013, the Board of Directors



of the Company report that:

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the directors had prepared the annual accounts on a going concern basis; and
- v. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Other disclosures

- i. Company has not accepted deposits under Chapter V of the Companies Act, 2013.
- ii. The Company has no subsidiary, joint venture or associate company.
- iii. The Company has adequate internal financial control system commensurate with the size of the Company.
- iv. The relevant Secretarial Standards issued by the ICSI were followed during the year 2017-18.

Acknowledgements

The Directors express their sincere appreciation for the assistance and co-operation received from State Government, various government departments and authorities, bankers and other autonomous bodies/suppliers. The Directors also wish to place on record their deep sense of appreciation for the committed services of executives and staff of the Corporation in achieving the improved services during the year under review and confident that officers and staff will continue to strive hard to improve the performance of the Corporation in the years to come.

For and on behalf of the Board of Directors

Place: Jaipur

Sd/-

Sd/-

Date: 27.09.2018

(Anil Gupta)

(Dr. V.K. Mathur)

Managing Director

Director

DIN- 08232468

DIN- 07138460



Annexure-I

THE ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Corporate Social Responsibility (CSR) Policy of the Company encompasses the company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large.

CSR policy of the Company is in line with the provisions of Section 135 of the Companies Act, 2013 read with Schedule VII of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The web-link to CSR Policy is <http://rmsc.health.rajasthan.gov.in/content/raj/medical/rajasthan-medical-services-corporation-ltd/-en/library/policies---guidelines.html>.

During the year, Company has contributed to CSR activities in the areas of promoting healthcare including preventive healthcare for procurement of critical maternal and child health equipments (at all 600 PHCs) and for minor repairs and refurbishment at PHCs under Adarsh PHC Yojna of Government of Rajasthan.

2. The Composition of the CSR Committee.

Presently the following are the members of CSR Committee:-

1. Shri Anil Gupta, Managing Director, RMSCL- Chairman
2. Dr. V.K. Mathur, Director (PH), Medical & Health Services -Member
3. Shri Jaman Lal Jangid, Financial Advisor, Medical & Health Services- Member
4. Shri Sultan Singh, Director (Finance), NHM- Member

3. Average net profit of the Company for last three financial years.

Rs. 906.22 Lacs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).

Rs. 18.12 Lacs, However Company has allocated 31.7 Lacs as budget for CSR activities after approval from CSR Committee and Board for F.Y. 2017-18.

5. Details of CSR spent for the financial year;

- a. Total amount to be spent for the financial year - Rs. 31.7 Lacs
- b. Amount unspent, if any;- Nil



c. Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program s wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period.	Amount spent: Direct or through implementing agency
1.	Procurement of critical maternal and child health equipments and minor repairs and refurbishment at PHCs under Adarsh PHC Yojna of Government of Rajasthan	Promoting Healthcare including preventive healthcare	In various district of State of Rajasthan (Ajmer, Baran, Churu, Dausa, Dungarpur, Jaipur, Jhalawar, Pali, Udaipur, Alwar, Sirohi, Tonk, Hanumangarh, Sawai Madhopur, Bhilwara, Jalore, Jhunjhuna, Kota, Banswara, Churu Ganganagar, Karauli, sikar, Rajsamand, Barmer, Bikaner, Nagaur, Dholpur Bharatpur, , , Jalore, Jodhpur)	Rs. 31.7 Lacs	Rs. 31.7 lacs	Rs. 31.7 lacs	Through Implementing agency (Rajasthan Sate health Society, jaipur)
	TOTAL			Rs. 31.7 Lacs	Rs. 31.7 lacs	Rs. 31.7 lacs	

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.- Nil

7. Responsibility Statement of the CSR Committee

CSR Committee hereby declares that implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Sd/-
(Managing Director, RMSCL & Chairman CSR Committee)

Sd/-
(Director, RMSCL & Member CSR Committee)

**Annexure-II****Form No. MGT-9**
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U24232RJ2011SGC035067
ii)	Registration Date	04 th May, 2011
iii)	Name of the Company	RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED
iv)	Category / Sub-Category of the Company	Limited by Shares/ State Government Company
v)	Address of the Registered office and contact details	Swasthya Bhawan, Tilak Marg, C-Scheme, Jaipur-302004 Phone No: 0141-2228066, Fax No: 0141-2228065 Email: mdrmsc@nic.in Website: www.rmsc.health.rajasthan.gov.in
vi)	Whether listed company Yes / No	-No-
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main products/ services	NIC Code of the Product / service	% to total turnover of the company
1	Pharmaceuticals and Medical goods	46497	75%
2	Medical and Surgical Machinery & Equipments & Instruments	46596	25%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES *

S. No	Name and Address of The company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1		NIL			
2					

* The Company has no Holding, Subsidiary or Associate Company.



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUT	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)									
Government of Rajasthan and nominees of Government of Rajasthan	-	500000	500000	100.00	-	500000	500000	100.00	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-		500000	500000	100.00		500000	500000	100.00	
(2) Foreign-									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other.....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-									
Total Shareholding of promoter (A)=(A)(1)+(A)(2)	-	500000	500000	100.00		500000	500000	100.00	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	500000	500000	100.00		500000	500000	100.00	-

ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year.			Shareholding at the end of the year.			% change in shareholding during the year.
		No. of shares	% of the total shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Governor of Rajasthan	495000	99.00		495000	99.00		-
2	Shri Naveen Jain*	400	0.08		400	0.08		-
3	Shri Babu Lal Kothari*	400	0.08		-	-		-
4.	Dr. Badri Ram Meena *	400	0.08		-	-		-
5.	Shri Apoorv Joshi*	400	0.08		-	-		-
6.	Shri Ajay Phatak*	400	0.08		-	-		-
7.	Shri Jaman Lal Jangid*	400	0.08		400	0.08		-
8.	Smt. Roli Singh*	400	0.08		-	-		-
9.	Smt. Venu Gupta*	400	0.08		400	0.08		-
10.	Shri Surendra Singh Chauhan*	400	0.08		400	0.08		-
11.	Shri Ramawatar Sharma*	400	00.08		-	-		-
12.	Dr. R. Venkateswaran*	400	0.08		-	-		-
13.	Dr. Virendra Kumar Mathur*	200	0.04		400	0.08		-
14.	Shri Om Prakash Kasera*	400	0.08		-	-		-
15.	Shri Laxmi Narayan Soni*	-	-		400	0.08		-
16.	Shri Sultan Singh*	-	-		400	0.08		-
17.	Shri Rajaram Sharma*	-	-		400	0.08		-
18.	Shri Anand Kumar*	-	-		800	0.16		-
19.	Shri Ushaspati Tripathi*	-	-		400	0.08		-
20.	Dr. Shyam Murari Mittal*	-	-		200	0.04		-
21.	Shri Mahavir Prasad Sharma*				400	0.08		
	Total	500000	100.00		500000	100.00		

* Shares held as nominees of Government of Rajasthan.

iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	500000	100.00	500000	100.00
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
1	Shares transferred from Dr. B. R Meena to Dr. V.K Mathur on 08.05.2017	400	0.08	400	0.08
2	Shares transferred Shri Om Prakash Kasera to Shri Mahavir Prasad Sharma on 04.07.2017	400	0.08	400	0.08
3	Shares transferred from Smt. Roli Singh to Shri Anand Kumar on 04.07.2017	400	0.08	400	0.08



S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	Shares transferred from Shri Ramawatar Sharma to Shri Ushaspati Tripathi on 04.07.2017	400	0.08	400	0.08
5	Shares transferred from Dr. V.K. Mathur to Dr. Shyam Murari Mittal on 25.09.2017	200	0.04	200	0.04
6	Shares transferred from Shri Apoorv Joshi to Shri Sulam Singh on 25.09.2017	400	0.08	400	0.08
7	Shares transferred from Shri Babu Lal Kothari to Shri Laxmi Narayan Soni on 21.02.2018	400	0.08	400	0.08
8	Shares transferred from Dr. R. Venkateswaran to Shri Anand Kumar on 21.02.2018	400	0.08	400	0.08
9	Shares transferred from Shri Ajay Phatak to Shri Rajaram Sharma on 21.02.2018	400	0.08	400	0.08
	At the End of the year	500000	100.00	500000	100.00

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the year				
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (c.g.alloiment / transfer / bonus sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)				

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01.	Smt Veenu Gupta				
	At the beginning of the year	400	0.08	400	0.08
	Increase/Decrease during the year	-	-	400	0.08
	At the end of the year	400	0.08	400	0.08
02.	Dr. Surender Singh Chauhan				
	At the beginning of the year	400	0.08	400	0.08
	Increase/ decrease during the year	-	-	400	0.08
	At the end of the year	400	0.08	400	0.08
03.	Shri Naveen Jain				
	At the beginning of the year	400	0.08	400	0.08
	Increase/ decrease during the year	-	-	400	0.08
	At the end of the year	400	0.08	400	0.08
04.	Shri Jaman Lal Jangid				
	At the beginning of the year	400	0.08	400	0.08
	Increase/Decrease during the year	-	-	400	0.08
	At the end of the year	400	0.08	400	0.08
05.	Dr. Badri Ram Meena				
	At the beginning of the year	400	0.08	400	0.08
	Decrease due to transfer on 08.05.2017	400	0.08-	0	0
	At the end of the year	-	-	-	-
06.	Shri Om Parkash Kasera				
	At the beginning of the year	400	0.08	400	0.08
	Decrease due to transfer on 04.07.2017	400	0.08	0	0
	At the end of the year	-	-	-	-
07.	Shri Ramawatar Sharma				
	At the beginning of the year	400	0.08	400	.08
	Decrease due to transfer on 04.07.2017	400	0.08	0	0
	At the end of the year	-	-	-	-
08.	Smt Roli Singh				
	At the beginning of the year	400	0.08	400	0.08
	Decrease due to transfer on 04.07.2017	400	0.08	0	0
	At the end of the year	0	0	0	0
09.	Shri Apoorv Joshi				
	At the beginning of the year	400	0.08	400	0.08
	Decrease due to transfer on 25.09.2017	400	0.08	0	0
	At the end of the year	-	-	-	-
10.	Shri Babulal Kothari				
	At the beginning of the year	400	0.08	400	0.08
	Decrease due to transfer on 21.02.2018	400	0.08	0	0
	At the end of the year	-	-	-	-
11.	Dr. R. Venkateswaran				
	At the beginning of the year	400	0.08	400	0.08
	Decrease due to transfer on 21.02.2018	400	0.08	0	0
	At the end of the year	-	-	-	-

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
12.	Shri Ajay Phatak				
	At the beginning of the year	400	0.08	400	0.08
	Decrease due to transfer on 21.02.2018	400	0.08	0	0
	At the end of the year	0	0	-	-
13.	Dr. Virendra Kumar Mathur				
	At the beginning of the year	200	0.04	200	0.04
	Increase due to transfer on 08.05.2017	400	0.08	600	0.12
	Decrease due to transfer on 25.09.2017	200	0.04	400	0.08
	At the end of the year	400	0.08	400	0.08
14.	Shri Mahavir Prasad Sharma				
	At the beginning of the year	-	-	-	-
	Increase due to transfer on 04.07.2017	400	0.08	400	0.08
	At the end of the year	400	0.08	400	0.08
15.	Shri Anand Kumar				
	At the beginning of the year	-	-	-	-
	Increase due to transfer on 04.07.2017	400	0.08	400	0.08
	Increase due to transfer on 21.02.2018	400	0.08	800	0.16
	At the end of the year	800	0.16	800	0.16
16.	Shri Ushaspati Tripathi				
	At the beginning of the year	-	-	-	-
	Increase due to transfer on 04.07.2017	400	0.08	400	0.08
	At the end of the year	400	0.08	400	0.08
17.	Dr. Shyam Murari Mittal				
	At the beginning of the year	-	-	-	-
	Increase due to transfer on 25.09.2017	200	0.04	200	0.04
	At the end of the year	200	0.04	200	0.04
18.	Shri Sultan Singh				
	At the beginning of the year	-	-	-	-
	Increase due to transfer on 25.09.2017	400	0.08	400	0.08
	At the end of the year	400	0.08	400	0.08
19.	Shri Laxmi Narayan Soni				
	At the beginning of the year	-	-	-	-
	Increase due to transfer on 21.02.2018	400	0.08	400	0.08
	At the end of the year	400	0.08	400	0.08
20.	Shri Rajaram Sharma				
	At the beginning of the year	-	-	-	-
	Increase due to transfer on 21.02.2018	400	0.08	400	0.08
	At the end of the year	400	0.08	400	0.08
21.	Shri Atul Sethi				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year				
	At the end of the year	-	-	-	-
22.	Shri Abhishek Mishra				



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	31,09,20,000	-	31,09,20,000
ii) Interest due but not paid	-			
iii) Interest accrued but not due	-			
Total (i+ii+iii)	-	31,09,20,000	-	31,09,20,000
Change in Indebtedness during the financial year	-			
• Addition	-	-	-	-
• Reduction	-	4,95,60,000	-	4,95,60,000
Net Change		4,95,60,000	-	4,95,60,000
Indebtedness at the end of the financial year				
i) Principal Amount	-	26,13,60,000	-	26,13,60,000
ii) Interest due but not paid	-		-	
iii) Interest accrued but not due	-		-	
Total (i+ii+iii)		26,13,60,000		26,13,60,000

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No.	Particulars of Remuneration	Name of MD/WT/ Manager		Total Amount
		Shri Om Prakash Kasera Managing Director	Shri Mahavir Prasad Sharma Managing Director	
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,96,944	18,71,584	20,68,528
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option		-	-
3.	Sweat Equity		-	-
4.	Commission - as % of profit - others, specify		-	-
5.	Others, please specify			
	a. Medical Allowance	-	-	
	b. Pension Contribution	-	-	
	c. Travelling Allowance	-	59,002	59,002
	Total (A)	1,96,944	19,30,586	21,27,530
	Ceiling as per the Act			



B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Directors		Total Amount
		-Name-	-Name-	
1.	Independent Directors			
	• Fee for attending board/committee meetings	-	-	-
	• Commission	-	-	-
	• Others, please specify	-	-	-
	Total (1)	-	-	-
2.	Other Non-Executive Directors			
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)–(1+2)	-	-	-
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	8,32,479	-	-
	(b) Value of perquisites u/s 17(2) Income -tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission		-	-	-
	as % of profit	-	-	-	-
	Others specify...		-	-	-
5.	Others, please specify	-	8,885	-	-
	Total	-	8,41,364		



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

Place: Jaipur
Date: 27.09.2018

Sd/-
(Anil Gupta)
Managing Director
DIN- 08232468

Sd/-
(Dr. V.K. Mathur)
Director
DIN- 07138460



C. M. BINDAL & COMPANY, COMPANY SECRETARIES

F.NO.202, GANESH KRIPA, B-6, MOTI MARG, BAPU NAGAR, JAIPUR-302015.

FORM NO. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018.

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Rajasthan Medical Services Corporation Limited,

(A Govt. of Rajasthan Undertaking)

Gandhi Block, Swasthya Bhawan, Tilak Marg,

C-Scheme, Jaipur-302005.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rajasthan Medical Services Corporation Limited (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 (audit period), complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018, according to the provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder. The company being an unlisted company, Security Contracts n(Regulation) Act, 1956, Depositories Act, 1996, FEMA, 1999, several other Regulations and Guidelines prescribed under Securities & Exchange Board of India Act, 1992, were not applicable to it during the audit period.

The company has identified the following laws as specifically applicable to the company:-

- (i) Drugs & Cosmetics Act, 1945 and Rules thereunder;
- (ii) Bio-medical Waste Management Rules, 1998;
- (iii) Narcotics & Psychotropic Substances Act, 1985;
- (iv) GoR NPS Rules, GPF Rules and State Insurance Rules;
- (v) The Rajasthan Service Rules;
- (vi) Rajasthan Transparency in Public Procurement Act, 2012 and Rules thereunder;
- (vii) Service Tax under reserve charge mechanism;



- (viii) The General Financial and Accounts Rules;
- (ix) The Right to Information Act, 2005;
- (x) The Sexual Harassment of Women at Workplaces (Prevention, Prohibition & Redressal) Act, 2013.

We have also examined compliances with the applicable clauses/regulations of the following:-

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) Govt. of Rajasthan Health policies and programmes as are applicable to it.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:-

- (i) The company had one meetings of audit committee during the audit period as required;
- (ii) A few documents filed under Companies Act, 2013, with ROC Office were late by some days due to technical problem, as explained;
- (iii) The company contributed on CSR obligation Rs. 31.70 lacs to Rajasthan State Health Society, Jaipur, against the requirement of Rs.18.12 Lacs during the audit period.

We further report that:

- (i) The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. However, positions of two Independent Directors whose terms ceased on 23.12.2017, are yet to be filled in.
- (ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of all such meetings.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there are no specific events/actions having a major bearing on the company's affairs in pursuance of laws, rules, regulations, guidelines, standards, etc. referred to above.

For **C. M. BINDAL & COMPANY**
COMPANY SECRETARIES

Sd/-

(C.M. BINDAL)

PROPRIETOR

FCS No.103,

Date: 27th September, 2018

Place: Jaipur

CP No.176

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



C. M. BINDAL & COMPANY, COMPANY SECRETARIES

F.NO.202, GANESH KRIPA, B-6, MOTI MARG, BAPU NAGAR, JAIPUR-302015.

‘Annexure-A’

To,
The Members,
Rajasthan Medical Services Corporation Limited,
(A Govt. of Rajasthan Undertaking)
Gandhi Block, Swasthya Bhawan, Tilak Marg,
C-Scheme, Jaipur-302005.

Our Report of even date is to be read along with this Letter.

1. Maintenance of Secretarial Records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For C. M. BINDAL & COMPANY
COMPANY SECRETARIES**

Sd/-

(C.M. BINDAL)

PROPRIETOR

Date: 27th, September, 2018

Place: Jaipur

FCS No.103, CP No.176



L S KOTHARI & CO.

Chartered Accountants

HO – Swastik - 556A, Rani Sati Nagar, Vishvakarma Marg,

Ajmer Road, Jaipur 302 001

Mob – 9314603001 E-mail: Lskothari@gmail.com



INDEPENDENT AUDITOR'S REPORT

To

The Members of

RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

Independent Auditor's Report dated 27th September, 2018 to the Members of RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED for the year ended 31st March, 2018

1. Report on the Financial Statements

We have audited the accompanying financial statements of RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED ("the Company") which comprises Balance Sheet as at 31st March 2018, the Statement of Profit and Loss account and cash flow statement for the year then ended, and a Summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the 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 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 Statements that give a true and fair view and are free from materials misstatement, whether due to fraud or error.



3. Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018
- (ii) in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
- (iii) In the case of Statement of Cash Flow of the cash flow for the year ended on that date.

5. Emphasis of matters

The Company has 34 DDWs and 6 MCDWs all over Rajasthan for which it has appointed division wise Chartered Accountants as internal auditors for carrying out internal audit. All these internal auditors are submitting monthly reports to the management and the management is reviewing / appraising these reports on a regular basis. The Company has centralised accounting of all DDWs and MCDWs at head office and while carrying out our audit, we have relied upon the reports of these internal auditors, therefore, we have not visited these DDWs and MCDWs.



Our opinion is not qualified / modified in respect of above matter.

5. Report on Other Legal & Regulatory Requirement

(A) 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 a statement on the matters specified in paragraphs 3 & 4 of the said order.

(B) As required by Section 143(3) of the Act, we report that :

- a) we have sought and obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, Statement of Cash Flow and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) In our opinion there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company.
- f) Section 164 (2) of the Companies Act, 2013 regarding disqualification of directors is not applicable to the Company being a Government Company.
- g) Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of section 143 of the companies Act, 2013 ("the Act")- is enclosed as an annexure to this report.
- h) 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, we report :
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For L.S.KOTHARI & CO.

Chartered Accountants

Sd/-

(Lalit Kothari)

Partner

M.N. 081407

Place: Jaipur

Dated: 27th September, 2018



L S KOTHARI & CO.
Chartered Accountants

HO – Swastik - 556A, Rani Sati Nagar,
Vishvakarma Marg, Ajmer Road, Jaipur 302 001
Mob – 9314603001 E-mail: Lskothari@gmail.com

RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

Annexure to the Auditor's Report

ANNEXURE referred to in paragraph (1) under the heading “Report on Legal and Regulatory requirements” of Independent Auditor’s Report dated 27th September, 2018 to the Members of RAJASTHAN MEDICAL SERVICES CORPORATION Ltd. for the year ended 31st March, 2018
On the basis of the records produced to us for verification / perusal, such checks as we considered appropriate, and in terms of information and explanations given to us on our enquiries, we state that :-

S.No.	Particulars	Auditor's Remark
(i)	<p>(a) Whether the company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets;</p> <p>(b) Whether title deeds of immovable properties are held in the name of the company. If not, provide details thereof.</p> <p>(c) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account</p>	<p>The Company is maintaining records showing full particulars including quantitative details and situation of fixed assets at each DDWs/MCDWs, however, these records are not in prescribed format and also do not contain details of year wise depreciation / WDV etc. Further, reconciliation of these records with financial books of accounts is still pending.</p> <p>Head office building has been constructed by NRHM which is allotted to the Company vide office order No. F(10)IPHS/civil/2011-12/3070 dated 30.05.2011. Further, assets transferred from Medical and Family Welfare Department is recorded in fixed assets register at various DDWs / MCDWs. As per the information and explanation given to us, accounting entries have not been made in books of accounts due to insignificant value involved in such transfer or value cannot be reasonably ascertained.</p> <p>Further, there are no title deeds available for above immovable properties.</p> <p>Fixed assets have been physically verified by the management at reasonable intervals during the year. According to the information and explanations given to us, discrepancies noticed on such physical verification are not material. The same is under further reconciliation / scrutiny and necessary adjustments, if any, will be made in books of account of the Company accordingly.</p>
(ii)	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, how they have been dealt with in the books of account.	Physical verification of inventory has been conducted at reasonable intervals during the year by the internal auditors of the Company. As per the information and explanations given to us, discrepancies noticed on such physical verification are not material and necessary adjustments have been made in books of account of the Company.

S.No.	Particulars	Auditor's Remark
(iii)	Whether the company has granted any loans, secured or unsecured to companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013. If so, (a) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest; (b) Whether receipt of the principal amount and interest are regular. If not provide details thereof; and (c) If overdue amount is more than rupees five lakhs, whether reasonable steps have been taken by the company for recovery of the principal and interest	No NA NA NA
(iv)	In respect of loans, investments and guarantees, whether provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide details thereof.	No Loans, Investments and Guarantees have been given by the Company which attracts provisions of Section 185 and 186 of the Companies Act, 2013
(v)	In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with? if not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	The Company has not accepted any deposit which attracts provisions of Section 73 to 76 of the Companies Act, 2013
(vi)	Whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported (in case of banks and financial institutions, lender wise details to be provided)	The Company has not availed any loans from financial institution / banks. The loans have been availed by the Company from State Government against which it has not defaulted in repayment of dues.
(vii)	whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained	According to the information and explanation given to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the Company.

S.No.	Particulars	Auditor's Remark
(viii)	(a) whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, , service tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor.	<p>According to the books and records produced and examined by us, the Company is generally regular in depositing undisputed statutory dues with the appropriate authorities.</p> <p>According to information and explanation given to us, there are following arrears of outstanding statutory dues as at last day of the financial year for a period of more than six months from the date they became payable :</p> <p>RPMF : Rs.660/- IIFR : Rs.3005/- NCPS : Rs.13148/- State Insurance : Rs.3700/-</p>
	(b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute)	<p>According to information and explanation given to us, there is no amount in dispute in respect of</p> <p>income tax or sales tax or service tax or duty of customs or duty of excise or value added tax.</p>
(ix)	Whether moneys raised by way of public issue/ follow-on offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays / default and subsequent rectification, if any, as may be applicable, be reported	No money has been raised by way of public issue / follow on offer (including debt instruments)
(x)	Whether managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.	Since the Company is a Government Company, provisions of section 197 of the Companies Act, 2013 is not applicable.
(xi)	Whether any fraud by the company or any fraud on the Company by its officers/ employees has been noticed or reported during the year; if yes, the nature and the amount involved be indicated.	According to information and explanation given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
(xii)	Whether the Nidhi Company has complied with the Net Owned Fund in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining 10% liquid assets to meet out the unencumbered liability.	The Company is not a Nidhi Company



S.No.	Particulars	Auditor's Remark
(xiii)	Whether the company has made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of Section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised. If not, provide details thereof.	No preferential allotment / private placement of shares or fully or partly convertible debentures have been made during the year under review
(xiv)	Whether all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the accounting standards and Companies Act, 2013.	Yes
(xv)	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether provisions of Section 192 of Companies Act, 2013 have been complied with.	The Company has not entered into any non-cash transactions with directors or persons connected with him.
(xvi)	Whether the company is required to be registered under Section 45 IA of Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	The company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934

For L.S.KOTHARI & CO.

Chartered Accountants

Sd/-

(Lalit Kothari)

Partner

M.N. 081407

Place: Jaipur

Dated: 27th September, 2018



L S KOTHARI & CO.
Chartered Accountants

HO – Swastik - 556A, Rani Sati Nagar,
Vishvakarma Marg, Ajmer Road, Jaipur 302 001
Mob – 9314603001 E-mail: Lskothari@gmail.com

Annexure to the Independent Auditor's Report dated 27th September, 2018 on the Financial Statements of RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED for the year ended 31st March, 2018

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 audited the internal financial controls over financial reporting of ('the Company') as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over 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 requirements 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether



due to fraud or error. We believe that the audit evidence I/we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control 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 purposes in accordance with generally accepted accounting principles. A company's internal financial control 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 transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018.

For L.S.KOTHARI & CO.

Chartered Accountants

Sd/-

(Lalit Kothari)

Partner

M.N. 081407

Place: Jaipur

Dated: 27th September, 2018



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR-302005

CIN: U24232RJ2011SGC035067

Balance Sheet as at 31st March, 2018

Particulars		Note No.	As at 31st March, 2018	As at 31st March, 2017
			₹	₹
A	EQUITY AND LIABILITIES			
1	Shareholder's Funds			
	(a) Share Capital	2	50,000,000	50,000,000
	(b) Reserves And Surplus	3	264,474,103	192,200,876
	(c) Money Received Against Share Warrants		-	-
			314,474,103	242,200,876
2	Share Application Money Pending Allotment		-	-
3	Non-Current Liabilities			
	(a) Long-Term Borrowings	4	211,800,000	261,360,000
	(b) Deferred Tax Liabilities (Net)		-	-
	(c) Other Long-Term Liabilities	5	315,227,501	262,052,537
	(d) Long-Term Provisions		-	-
			527,027,501	523,412,537
4	Current Liabilities			
	(a) Short-Term Borrowings		-	-
	(b) Trade Payables	6	1,388,541,906	886,766,948
	(c) Other Current Liabilities	7	2,095,159,854	2,586,249,084
	(d) Short-Term Provisions	8	54,295,000	20,266,753
	(e) Deferred Government Grants	9	3,221,005,664	1,179,332,807
			6,759,002,424	4,672,615,592
	TOTAL		7,600,504,028	5,438,229,005
B	ASSETS			
1	Non-Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	10.A	145,717,212	164,975,546
	(ii) Intangible Assets	10.B	6,793	6,793
	(iii) Capital Work-in-Progress	11	369,106	260,106
	(iv) Intangible Assets Under Development		-	-
			146,093,111	165,242,445
	(b) Non-Current Investments		-	-
	(c) Deferred Tax Assets (Net)	26	4,964,124	4,787,694
	(d) Long-Term Loans And Advances		-	-
	(e) Other Non-Current Assets	12	361,413	361,413
			151,418,648	170,391,552
2	Current Assets			
	(a) Current Investments		-	-
	(b) Inventories	13	1,358,282,701	1,241,892,834
	(c) Trade Receivables		134,258,780	-
	(d) Cash And Cash Equivalents	14	5,750,408,287	3,782,486,057
	(e) Short-Term Loans And Advances	15	84,050,635	177,391,708
	(f) Other Current Assets	16	122,084,977	66,066,854
			7,449,085,380	5,267,637,453
	TOTAL		7,600,504,028	5,438,229,005
Significant Accounting Policies and Notes to Accounts		1 & 28		-0

In terms of our report of even date

For **L.S. KOTHARI & CO.**

Chartered Accountants.

FRN : 001450C

Sd/-

(Lalit Kothari)

Partner

M.No. 081407

Place : Jaipur

Date : 27/09/18

Sd/-

(Mamta Agarwal)

Company Secretary

PAN - AIMP4960F

Sd/-

(V.C. Bunkar)

Executive Director

(Finance)

Sd/-

(Dr. V.K. Mathur)

Director

DIN - 07138460

Sd/-

(Anil Gupta)

Managing Director

DIN - 08232468

For and on behalf of Board of Directors



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR-302005

CIN: U24232RJ2011SGC035067

Profit and Loss Statement for the year ended 31st March, 2018

Particulars		Note No.	For the year ended 31st March, 2018 ₹	For the year ended 31st March, 2017 ₹
1	Revenue From Operations (Gross)	17	6,446,963,141	5,268,598,873
2	Other Income	18	225,280,303	247,366,818
3	Total Revenue (1+2)		6,672,243,444	5,515,965,691
4	Expenses			
	(a) Cost Of Materials Consumed		-	-
	(b) Purchases Of Stock-in-Trade	19	6,266,223,797	5,103,884,299
	(c) Changes in inventories	20	(116,389,866)	(85,720,965)
	(d) Employee Benefits Expense	21	177,837,758	147,368,315
	(e) Finance Costs	22	44,548,067	38,755,522
	(f) Depreciation And Amortisation Expense	10	20,761,180	27,678,874
	(g) Other Expenses	23	141,216,254	152,481,660
	Total Expenses		6,534,197,189	5,384,447,705
5	Profit / (Loss) Before Exceptional And Extraordinary Items And Tax (3 - 4)		138,046,255	131,517,986
6	Prior Period Items	24	9,521,238	(2,925,268)
7	Exceptional Items	25	-	(2,030,133)
8	Profit / (Loss) Before Extraordinary Items And Tax (5 ± 6+7)		147,567,494	126,562,585
9	Extraordinary Items		-	-
10	Profit / (Loss) Before Tax (8 ± 9)		147,567,494	126,562,585
11	Tax Expense:			
	(a) Current Tax Expense		54,125,000	(20,110,749)
	(b) (Less): MAT Credit		-	-
	(c) Tax Expense Relating To Prior Years		21,345,696	-
	(d) Net Current Tax Expense		75,470,696	(20,110,749)
	(e) Deferred Tax	26	176,429	1,421,970
			75,294,267	(18,688,779)
12	Profit / (Loss) From Continuing Operations (10 ± 11)		72,273,227	107,873,807
13	Profit / (Loss) From Discontinuing Operations		-	-
14	Profit / (Loss) For The Year (12 ± 13)		72,273,227	107,873,807
15	Earnings Per Share (of ₹ 100/- each):			
	(a) Basic	27	144.55	215.75
	(b) Diluted		144.55	215.75
Significant Accounting Policies and Notes to Accounts		1 & 28		

In terms of our report of even date

For **L.S. KOTHARI & CO.**

Chartered Accountants.

FRN : 001450C

For and on behalf of Board of Directors

Sd/-
(Lalit Kothari)
Partner
M.No. 081407
Place : Jaipur
Date : 27/09/18

Sd/-
(Mamta Agarwal)
Company Secretary
PAN - AIMP4960F

Sd/-
(V.C. Bunkar)
Executive Director
(Finance)

Sd/-
(Dr. V.K. Mathur)
Director
DIN - 07138460

Sd/-
(Anil Gupta)
Managing Director
DIN - 08232468



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR-302005

CIN: U24232RJ2011SGC035067

Cash Flow Statement for the year ended 31st March, 2018

Particulars	For the year ended		For the year ended	
	31st March, 2018		31st March, 2017	
	₹	₹	₹	₹
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		147,567,494		126,562,586
<u>Adjustments for:</u>				
Provision for Tax	(54,125,000)		(20,110,749)	
Depreciation and amortisation	20,761,180		27,678,874	
Finance costs	44,548,087		38,755,522	
Interest income	(133,453,896)		(174,820,775)	
	(122,269,649)		(128,497,128)	
Operating profit / (loss) before working capital changes		25,297,845		(1,934,542)
<u>Changes in working capital:</u>				
<u>Adjustments for (Increase) / decrease in operating assets:</u>				
Inventories	(116,389,867)		(85,720,965)	
Trade Receivables	(134,258,780)			
Short-term loans and advances	93,341,073		2,948,668	
Other current assets	(58,018,123)		(5,738,241)	
Other non-current assets	-		-	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	501,771,958		151,348,383	
Other current liabilities	(491,089,230)		133,962,077	
Other long-term liabilities	53,174,964		33,365,219	
Short-term provisions	34,028,247		20,266,753	
Deferred Govt Grants	2,041,672,857		(685,823,924)	
Long-term provisions	-		-	
	1,926,236,098		-435,400,048	
Cash flow from extraordinary items				
Cash generated from operations		1,951,533,943		-437,334,591
Net income tax (paid) / refunds		-		-
Tax Expenses Relating To Previous Years		21,345,696		
Net cash flow from / (used in) operating activities (A)		1,930,188,247		-437,334,591
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(1,611,846)		(3,035,576)	
Interest received	133,453,896		174,820,775	
Net cash flow from / (used in) investing activities (B)		131,842,050		171,785,200
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		-	
Corpus fund received	-		-	
Redemption / buy back of preference / equity shares	-		-	
Proceeds from issue of share warrants	-		-	
Share application money received / (refunded)	-		-	
Proceeds from long-term borrowings	(49,560,000)		(49,560,000)	
Finance cost	(44,548,087)		(38,755,522)	
	(94,108,087)		(88,315,522)	
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (C)		(94,108,087)		(88,315,522)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		1,967,922,230		(353,864,914)
Cash and cash equivalents at the beginning of the year		3,782,486,057		4,136,350,972
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		-		-
Cash and cash equivalents at the end of the year		5,750,408,287		3,782,486,057

In terms of our report of even date

For **L.S. KOTHARI & CO.**

Chartered Accountants.

FRN : 001450C

Sd/-

(Lalit Kothari)

Partner

M.No. 081407

Place : Jaipur

Date : 27/09/18

Sd/-

(Mamta Agarwal)

Company Secretary

PAN - AIMP4960F

Sd/-

(V.C. Bunkar)

Executive Director

(Finance)

Sd/-

(Dr. V.K. Mathur)

Director

DIN - 07138460

Sd/-

(Anil Gupta)

Managing Director

DIN - 08232468



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR-302005

CIN: U24232RJ2011SGC035067

Note 1: SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF ACCOUNTING :

The financial statements of the Corporation have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on the accrual basis.

GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified).

B. USE OF ESTIMATES :

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

C. FIXED ASSETS AND DEPRECIATION :

- i. Fixed assets are stated at their cost of acquisition or construction less accumulated depreciation and impairment losses.
- ii. Cost of acquisition comprise all cost incurred to bring the assets to their location and working condition up to the date the assets are put to use. Cost of construction are composed of those costs that relate directly to specific assets and those are attributable to the construction activity in general and can be allocated to specific assets up to the date the assets are put to use. Any Liquidated Damages recovered shall be reduced from the cost of the asset.
- iii. There is no impairment testing of assets as per the provisions of Accounting Standard 28 "Impairment of Assets".
- iv. Building of RMSCL (head office) has been constructed by NRHM. The said building has been allotted to RMSCL vide Office Order No. F(10)IPHS/civil/2011-12/3070 dated 30.05.2011. Accordingly it has been recorded at a nominal value of Rs. 1 in accordance with Para- 7.1 of AS-12. Assets transferred from Medical Health & Family Welfare Department at District Drug Warehouses (DDW's) have not been accounted for in the books of accounts due to insignificant value involved in such transfers or value cannot be reasonably ascertained. However, the same has been entered in fixed assets register under "other assets".



- v. Depreciation has been provided, pro-rata for the period of use on the written down value method as per the useful lives of assets as prescribed under Part C of Schedule II of the Companies Act, 2013.

D. BORROWING COST :

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

E. INVESTMENTS :

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

F. INVENTORIES :

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

G. REVENUE RECOGNITION :

- i. Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.
- ii. As per Government of Rajasthan Notification and Cabinet order 49/2011 dated 04.04.2011 RMSCL is entitled to surcharge/margin @ 5% on cost of drugs/surgical/suture/equipments distributed/supplied to government hospitals including Primary Health Centers (PHCs) & Community Health Centres (CHCs). Income of surcharge is accounted for on accrual basis. Bill wise and Health Centre wise details of drugs/surgical/suture distributed are maintained in the e-Aushadhi software, consolidated entry of dispatch on monthly basis is passed in the books of accounts. Surcharge is recovered on cost of medicine by using batch wise method of cost formula. In the case of equipments especially pertaining to procurement for the items on DGS&D rate contracts Board of Director in its meeting 21st dated 19.07.2012 decided to charge surcharge @ 1% of the cost instead of 5%. The Corporation has also issued drugs to NGO, Trusts and various other central Govt. Units etc and charged surcharge @5% on such supply uniformly.
- iii. In respect of supply of medical equipment RMSCL is charging surcharge and the same is accounted for as and when bills are paid to suppliers.
- iv. Interest income is accounted on accrual basis.



- v. Liquidated Damages has not been considered as part of income from F.Y. 2012-13 onwards and the same is credited to Grant for Medicines thereby reducing the net grant utilized by RMSCL as per Order No. F/02(08)/5/2013 dated 12 June, 2013 issued by Medical Health & Family Welfare Department, Govt. of Rajasthan.
- vi. Penalties levied by us are accounted for as and when recovered. Penalties paid, if any, is accounted for as and when paid
- vii. RMSCL is deducting testing and handling charges @ 1.50% form the bill of suppliers in terms of E-bid documents towards cost of testing samples from different empanelled laboratories out of the supplies from each batch, at the time of supply or during self life period of the medicines. Since expenses incurred by RMSCL for testing, handling, transporation and other expenses in respect of these samples are accounted for under different head of accounts in books of account hence actual expenses incurred there against can not be ascertained exactly.

H. EMPLOYEE BENEFITS :

- (i) Employee benefits such as salaries, allowances, non-monetary benefits under defined contribution plans such as provident and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense to the profit and loss account in the period in which the service is rendered.
- (ii) All staff except one of RMSCL are on deputation from different government departments and accordingly retirement benefits are paid by the parent department as such no accounting is done by the corporation for the same as per state government service rules, however pension contribution is remitted to Director Pension, for one person in whose case pension contribution is borne by the corporation under New Pension Scheme and other retirement benefits, if any, will be accounted for as and when relevant rules are formulated by the state government.
- (iii) In respect of staff on deputation from different government departments in RMSCL, all pay and allowance are paid by RMSCL in accordance with State Government service rules.

I. TAXATION :

- i. Income taxes are accounted for in accordance with AS-22 "Accounting for Taxes on Income". Taxes comprise both current and deferred tax.
- ii. Current Tax is measured at the amount expected to be paid/ recovered from the revenue authorities, using the applicable tax rates and tax laws. Minimum Alternate Tax (MAT) credit entitlement available under the provisions of Section 115 JAA of the Income Tax Act, 1961 is recognized to the extent that the credit will be available for discharge of future normal tax liability.
- iii. The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount of timing difference. The tax effect is calculated on the



accumulated timing differences at the end of an accounting period based on enacted or substantively enacted regulations. Deferred tax assets in situation where unabsorbed depreciation and carry forward business loss exists, are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized. Deferred tax assets, other than in situation of unabsorbed depreciation and carry forward of business loss, are recognized only if there is reasonable certainty that they will be realized. Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each reporting date. Deferred tax assets and deferred tax liabilities have been offset wherever the company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

- iv. RMSCL has been exempted from payment of tax under the RVAT Act, if any, on the sale or purchase of medicines and medical equipments within the state vide notification No. 54 dated 30.09.2011. The corporation has also been exempted from payment of tax payable under Rajasthan Tax on Entry of Goods into Local Areas, 1999 on the medicines and medical equipments brought into local areas vide Notification No. 55 dated 30.09.2011.
- v. RMSCL is availing input credit of GST against purchases of medicines and equipments, expenses etc and charging GST on these supplies to medical institutions as per provision of GST Act.

J. TREATMENT OF PRE –INCORPORATION EXPENDITURE :

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

K. SOFTWARE EXPENDITURE :

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

L. ACCOUNTING FOR GOVERNMENT GRANTS :

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

M. EARNING PER SHARE :

The corporation reports basic and diluted earnings per share (EPS) in accordance with AS-20 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive



potential equity shares, except where the results are anti-dilutive.

N. CONTINGENT LIABILITIES :

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

O. CASH FLOW STATEMENT :

The corporation prepares Cash Flow Statement as per “Indirect Method” as prescribed in Para 18(b) of AS-3. The Cash Flow Statement will be prepared in accordance with the matter contained with AS-3 “Cash Flow Statements”.

P. SEGMENT REPORTING :

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

Q. POLICY ON AMOUNT RECEIVED FOR COMPUTERIZATION :

RMSCL had received a loan of Rs. 37.88 Crores for computerization of sub-stores and DDCs in 2012-13, out of which loan amounting to Rs. 12.88 Crores has been refunded in 2013-14 leaving a balance of Rs. 25 Crores as loan. The same is to be utilized for computerization of sub stores and DDCs being expenses in the nature of revenue and capital. However the same has no direct bearing to the working of the corporation and the same cannot be capitalized being no future benefits shall arise of the same by the State Government.

After the denial regarding conversion of loan into grant and applying the prudence concept and in pursuance to the policy of the previous years which provided for complete write off of the expenses in the year of denial, expenses amounting to Rs. Nil has been written off in the current year (Previous year Rs. 20,18,723/-).

Further any expenses incurred in the future years shall be written off in the year in which it is incurred.

R. POLICY ON REFUNDS TO NRHM :

RMSCL receives fund from NRHM in advance for procurement and supply of medical equipment and other items under various schemes of NRHM. The unutilized funds are refunded to NRHM with interest @ 4 %.p.a.



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR-302005

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'Notes forming part of the financial statements for the year ended 31st March, 2018

Note 2: SHARE CAPITAL				
Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Number of shares	Amount ₹	Number of shares	Amount ₹
(A) Authorised : Equity shares of ₹ 100 each	500,000	50,000,000	500,000	50,000,000
(B) Issued : Equity shares of ₹ 100 each	500,000	50,000,000	500,000	50,000,000
(C) Subscribed and fully paid up : Equity shares of ₹ 100 each	500,000	50,000,000	500,000	50,000,000
	500,000	50,000,000	500,000	50,000,000
Note 2.1: Reconciliation of number of shares				
Particulars	Number of shares as at 31st March, 2018		Number of shares as at 31st March, 2017	
Opening number of Shares	500,000		500,000	
Add: Shares issued during the year	-		-	
Closing number of shares	500,000		500,000	
Note 2.2: The Corporation has issued only one class of shares viz, Equity Shares with voting rights				
Note 2.3: Shares held by each shareholder holding more than 5 percent of number of shares				
Name of Shareholder	As at 31st March, 2018		As at 31st March, 2017	
	No. of shares held	% of Holding	No. of shares held	% of Holding
H.E. GOVERNOR OF RAJASTHAN	500,000	100.00	500,000	100.00
Total	500,000	100.00	500,000	100.00
Note 3: RESERVES AND SURPLUS				
Particulars	As at 31st March, 2018		As at 31st March, 2017	
	₹		₹	
(A) Capital Reserve				
Opening Balance	50,000,001		50,000,001	
Add : Addition during the year	-		-	
Less: Utilised / transferred during the year	-		-	
Closing Balance	50,000,001		50,000,001	
(B) Profit & Loss Account				
Opening Balance	142,200,875		34,327,069	
Add: Net Profit for the year	72,273,227		107,873,806	
Closing Balance	214,474,102		142,200,875	
(C) Total Reserves and Surplus				
Opening Balance	192,200,876		84,327,070	
Add: Net Profit for the year	72,273,227		107,873,806	
Closing Balance	264,474,103		192,200,876	
Total	264,474,103		192,200,876	



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR-302005

CIN: U24232RJ2011SGC035067

'Notes forming part of the financial statements for the year ended 31st March, 2018

Note 4: LONG TERM BORROWINGS		
Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
(A) Term Loans		
A.1 Secured	-	-
A.2 Unsecured - Loan From Government of Rajasthan		
(i) Loan for WIC	25,000,000	30,000,000
Less: Current maturities of Long Term Debt	5,000,000	5,000,000
	20,000,000	25,000,000
<i>(Loan is repayable in 10 equal installments starting from 31-Mar-2014 bearing a interest rate of 10% p.a.)</i>		
(ii) Loan for strengthening and modernisation of DDW	55,000,000	66,000,000
Less: Current maturities of Long Term Debt	11,000,000	11,000,000
	44,000,000	55,000,000
<i>(Loan is repayable in 10 equal installments starting from 31-Mar-2014 bearing a interest rate of 10% p.a.)</i>		
(iii) Loan for Computerisation	125,000,000	150,000,000
Less: Current maturities of Long Term Debt	25,000,000	25,000,000
	100,000,000	125,000,000
<i>(Loan is repayable in 10 equal installments starting from 31-Mar-2014. It is a non-interest bearing loan.</i>		
(iv) Loan for strengthening and modernisation of DDW	21,360,000	24,920,000
Less: Current maturities of Long Term Debt	3,560,000	3,560,000
	17,800,000	21,360,000.00
<i>(Loan is repayable in 10 equal installments starting from 31-Mar-2015 bearing a interest rate of 10% p.a.)</i>		
(iv) Loan for furnishing and strengthening of DDW	35,000,000	40,000,000
Less: Current maturities of Long Term Debt	5,000,000	5,000,000
	30,000,000	35,000,000
<i>(Loan is repayable in 10 equal installments starting from 31-Mar-2016 bearing a interest rate of 10% p.a.)</i>		
Total	211,800,000	261,360,000
Note 5: OTHER LONG TERM LIABILITIES		
Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
(B) Security Deposit	315,227,501	262,052,537
Total	315,227,501	262,052,537
Note 6: TRADE PAYABLES		
Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
(A) Creditors For Supply Of Medicines	1,259,023,982	870,186,354
(B) Creditors For Supply Of Equipments	129,517,924	16,580,593
Total	1,388,541,906	886,766,948



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

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'Notes forming part of the financial statements for the year ended 31st March, 2018

Note 7: OTHER CURRENT LIABILITIES		
Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
(A) Statutory Dues		
A.1 RPMF	30,759	660
A.2 LIC	35,948	985
A.3 Group Insurance	-	-
A.4 HFR	10,393	3,005
A.5 Other Deductions	-	64,111
A.6 TDS Payable	8,692,162	3,579,754
A.8 RCM Payable	231,190	-
A.9 Patrakar Kalyan Kosh	17,980	37,685
A.10 NCPS	4,063,030	20,596
A.11 GPF	343,686	9,200
A.12 State Insurance	665,550	14,500
	14,090,698	3,730,496
(B) Payable For Purchase of Fixed Assets	-	-
(C) Outstanding Expenses	78,372,304	42,107,917
(D) Earnest Money	164,929,315	99,101,770
(E) Funds Received From Others	1,787,775,404	2,391,530,366
(F) RILS Processing Fees	23,000	39,000
(G) Short Term Maturities (Loan from Government of Rajasthan)		
G.1 Loan For WIC	5,000,000	5,000,000
G.2 Loan For Strengthening and Modernisation Of DDW	11,000,000	11,000,000
G.3 Loan For Computerisation	25,000,000	25,000,000
G.4 Loan For Strengthening and Modernisation Of DDW	3,560,000	3,560,000
G.5 Loan For Furnishing and Strengthening Of DDW	5,000,000	5,000,000
	49,560,000	49,560,000
(H) Prize Liabilities	125,200	125,200
(I) Outstanding Interest	-	-
(J) Payable for construction of Building	-	-
(K) Funds Received for CSR	50,497	50,497
(L) National Conference Expenses	-	-
(M) Other Payables	3,838	3,838
(N) Deduction Risk and Cost Maint.	126,378	-
(O) Suspense Account	103,220	-
Total	2,095,159,854	2,586,249,084
Note 8: SHORT TERM PROVISIONS:		
Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
A. Provision for Income Tax	54,125,000	20,110,753
B. Provision for Auditors Remuneration	170,000	156,000
Total	54,295,000	20,266,753
Note 9: DEFERRED GOVERNMENT GRANTS		
Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
(A) Grant For Medicines		
Opening Balance	1,172,023,543	1,857,447,467
Add: Grant Received During The Year	5,599,997,000	2,100,000,000
Less: Grant Utilized During The Year	3,558,324,143	2,785,423,924
Closing Balance	3,213,696,400	1,172,023,543
(B) Grant For Running Of DDC		
Opening Balance	7,309,264	7,709,264
Add: Grant Received During The Year	-	-
Less: Grant Utilized During The Year	-	400,000
Closing Balance	7,309,264	7,309,264



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

SWASTHYA BHAWAN, TILAK MARG, C-SCHEME, JAIPUR-302005

CIN: U24232RJ2011SGC035067

'Notes forming part of the financial statements for the year ended 31st March, 2018

Note 10A TANGIBLE ASSETS									
S.No	9.A Tangible Assets	Gross Block				Depreciation And Amortisation			
		Balance as at 1st April, 2017	Additions	Disposals	Balance as on 31st March, 2018	Depreciation charged upto 1st April, 2017	Adjustments	Depreciation charged during the year	Disposals
		₹	₹	₹	₹	₹	₹	₹	₹
1	Furniture & Fixture	98,710,510	1,240	-	98,711,750	61,303,102	-	10,283,250	-
2	Air Conditioner	6,503,971	10,550	-	6,514,521	5,702,835	-	407,863	-
3	COMPUTERS AND PRINTERS	6,450,168	10,400	-	6,460,568	5,801,706	-	236,090	-
4	D G Set	3,375,787	18,612	-	3,394,399	851,479	-	184,971	-
5	Electric Substation	2,373,471	-	-	2,373,471	864,520	-	105,784	-
6	E P A B X Work	449,557	-	-	449,557	329,363	-	37,847	-
7	Fax Machine	27,030	-	-	27,030	25,678	-	-	-
8	LAN System	1,255,270	-	-	1,255,270	1,172,690	-	19,816	-
9	Mobile Phone	47,068	-	-	47,068	40,245	-	2,242	-
10	Photo Copier	6,095,496	-	-	6,095,496	5,104,354	-	599,812	-
11	Printer and Scanner	908,014	-	-	908,014	859,190	-	2,864	-
12	Refrigerator	78,307	-	-	78,307	71,921	-	2,470	-
13	U P S	763,900	1,850	-	765,750	717,819	-	5,714	-
14	Water Cooler	164,804	-	-	164,804	149,147	-	5,985	-
15	Water Purifier	136,299	8,178	-	144,477	123,546	-	6,139	-
16	Walkin coolers	45,390,571	-	-	45,390,571	22,409,195	-	3,259,339	-
17	Plasma TV	39,800	-	-	39,800	37,810	-	-	-
18	Information Kiosk	270,162	-	-	270,162	256,654	-	-	-
19	Vehicle	1,541,748	-	-	1,541,748	803,079	-	231,307	-
20	Camera	9,100	-	-	9,100	8,645	-	-	-
21	Vending & Coffee Machine	22,873	-	-	22,873	21,729	-	-	-
22	LAN Switch	18,337	-	-	18,337	16,299	-	1,121	-
23	LAN Works	313,549	-	-	313,549	87,320	-	89,524	-
24	Fire System	1,029,508	30,043	-	1,059,551	964,934	-	12,942	-
25	Water Tank	324,514	-	-	324,514	110,389	-	20,997	-
26	Lift	2,037,117	-	-	2,037,117	1,379,259	-	199,801	-
27	Building	1	-	-	1	-	-	-	-
28	Building DDW	114,747,642	-	-	114,747,642	18,983,145	-	4,750,073	-
29	Vacuum cleaner	60,950	-	-	60,950	52,203	-	4,662	-
30	Desert Cooler	12,100	17,000	-	29,100	9,280	-	7,506	-
31	BME Toolkit	184,272	-	-	184,272	88,812	-	18,278	-
32	CCTV Camera	-	1,129,178	-	1,129,178	-	-	248,453	-
33	Ladder	-	23,073	-	23,073	-	-	8,255	-
34	Real Time Biometric Machine	-	14,500	-	14,500	-	-	3,366	-
35	Revolving Chair	-	5,664	-	5,664	-	-	245	-
36	Wall Fans	-	13,920	-	13,920	-	-	2,430	-
37	Wall Mntnr	-	4,571	-	4,571	-	-	693	-
38	Battery Charger	-	4,900	-	4,900	-	-	771	-
39	Dongal	-	3,388	-	3,388	-	-	810	-
40	Smart Sunction	-	4,500	-	4,500	-	-	1,239	-
41	Water Harvesting	-	200,000	-	200,000	-	-	58,038	-
42	Stethoscope	-	1,279	-	1,279	-	-	483	-
Total		293,341,894	1,502,846	-	294,844,740	128,366,348	-	20,761,180	-
Previous Year		289,912,810	3,429,084	-	293,341,894	100,687,474	-	27,678,874	-

Notes : 1. Additions in tangible assets includes assets purchased in last financial years but accounted for in the current financial year.
2. Adjustments under the head depreciation in tangible assets represents arrears of depreciation on the assets referred to in note 1 above.
3. While calculating depraction as required in schedule II of the Company Act, 2013 figures of useful life of assets have been rounded off on lower side.

Note 10B INTANGIBLE ASSETS									
S.No	9.B Intangible Assets	Gross Block				Depreciation And Amortisation			
		Balance as at 1st April, 2017	Additions	Disposals	Balance as on 31st March, 2018	Depreciation charged upto 1st April, 2017	Adjustment	Depreciation charged during the year	Disposals
		₹	₹	₹	₹	₹	₹	₹	₹
1	Tally & Genius	40,500	-	-	40,500	38,475	-	-	-
2	Website	95,350	-	-	95,350	90,582	-	-	-
Total		135,850	-	-	135,850	129,057	-	-	-
Previous Year		135,850	-	-	135,850	129,057	-	-	-



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

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Notes forming part of the financial statements for the year ended 31st March, 2018

Note 12: OTHER NON CURRENT ASSETS		
Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
(A) Security Deposit For Electricity Connection	361,413	361,413
Total	361,413	361,413
Note 13: INVENTORIES		
(At lower of cost and net realisable value)		
Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
(A) Stock at DDW (See Appendix A)	1,353,197,843	1,235,996,337
(B) Stock at Head Office	2,091,013	4,435,714
(C) Stock in Transit	1,824,706	418,269
(D) Stock in Transit (Head Office)	1,169,139	1,042,514
Total	1,358,282,701	1,241,892,834
Note 14: CASH AND CASH EQUIVALENTS		
Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
(A) Cash on Hand	-	-
A.1 Cash in hand	-	-
A.2 Imprest Cash Head Office	14,600	15,000
A.3 Imprest Cash DDW/MCDW	2,000,000	1,016,205
(B) Balances with Banks		
B.1 PNB	1,713,102,790	1,597,694,013
B.2 SBI	105,854,151	389,634,319
(C) Balance in PD Account	3,247,108,607	1,321,488,000
(D) Fixed Deposit	682,328,139	472,638,520
Total	5,750,408,287	3,782,486,057
Note 15: SHORT TERM LOANS AND ADVANCES		
Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
(A) IEC Advance	-	-
(B) Local Purchase Advance	141,852	141,852
(C) Running Of DDC Advance	2,075,000	2,075,000
(D) Advance For Training of Pharmacists	87,873	137,873
(E) Advances for Expenditure	1,131,925	524,068
(F) Sundry Advances	1,142,093	98,554,743
(G) Computerisation of Substore Advance	8,101,362	8,101,362
(H) Advance For Registration of RMRS	70,000	70,000
(I) Receivable From Suppliers	71,300,530	67,786,810
Total	84,050,635	177,391,708
Note 16: OTHER CURRENT ASSETS		
Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
(A) TDS Receivable	13,253,872	17,561,390
(B) GST Receivable	44,565,715	-
(C) Prepaid Expenses	798,219	805,141
(D) Advance Tax	26,000,000	19,500,000
(E) Computerisation of Substore	-	-
(F) Sundry Receivables	250,299	10,868
(G) Accrued interest	19,836,722	10,809,305
(H) Refund for AY 2013-14	17,380,150	17,380,150
(I) Refund for AY 2014-15	-	-
(J) Refund for AY 2015-16	-	-
Total	122,084,977	66,066,854



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Note 17: REVENUE FROM OPERATIONS		
Particulars	For the year ended 31st March, 2018	For the year ended 31 March, 2017
	₹	₹
(A) Dispatch Of Goods (Net of adjustments)	4,825,566,860	4,469,720,049
(B) Dispatch Of Equipments	1,621,396,282	798,878,824
Total	6,446,963,141	5,268,598,873
Note 18: OTHER INCOME		
Particulars	For the year ended 31st March, 2018	For the year ended 31 March, 2017
	₹	₹
(A) Interest from Banks	133,453,896	174,820,775
(B) Income From Tender Fees	1,394,000	1,097,800
(C) Income Under RTI Act 2005	4,082	12,192
(D) EMD Forfeiture	1,066,000	2,238,500
(E) Liquidated Damages	771,240	611,511
(F) Penalty	28,991,218	28,691,841
(G) Security Deposit Forfeiture	7,790,683	883,548
(H) Income From Testing Charges	49,719,838	34,050,095
(I) Miscellaneous Income	7,327	-
(J) Demurrage Charges	1,811,853	2,487,930
(K) Empanelment Charges	260,000	145,000
(L) Interest on Income Tax Refund	-	2,327,625
(L) Discount Received	10,166	-
Total	225,280,303	247,366,818
Note 19: PURCHASE OF STOCK-IN-TRADE		
Particulars	For the year ended 31st March, 2018	For the year ended 31 March, 2017
	₹	₹
(A) Purchase	4,761,198,518	4,382,677,349
(B) Stock Utilised At Head Office	4,745,093	3,232,207
	4,765,943,611	4,385,909,556
Less Purchase Return	6,117,754	2,196,770
Less Not Of Standard Quality	47,643,504	45,427,234
(C) Purchase Of Equipments (Net of adjustments)	1,554,041,444	765,598,747
Total	6,266,223,797	5,103,884,299



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Note 20: CHANGES IN INVENTORIES		
Particulars	For the year ended 31st March, 2018	For the year ended 31 March, 2017
	₹	₹
(A) Opening Inventory		
1) Stock At DDW	1,235,996,337	1,148,628,934
2) Stock At Head Office	4,435,714	5,934,556
3) Stock In Transit	418,269	1,029,837
4) Stock In Transit(Head Office)	1,042,514	578,542
	1,241,892,834	1,156,171,869
(B) Closing Inventory		
1) Stock At DDW	1,353,197,843	1,235,996,337
2) Stock At Head Office	2,091,013	4,435,714
3) Stock In Transit	1,824,706	418,269
4) Stock In Transit(Head Office)	1,169,139	1,042,514
	1,358,282,700	1,241,892,834
Net Change	(116,389,866)	(85,720,965)
Note 21: EMPLOYEE BENEFIT EXPENSE		
Particulars	For the year ended 31st March, 2018	For the year ended 31 March, 2017
	₹	₹
(A) Salaries and Wages	172,836,351	140,959,715
(B) Pension Contributions	4,771,094	4,969,623
(C) Medical Expenses	230,313	530,830
(D) Newspaper Expenses	-	-
(E) Telephone Expenses	-	908,147
(F) Education Allowance	-	-
Total	177,837,758	147,368,315
Note 22: FINANCE COSTS		
Particulars	For the year ended 31st March, 2018	For the year ended 31 March, 2017
	₹	₹
(A) Interest Expenses	44,548,067	38,755,522
Total	44,548,067	38,755,522



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Notes forming part of the financial statements for the year ended 31st March, 2018

Note 23: OTHER EXPENSES		
Particulars	For the year ended 31st March, 2018	For the year ended 31 March, 2017
	₹	₹
(A) Advertisement Expenses	1,454,515	3,514,549
(B) Legal And Professional Charges	7,797,891	11,848,843
(C) Office Expenses	4,345,321	4,327,588
(D) Telephone And Internet Expenses	1,918,398	1,472,446
(E) Breakage & Spoilage	97,105	541,790
(F) Hiring of Machine with Man	3,682,894	3,245,136
(G) Hiring Of Vechile	8,973,559	9,047,308
(H) Hosting Of Bandwidth Charges	-	1,035,000
(I) Miscellaneous Expenses	285,536	211,702
(J) Packers Service Charges	12,299,739	12,886,436
(K) Postage & Courier Charges	1,221,506	1,098,348
(L) Printing And Stationery	1,279,609	1,517,534
(M) Repair And Maintenance	1,085,360	1,596,100
(N) Security Services	5,107,955	4,731,609
(O) Supply of OPD Slips	33,052,433	30,753,039
(P) Training And Workshop Expenses	67,876	-
(Q) Travelling Expenses	194,081	91,127
(R) Vechile Running And Maintenance	92,394	213,884
(S) Electricity Expenses	14,016,154	12,233,883
(T) Entertainment & Hospitality Expenses	227,114	164,353
(U) Bank Charges	29,787	34,195
(V) Books And Modules	39,490	8,100
(W) Diesel Expenses	513,792	532,852
(X) Insurance Expenses	825,424	874,857
(Y) Medicine Disposal Charges	288,883	3,847,350
(Z) Transport Expense	1,385,980	1,734,068
(AA) Interest on Service Tax & VAT	2,000	-
(AB) Interest on TDS	88,164	256
(AC) Interest on GST	127,408	-
(AD) Training Of Pharmacists	-	17,720
(AE) Expired Goods	6,789,914	43,995,587
(AF) CSR	3,170,000	750,000
(AG) Software Expenses	4,963,986	-
(AH) Stock Appreciation Expenses	295,853	-
(AI) Unrecovered CST/ Exdise	25,326,134	-
(AJ) Auditors Remunation	170,000	156,000
Total	141,216,254	152,481,660



RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED

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Notes forming part of the financial statements for the year ended 31st March, 2018

Note 24: PRIOR PERIOD ITEMS		
Particulars	For the year ended 31st March, 2018	For the year ended 31 March, 2017
	₹	₹
(A) Depreciation	-	-
(B) Security Services	(23,555)	-
(C) Prior SBI Interest Income	9,051,553	-
(D) Expiry Of Goods	-	(3,057,091)
(E) Printing & Stationery	(60,540)	-
(F) Repair & Maintenance Expenses	(22,000)	-
(G) Travelling Expenses	(17,264)	-
(H) Postage & Courier Expenses	(8,519)	-
(I) Office Expenses	(42,834)	-
(J) Income Tax	-	(24,735)
(K) Miscellaneous	-	-
(L) Salary Expense	-	(29,661)
(M) Audit Expenses	-	-
(N) Hiring machine with men expenses	-	-
(O) Purchase	(12,887,938)	(3,724,380)
(P) Sales	13,532,335	3,910,599
Total	9,521,238	(2,925,268)
Note 25: EXCEPTIONAL ITEMS		
Particulars	For the year ended 31st March, 2018	For the year ended 31 March, 2017
	₹	₹
(A) Write- Off of Computerisation Expense	-	2,018,723
(B) Provision for Expenses reversed	-	11,410
Total	-	2,030,133
Note 26: DEFERRED TAX ASSET / (LIABILITY)		
Particulars	For the year ended 31st March, 2018	For the year ended 31 March, 2017
	₹	₹
Deferred tax Asset/(Liability)		
<u>Items constituting deferred tax assets</u>		
On difference between book balance and tax balance of fixed assets	16,065,125	15,494,156
Deferment as per Section 35D of IT Act 1961	-	-
Loss as per IT Act 1961	-	-
<u>Items constituting deferred tax assets</u>	<u>16,065,125</u>	<u>15,494,156</u>
Net deferred tax Assets/ (Liability) carried to Balance Sheet	4,964,124	4,787,694
Deffered Tax Assets/ (liability) in previous year Balance Sheet	4,787,694	3,365,724
Net deferred tax Assets/ (Liability) Transferred to Profit & Loss A/c	(176,429)	(1,421,970)



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Notes forming part of the financial statements for the year ended 31st March, 2018

Note 27: Earning Per Share (EPS)- Basic and Diluted		
Particulars	For the year ended 31st March, 2018	For the year ended 31 March, 2017
	₹	₹
Net Profit after tax	72,273,227	107,873,807
Weighted Average Number of Equity Shares (Basic and Diluted)	500,000	500,000
Earning per Share :-		
Basic	144.55	215.75
Diluted	144.55	215.75
Face value per share	100	100



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Note 28: Notes to Accounts

A. GENERAL (NATURE OF OPERATION) :

- (i) Rajasthan Medical Services Corporation Limited (RMSCL) has been constituted by the Government of Rajasthan vide order No. F.20 (3) MH/2/ 2011 Dated 31.03.2011 of Rajasthan Medical Health and Family Welfare Department in order to procure and store quality Generic Drugs, surgical, sutures and equipments etc and to distribute/sell these to Government Hospitals and attached hospitals to Medical Colleges in Rajasthan for onward free distribution to patients.
- (ii) The RMSCL has been incorporated under the Companies Act, 1956 on 04th May, 2011 with Authorized Capital of ₹ 5.00 Crore. The 100% equity of the RMSCL is owned by the Government of Rajasthan. As per Clause XII of Cabinet Memo, RMSCL is required to be incorporated by Authorized Capital of ₹10.00 Crore in which State Govt. will contribute ₹ 5.00 Crore as capital and remaining ₹ 5.00 Crore shall be contributed by NRHM. However the NRHM has transferred the fund of ₹ 5.00 Crore to RMSCL as Corpus Fund and not as a part of equity capital as communicated on 19th December, 2012 by NRHM. Therefore, it is considered as capital reserve in accordance with para 10 of AS-12.
- (iii) Purchase orders (PO) are issued centrally from Jaipur to get supply at District Drug Warehouses (DDWs) located in every district of the State of Rajasthan. Drugs so received at DDW are issued to Public Health institutes viz. District Hospital/SDH/SH/CHC/PHC etc as per the demand /indent submitted by user medical Institutes, keeping availability of drugs in view at DDW, for onward free distribution to patients visiting public medical institutions. All these receipts and issues of drugs are chronologically maintained through web based software application named “e-Aushadhi” software.
- (iv) In case of equipments, Purchase Order too are issued centrally but directing the supplier to deliver consignments directly to at Stores of medical institutes.
- (v) Each medical institute viz. Medical College attached Hospitals, District Hospitals (DHs), Community Health Centers (CHCs), Primary Health Centers (PHCs) directly interface with DDW to receive drugs/ surgical/sutures. The value of Drugs issued from DDW to each of these medical Institutes is chronologically maintained through e -Aushadhi software. The indicative budget required is decided keeping in view the patient load & bed strength etc of respective institute.
- (vi) Being the company in its initial years of its operation, notwithstanding, all transactions such as receiving/ issuing of drugs, inter Depot transfer of drug, etc carried out with the help of e-Aushadhi software through various software modules thereby improving the system of inventory management immensely.
- (vii) RMSCL is providing carbonless double prescription slips to all medical institution, cost of which is borne by RMSCL. In past, approval of such expenses is taken from Board of Directors/AGM of the company.



The object clauses of the memorandum of association of the company is now altered to include printing and supply of carbon less double prescription slips, by special resolution passed in the extra ordinary General Meeting of the company held on 27Th Aug 2018. The said alteration is register by the registrar of companies, Jaipur on 13th Sep. 2018.

- (viii) In respect of refund of unutilized funds to NRHM during the year, RMSCL has paid interest to NRHM of Rs. 2,84,56,067/- calculated @ 4% per annum.

B. CONTINGENT LIABILITIES (To the extent not provided for) :

- (i) Contingent liabilities: Nil.
- (ii) Guarantees: Nil.
- (iii) Other money for which the company is contingently liable: Nil
- (iv) Estimated amount of contracts remaining to be executed on capital account: Nil.

C. NOT OF STANDARD QUALITY (NOSQ) DRUGS :

- (i) Each batch supplied by manufacturer is kept in quarantine area at DDW till the batch is tested by the empanelled labs and declared of standard quality. If the batch is found to be Not of Standard Quality (NOSQ), the whole of NOSQ drugs supplied stands rejected and placed in prohibited area which eventually is to be recalled by the supplier. ₹
- (ii) Drugs/surgicals/sutures worth of ₹ 5,61,26,125.97 were declared NOSQ during the period under review. The value has been debited to respective supplier by crediting purchase account and hence not treated in the valuation of stock. Drugs/surgicals/sutures worth of ₹ 84,82,621.75 were declared as of standard quality in second testing (reverse NOSQ). The value has been credited to respective supplier by debiting purchase account and hence treated in the valuation of stock.

D. INVENTORIES :

- (i) Inventory details are maintained in e-Aushadhi software. Purchase & Dispatch entries are made by way of passing consolidated entry on monthly basis based upon reports of e-Aushadhi Software. Cost in general is ascertained using the batch wise method of cost formula instead of FIFO or weighted average method. Effect of such discrepancies is not ascertainable.
- (ii) There is difference of ₹ 2,95,853/- in the inventory as per books of accounts and physical verification as on 31.03.2018 which has been debited to Statement of Profit and Loss under Other Expenses by way of "Stock Appreciation Expenses". The difference arises due to following reasons :-
 - (a) As the DDWs earlier under the control of Medical Health and Family Welfare Department transferred to RMSCL, hence Drugs/surgical/sutures continued to be received at these DDWs under various special programs from other agencies viz from Government of India etc as well so in few cases possibilities of mixed up of drugs received from suppliers of RMSCL cannot be ruled out altogether. Despite, that the drugs received have been kept separately and record thereof has been maintained distinctly.



- (b) In spite of sustained effort for highly efficient inventory management some percentage of drug is ought to expire/waste, so, keeping this in view, in lines with similar guidelines prevalent in some of the Govt. of India programs Board Of Directors approved policy for the same in its 30th Meeting held on 30.01.2013.
- (iii) Inter Depot transfer of drugs of ₹ 18,24,705.60 & transfer of drugs from head office to DDWs of ₹ 11,69,139.17 has been considered stock-in-transit which is subject to verification/confirmation by respective DDW.
- E. The balances outstanding as on 31st March, 2018 in respect of Trade Payables, wherever not confirmed by them, in so far they have not been subsequently recovered or adjusted are subject to confirmation or reconciliation.
- F. In the opinion of the Board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated. Provisions for all known and determined liabilities is adequate and not in excess of the amount reasonably required. All loans and advances are unsecured and considered good by the management.

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

The Corporation has not received the requisite information from the suppliers regarding their status under the Act. Hence disclosures relating to amount unpaid as at the yearend together with interest paid/payable as required under the said Act have not been made.

H. DISCLOSURES AS REQUIRED BY AS – 12 “ACCOUNTING OF GOVERNMENT GRANTS: EXTENT OF GRANT RECOGNISED

Particulars	2017-2018		2016-2017	
	Grant for Medicines (₹)	Grant for Medicines (₹)	Grant for Medicines (₹)	Grant for running of DDC (₹)
Opening balance of Grant	1,17,20,23,543	73,09,264	1,85,74,47,467	77,09,264
Amount of Grant Received	55,99,99,7000	Nil	2,10,00,00,000	Nil
Amount of Grant Utilized	3,55,83,24,143	Nil	2,78,54,23,924	4,00,000
Closing balance of Grant	3,21,36,96,400	73,09,264	1,17,20,23,543	73,09,264

I. DISCLOSURES AS REQUIRED BY AS – 18 “RELATED PARTY DISCLOSURES”:

Related party disclosures are given below:

- (i) The name of transacting related party/entities

Key managerial personnel:

- Om Prakash Kasera
- Mahavir Prasad Sharma



(ii) A description of the relationship between the party/entities

Key managerial personnel:

- Om Prakash Kasera, Managing Director (from 01.04.2017 to 08.05.2017)
- Mahavir Prasad Sharma, Managing Director (from 09.05.2017 to 31.03.2018)

(iii) A description of the nature of transactions: Remuneration to Managing Director.

(iv) Volume of transactions:

REMUNERATION TO MANAGING DIRECTOR

S.No.	Particulars	Year ended 31 march 2018	Year ended 31 march 2017
Om Prakash Kasera:			
1	Salary	1,96,944	8,36,451
2	Medical Allowances	Nil	47,047
3	Travelling Allowances	Nil	9,352
Mahavir Prasad Sharma:			
1	Salary	18,71,584	-
2	Medical Allowances	Nil	-
3	Travelling Allowances	59,002	-
	Total	21,27,530/-	8,92,850/-

(v) Any other of elements of the related party transactions necessary for an understanding of the financial statement:-Nil

(vi) The amounts or appropriate proportions of outstanding items pertaining to related parties at the balance sheet date and provisions for doubtful debts due from such parties at that date:-Nil

(vii) Amounts written off or written back in the period in respect of debts due from or to related parties:- Nil

J. PAYMENT TO AUDITORS :

Particulars	31-03-2018 (Rs.)	31-03-2017 (Rs.)
As auditor:-	1,30,000.00	1,20,000.00
Statutory Audit Fees	40,000.00	36,000.00
Tax Audit Fees		
In any other manner	-	-
Total	1,70,000.00	1,56,000.00



- K. Compliance of Accounting Standard – 22 “Accounting for Taxes on Income” with regard to calculation of provision for current tax liability is subject to Tax Audit Report.
- L. In the opinion of the Management, Service Tax is not payable for activities pursued by it. However, the Company is liable to pay service tax as per the Reverse charge mechanism and has been registered for the same.
- M. Assets transferred from other departments of Medical and Health have not been accounted for in the books of accounts. Building has been accounted at ₹ 1 in books of accounts. Similarly assets purchased by District Drug Ware Houses on account of prize liabilities have been accounted at the value which is borne by the head office itself.
- N. Figures have been rounded off to the nearest of rupee.
- O. Security Deposit has not been bifurcated into current & non-current liability as it was not practicable to do so and classified as non-current liability. Same treatment shall be continued in future.
- P. The balance of Written Down Value in excess of residual value, on termination of life of any asset is charged to retained earnings.
- Q. Previous year figures have been regrouped/re-arranged, wherever necessary.



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CIN: U24232RJ2011SGC035067

APPENDIX : A

DETAILS OF CLOSING STOCK

Particulars	As at 31st March, 2018	As at 31st March, 2017
	₹	₹
Closing Stock Lying at DDW	1,407,700,051	1,288,890,262
Less: Expired Stock	103,288,662	95,723,385
Add : Stock Disposed OF	48,786,455	42,829,460
Net Expired Stock Lying at DDW	54,502,207	52,893,925
Stock Shown In Books	1,353,197,844	1,235,996,337



संख्या/ GSSA-II/S.S/AA/RMSCL/2017-18/K-31/P-50/858

भारतीय लेखा परीक्षा और लेखा विभाग

कार्यालय प्रधान महालेखाकार (सामान्य एवं सामाजिक क्षेत्र लेखा परीक्षा) राजस्थान

जनपथ, जयपुर -302 005

INDIAN AUDIT AND ACCOUNTS DEPARTMENT

Office of the Principal Accountant General (General & Social Sector Audit), Rajasthan

Janpath, Jaipur-302 005

दिनांक / Date 3/12/18

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

विषय : राजस्थान मेडिकल सर्विसेज कॉर्पोरेशन लिमिटेड, जयपुर के 31 मार्च, 2018 को समाप्त वर्ष के लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणी।

महोदय,

मुझे कंपनी अधिनियम 2013 की धारा 143 (6) के अंतर्गत कंपनी की वार्षिक साधारण सभा में प्रस्तुत करने हेतु 31 मार्च 2018 को समाप्त वर्ष के लिए राजस्थान मेडिकल सर्विसेज कॉर्पोरेशन लिमिटेड, जयपुर के लेखाओं पर कंपनी अधिनियम, 2013 की धारा 143(6)(बी.) के अधीन शून्य लेखा परीक्षा प्रमाण-पत्र जारी करने तथा निम्नलिखित कमियों को आवश्यक सुधारात्मक कार्यवाही करने हेतु आपके ध्यान में लाये जाने का निर्देश हुआ है :-

(1) Non-compliance of para no. 5.3(i) of the AS-12 (Accounting for Government Grants).

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

भवदीय
Sd/-
उपमहालेखाकार
(जी.एस.एस.ए.-II)



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED, JAIPUR FOR THE YEAR ENDED 31 MARCH 2018.

The preparation of financial statements of RAJASTHAN MEDICAL SERVICES CORPORATION LIMITED, JAIPUR for the year ended 31 March 2018 in accordance with financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on these financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27 September 2018.

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

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comments upon or supplement to Statutory Auditor's report under section 143(6) (b) of the Act.

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

Sd/-

(R.G.Viswanathan)

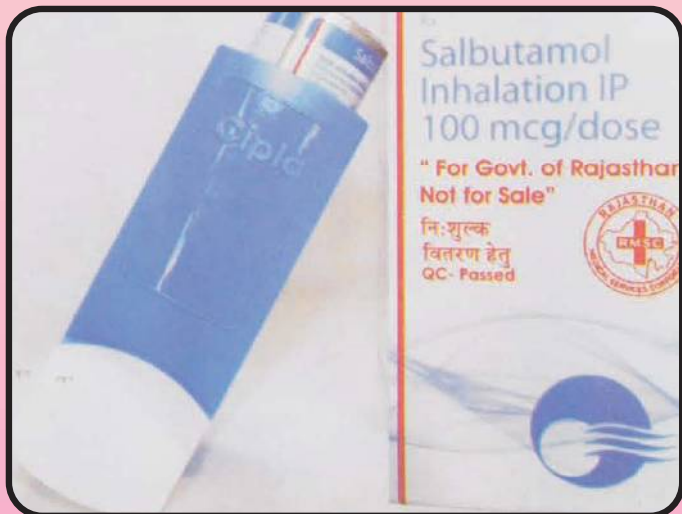
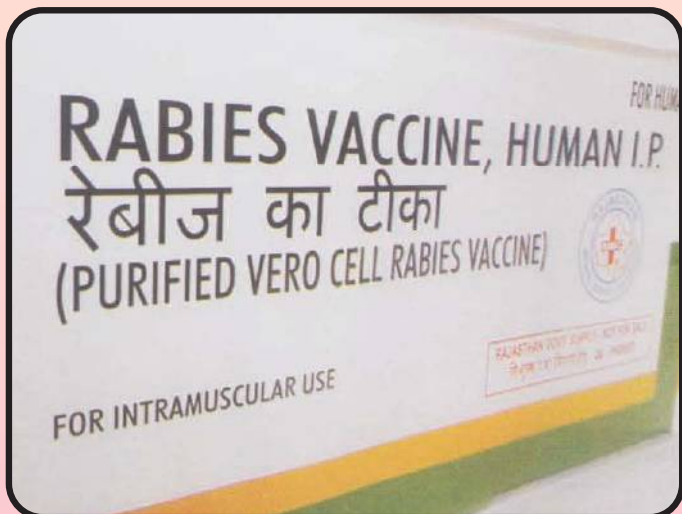
Principal Accountant General

(Gen.& Social Sector Audit)

Rajasthan, Jaipur

Place : Jaipur

Date : 2018





Procurement Cell



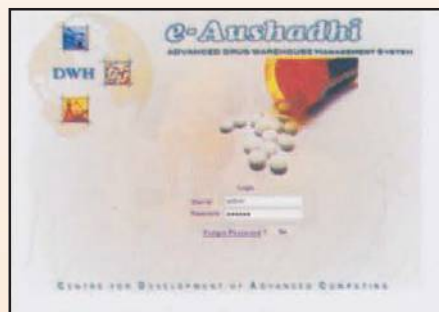
Equipment Procurement Cell



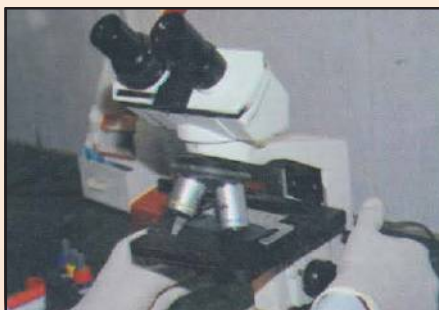
Supply Cell



॥ सर्वे सन्तु निरामयाः ॥



IT Cell



Quality Control Cell



Finance Cell



Logistic Cell

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