



THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD.
(A Government of Rajasthan Undertaking)
Udyog Bhawan, Tilak Marg, C-Scheme, Jaipur-302005
Phone: 0141-5115760 - 61 Fax: 0141-5115766
Web site: www.rajsico.gov.in e-mail: rajsico@rajasthan.gov.in

NOTICE FOR 49TH ANNUAL GENERAL MEETING

No. RSIC/Co.Aff. /2010-11/10331-57

Dated: 13.10.2010

To

**All Shareholders
The Rajasthan Small Industries Corporation Ltd.**

Dear Sir/Madam,

NOTICE is hereby given that the 49th Annual General Meeting of the members of The Rajasthan Small Industries Corporation Limited will be held on Tuesday at 4:00 PM on 30th November, 2010 at its Registered Office, Udyog Bhawan, Tilak Marg, C-Scheme, Jaipur to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, the audited Balance Sheet of the Company as at 31st March, 2010 and the Profit & Loss Account of the Company for the year ended on that date alongwith the reports of the Auditors' and the comments of C&AG of India.
2. To appoint a Director in place of Smt. Usha Sharma, IAS who retires by rotation and being eligible for reappointment.
3. To fix remuneration of Statutory Auditors for the year 2010-11.

SPECIAL BUSINESS:

4. To consider and, if thought fit, pass, with or without modification(s), the following resolution as an Ordinary Resolution: -

"RESOLVED THAT Shri Vinod Pandya, IAS who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 and Article 71(3) of the Articles of Association of the Company and who holds office upto the date of this AGM and in respect of whom the Company has received notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director be and is hereby appointed as Director of the Company, liable to retire by rotation."

Contd....2

5. To consider and, if thought fit, pass, with or without modification(s), the following resolution as Special Resolution: -

"Resolved that the Authorized Share Capital of the Company be and is hereby increased from Rs.700 (Seven Hundred) lacs to Rs. 850 lacs (Eight Hundred Fifty) lacs divided into equity shares of Rs.100/- each.

Resolved further that the existing Capital Clause of the Memorandum of Association of the Company be and is hereby substituted by the following: -

"Clause V –

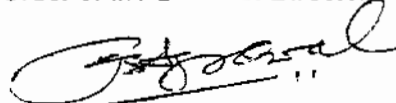
The capital of the Company is Rs.850 (Eight Hundred Fifty) lakhs divided into 8,50,000 equity shares of Rs.100/- each with power to issue any of the shares in the capital original or increased with or subject to any preferential, special or qualified rights or conditions, as regards dividends, repayment of capital, voting or otherwise."

"Resolved further that the existing Article 4 of the articles of Association of the Company be and is hereby substituted by the following: -

"Capital Structure -

4. The authorized capital of the Company is Rs.850 lakhs divided into 8,50,000 equity shares of Rs.100 each, with power to increase or reduce the Capital."

By Order of the Board of Directors



(RAVI AGRAWAL)
COMPANY SECRETARY

Place: Jaipur

Dated: 13.10.2010

NOTES:-

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote on poll, instead of himself and the Proxy need not be a member of the Company. The instrument appointing Proxy must be received by the Company atleast 48 hours before the meeting. A Proxy Form is also enclosed.
2. Comments of Comptroller and Auditor General of India Under Section 619 (4) of the Indian Companies Act, 1956, will be circulated as soon as received.
3. As this is a Government Company, the C&AG of India will appoint the Statutory Auditors for the financial year 2010-11 as per Section 619(2) amended by the Companies Act, 1956.
4. Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto

**Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956
in relation to Item of Special Business.**

In relation to Resolution No. 4: -

The Board of Directors at its meeting No.314 dt. 25.5.2010 appointed Shri Vinod Pandya, IAS as an Additional Director of the Company in accordance with the provisions of Section 260 of the Companies Act, 1956 and Article 71(3) of the Articles of Association of the Company. Pursuant to Section 260 he holds office upto the date of ensuing Annual General Meeting. The Company has received notice from a member of the Company under Section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director. Keeping in view of his experience and qualification, your directors considered it to be in the interest of the Company if he is appointed as Director of the Company, liable to retire by rotation as per provisions of the Companies Act, 1956. Your directors, therefore, recommended the said resolution for your approval. The aforesaid Director may be deemed to be concerned or interested in the Resolution relating to his appointment.

None of the other Directors is, in any way, concerned or interested in the said resolution.

In relation to Resolution No.5: -

At present, the Authorized Share Capital of the Company is 700 (Seven Hundred) lacs divided into equity shares of Rs.100/- each. The paid up capital of the Company is Rs.5,46,40,300. With a view to absorbing further dozes of equity support; it is necessary that the Authorized Share Capital of the Company is increased from Rs.700 lacs to Rs.850 lacs. Changes in the Memorandum and Articles of Association of the Company are consequential ones. The Government's approval for increase in the Authorized Share Capital will be circulated as soon as received. Therefore, Special Resolution at item No.5 for increase in the Authorized Share Capital and the consequent changes in the Memorandum and Articles of Association are submitted for approval of the members.

None of the Directors is, in any way, concerned or interested in the said resolution.



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PROXY FORM

Folio No.

No. of Shares held

I/We, of being member /
members of The Rajasthan Small Industries Corporation Ltd / hereby appoint
..... or failing him / her of as my
/ our proxy in my / our absence to attend and vote for me/our behalf at the 49th
Annual General Meeting of the Company to be held on 30.11.2010 at
4.00 P.M. and / or at any adjournment thereof.

Signed this..... Day of 2010

SIGNATURE

Please affix 1.00 Rupee revenue stamp here

Note:- The proxy form, duly completed must reach the registered office of the Company,
not less than forty-eight hours before the time of holding this meeting.

DIRECTORS' REPORT

To

**The Shareholders
The Rajas than Small Industries Corporation Ltd.**

Ladies and Gentlemen,

The Board of Directors of your Company have great pleasure in presenting the 49th Annual Report on the working of the Company and the Audited Accounts for the year ended 31st March 2010 along with the Statutory Auditors' Report thereon as well as the report of Comptroller and Auditor General of India.

I. CAPITAL STRUCTURE AND FINANCIAL RESULTS:

The authorized Share Capital of the Company is Rs.700 lacs divided into 7 lacs Equity Shares of Rs.100/- each. The Paid-up Capital of the Company stood at Rs.5,46,40,300/- as on 31st March 2010. The quantum of Purchases, Turnover, Closing Stock and Profit & Loss for the last three years are as follows: -

(Rupees in lacs)

Year	Purchase	Turn Over	Closing Stock	Profit before Appropriation	Profit after Appropriation
2007-08	18664.70	23313.43	1329.70	(-) 101.00	(-) 51.25
2008-09	7601.30	13965.43	328.68	(-) 810.94	(-) 645.27
2009-10	4088.58	7851.39	227.33	(-) 1366.34	(-) 1596.74

The Company has sustained a loss / profit of Rs (-) 1596.74 lacs after appropriation during the year under report.

II. PERFORMANCE AND PROGRESS OF THE COMPANY:**(1) PROCUREMENT & DISTRIBUTION OF COAL**

During the year 2009-10, 184 SSI units were registered to whom 34375 MTs of coal was allotted and supplied to the units.

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PROCUREMENT & DISTRIBUTION OF IRON & STEEL

During the year 2009-10 purchase and sales of Iron & Steel was as follows:

Purchase of Iron & Steel	:	4622 MT
Sales of Iron & Steel	:	4377 MT

(2) MARKETING OF SSI PRODUCTS

Government departments and undertakings are procuring steel furniture, RCC pipes, Steel body desert coolers, Tent and tarpaulins, Polythene bags and Barbed wire manufactured by SSI units through RSIC without calling tenders as per Rule 30, of GF&AR. In addition to these items, the Corporation is also supplying Angle Iron Posts on competitive rates. During 2009-10 supply of these items amounted to Rs 1271.86 lac (Approx.).

✓(3) EXPORT INFRASTRUCTURE SERVICES

During the year 2009-10 throughput of all four ICDs decreased to 5538 TEUs from 19163 TEUs for the previous year (2008-09). The overall throughput is in minus due to present global recession scenario and other problems with H&T agent and created by Customs Department. We are planning to setup a new ICD at Bikaner for which we have purchased 75 hectares Land near Nall, Bikaner.

Throughput of import/export cargo from Air Cargo Complex, Sanganer, Jaipur during the year 2008-09 was Rs 3426 crore as compared to Rs 2525 crore in the year 2009-10. Thus business growth become decrease due to the reason that a private player come in the same field and due to some dual policies adopted by the Customs Department.

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(4) HANDICRAFTS

1. During the year 2009-10 total turnover of handicrafts products through Rajasthali showrooms was to the tune of Rs.810.56 lac in comparison to Rs. 613.34 lac during the preceding year 2008-09.
2. During the year 2009-10 total purchases on approval basis was Rs.202.96 lac against last year purchase on approval basis of Rs. 188.11 lac.
- ✓ 3. The decision to restart direct purchase of selected handicrafts through Central Store was taken in order to promote rural artisans.
- ✓ 4. During the year 2009-10, 13 exhibitions were organized with in the State & outside of State, where sales worth Rs.45.46 lac were achieved.

(5) INDIA INTERNATIONAL TRADE FAIR, 2009 (14- 27TH NOVEMBER, 2009).

The State's participation in IITF 2009 was organized by the Corporation through its permanent Rajasthan Pavilion, Pragati Maidan, New Delhi. Rajasthan Day was celebrated on 18th November 2009. Total participants were 57 and retail sales made during the period of fair was Rs.76.25 Lacs.

(6) PROMOTIONAL AND DEVELOPMENTAL ACTIVITIES

- (A) The Hon'ble Chief Minister distributed the award in the State Award Function on 26.3.2010 to the selected craftpersons for State Award and Merit Certificate as under:-

Year	State Award	Merit Certificate
2006-07	11	5
2007-08	4	6

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(B) Rajasthan Hastshilp Avam Dastkar Kalyan Kosh Yojna.

With the approval of State Government, Corpus Fund of Rs 100 lacs was created from the contribution of Rs 50.00 lacs by the State Government, Rs 30.00 lacs by RIICO, Rs 15.00 lacs by RFC and Rs 5.00 lacs by RSIC to look after the welfare of craftpersons.

The following welfare schemes of **Rajasthan Hastshilp Avam Dastkar Kalyan Kosh Yojna** created in August 2003 are being run by the Corporation from the interest accrued on Corpus Fund of Rs 100 lac.

1. Chief Minister Old Age Pension Scheme to the National & State Awardee craftpersons.

The Corporation is providing pension of Rs 1000/- per month to the National / State Awardee craftpersons whose age are more than 60 years and their annual income from all sources are less than Rs 6000/- per annum for a maximum period of 15 years.

2. Financial Assistance

Financial help upto Rs 10,000/- is being given for medical treatment in case of identified diseases like TB, Cancer, Leprosy, Valve replacement, Bypass Surgery, Kidney Transplantation, Heart Diseases etc. Assistance of Rs 10,000/- was provided to one craftsperson earlier.

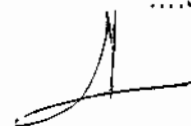
3. Group Insurance Scheme

The Group Insurance Scheme is being implemented with the assistance of L.I.C. of India as per provisions of **Jan Shree Beema Yojna** to the craftspersons with age from 18 years to 60 years. Renewal of policy is required every year under the Scheme. About 1487 artisans have been covered under the Group Insurance Scheme up to March 2010.

4. Shiksha Sahyog Yojna

Two children studying in Class 9th to 12th of each artisan from BPL family covered under "**Janshree Beema Yojna**" can get scholarship of Rs 300/- quarterly for a period of four years.

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(III) **DIRECTORS' RESPONSIBILITY STATEMENT (SECTION 217 (AA) OF THE COMPANIES (AMENDMENT) ACT, 2000).**

Your Directors state that: -

- > in the preparation of the annual accounts, applicable accounting standards had been followed alongwith proper explanation relating to material departures.
- > The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so far as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that period.
- > The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the companies act for safeguarding the assets of the Company for preventing and defecting fraud and other irregularities.
- > The Directors have prepared the annual accounts on a going concern basis.

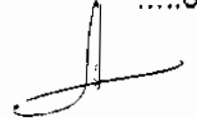
IV **BOARD SUB – COMMITTEES AND PERSONNEL & ADMINISTRATIVE ASPECTS**

(1) **AUDIT COMMITTEE:**

The Company has constituted an Audit Committee to look into the various aspects of accounting and to review the maintenance of Annual Accounts as prescribed by the Companies Act, 1956.

(2) **ORGANISATION STRUCUTRE:**

The total strength of the Corporation as at 31st March 2010 stood at 267 persons, out of which 7 persons are working on deputation from other organizations / State Government.

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(3) EMPLOYEES RELATION

The relationship of Management and employees continued to be cordial during the year under report.

(4) PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956.

The information under Section 217 (2-A) of the Indian Companies Act, 1956 is Nil.

V. COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1990.**(1) Technology Absorption and Conservation Energy: -**

Not applicable in view of the nature of business of the Corporation.

(2) Foreign Exchange Earnings and outflow: -

Foreign Exchange Outflow : Rs Nil
Foreign Exchange Earned: : Rs. 47.51 lac
(On sale of goods)

VI. BOARD OF DIRECTORS

S. No.	Name & Post	From	To
1.	Dr. M. K. Devarajan, IPS, CMD	5.4.10	18.6.2010
2.	Shri Rajendra Bhanawat, IAS, CMD	18.6.2010	6.7.2010
3.	Dr. M. K. Devarajan, IPS, CMD	6.7.2010	Continue
4.	Shri Manohar Kant, IAS, CMD	24.9.2009	5.4.2010
5.	Shri Rohit R. Brandon, IAS, CMD	2.2.2009	23.9.2009
6.	Shri Sanjay Agarwal, IAS, Director	28.09.2007	Continue
7.	Smt. Usha Sharma, IAS, Director	29.09.2008	Continue
8.	Shri Manohar Kant, IAS Addl. Director	24.12.2008	24.9.2009
9.	Shri Deepak Upreti, IAS, Addl. Director	24.12.2008	25.5.2010
10.	Smt. Veenu Gupta, IAS, Director	23.03.2009	27.11.2009
11.	Shri Ashok Jain, IAS, Director	23.03.2009	Continue
12.	Shri Rajhuns Upadhyay, IAS, Director	27.11.2009	Continue
13.	Shri Purushottam Agarwal, IAS, Director	6.10.2009	Continue
14.	Shri Vinod Pandya, IAS, Additional Director	25.5.2010	Continue

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VII. (1) STATUTORY AUDITORS / AUDITORS' REPORT

The Comptroller & Auditor General of India, New Delhi had appointed M/s. Pramod & Associates, Chartered Accountants, Jaipur as the Statutory Auditors of the Company for the year 2009-2010. The Board wishes to place on record their appreciation for the Auditors completing the Audit in time, which is, annexed to this report. The replies of the Management to the Audit Observations are given in the Addendum to this Report.

(2) INTERNAL AUDITORS:

The Internal Audit Wing of the Company conducts audit of the Company from time to time.

VIII. ACKNOWLEDGEMENTS:

The Board wishes to place on record its appreciation to the Government Departments, Ministries of the Government of India, Office of the Development Commissioner (Handicrafts) and other sister organizations for their ready help and co-operation. Your Directors are also thankful to the C&AG of India, Registrar of Companies, Rajasthan and the Statutory Auditors M/s. Pramod & Associates, Chartered Accountant, Jaipur for their valuable guidance and advice. The Board also wishes to place on record their appreciation for the willing co-operation of the Officers and Staff of the Corporation at all levels.

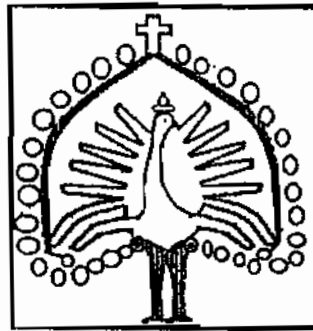
For and on behalf of the Board



(Dr. M. K. Devarajan, IPS)
CHAIRMAN AND MANAGING DIRECTOR

Place : Jaipur

Dated : 28.09.2010



THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD

(A GOVERNMENT OF RAJASTHAN CONCERN)

JAIPUR

ANNUAL ACCOUNTS FOR THE YEAR

2009-10

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


Profit and Loss Appropriation Account for the year Ending 31st March 2010

Particulars	Figures as at		Figures as at	
	31st March 2010 (Rs)	31st March 2009 (Rs)	31st March 2010 (Rs)	31st March 2009 (Rs)
To Net Loss as per P & L account	136,634,332	81,094,543	113,130	250,887
To Expenses Pertaining to Previous Year	7,513,196	1,694,290	2,272,189	399,603
To FBT	-	300,233	-	17,911,606
To Provision for deferred tax assets w/back	17,911,606	-	159,673,815	15,959,807
				48,567,163
	162,059,134	83,089,066	162,059,134	83,089,066


Basic diluted earning per share (Rs) (Negative) (292.23) (118.09)

(Face value of Rs. 100/- per share) Ref note no.24


D.R Paladia
Sr Accounts officer


Ravi Agrawal
Secretary


Dr. M.K Devarajan
Chairman & Managing Director


Rajhuns Upadhyaya
Director

Place: Jaipur
Date: 28.09.2010

In Terms of our Report of Even Date
For Pramod & Associates
Chartered Accountants


Abhishek Dalmia
Partner


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

Schedule annexed to & forming part of Balance Sheet as at 31.3.2010
Schedule "A"

Particular	Figures as at 31st March 2010 (Rs)	Figures as at 31st March 2009 (Rs)
SHARE CAPITAL Authorised 7,00,000 Equity Share of Rs. 100/- each	70,000,000	70,000,000
ISSUED 5,46,403 Equity Shares of Rs. 100/- each	54,640,300	54,640,300
SUBSCRIBED & PAID UP 5,39,306 Equity shares of Rs. 100/- each fully called and paid up in cash	53,930,600	53,930,600
1,062 Equity shares of Rs. 100/- each fully paid up to Government of Rajasthan as Bonus shares in Lieu of dividend	106,200	106,200
6,035 Equity shares of Rs. 100/- each fully paid up issued to Govt. of Rajasthan in consideration other than cash	603,500	603,500
	54,640,300	54,640,300


D.R. Paladia
Sr Accounts Officer


Ravi Agrawal
Secretary


Dr. M K Devarajan
Chairman & Managing Director


Rajhuns Upadhyaya
Director

Place: Jaipur
Date: 28.09.2010



RAJASTHAN SMALL INDUSTRIES CORPORATION LTD
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Jaipur


Schedule "B"

Particular	Figures as at 31st March 2010 (Rs)	Figures as at 31st March 2009 (Rs)
RESERVE & SURPLUS		
(I) CAPITAL RESERVE		
(a) Out of sale of fixed assets	4,367,245	4,367,245
(b) Revolving fund	4,854,000	4,854,000
(c) Deferred Grants (for Assets / Acquired)	56,926,945	58,130,437
Opening balance	58,130,437	11,053,426
Add: During the Year	58,130,437	48,075,118
Less: Depreciation/Amortization	1,202,805	828,651
Less: Reduction of assets created out of grant	687	169,456
	56,926,945	58,130,437
(II) REVENUE RESERVE		
General Reserve Op.bat	-	48,567,163
Less:- Dr balance of P & L Account	-	48,567,163
	66,148,190	67,351,682


D.R. Paladia
Sr Accounts Officer


Ravi Agrawal
Secretary


Dr. M.K. Devarajan
Chairman & Managing Director


Rajhuns Upadhyaya
Director

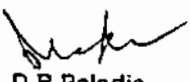
Place: Jaipur
Date: 28.09.2010

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

Schedule "C"

Particulars	Figures as at 31st March 2010 (RS)	Figures as at 31st March 2009 (RS)
LOAN		
UNSECURED		
(A) Short Term		
Interest accrued & due (old)	68,421	68,421
Interest accrued & due (old)	331,433	331,433
(B) From Government of Rajasthan:		
(a) For closure of Mills	2,666,333	2,666,333
(b) for Rajasthan New Delhi	7,500,000	7,500,000
(C) From State Renewal Fund:		
For VRS Scheme (2003-2004) & 2009-10	57,210,320	14,444,936
	67,776,507	25,011,123


D.R. Paladia
 Sr Accounts Officer


Ravi Agrawal
 Secretary


Dr M.K. Devarajan
 Chairman & Managing Director


Rajhuns Upadhyaya
 Director


Place: Jaipur
 Date: 28.09.2010

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

Schedule "D"

Particular	Figures as at 31st March 2010 (Rs)		Figures as at 31st March 2009 (Rs)	
CURRENT LIABILITIES & PROVISIONS				
(A) Current Liabilities				
Sundry Creditors		134,875,658		147,577,837
Advance against Indent/order		32,439,484		14,987,998
Outstanding liabilities for exp		163,526,900		166,111,434
Staff Security		69,261		70,761
Other Finance		14,879,731		11,749,753
Security Deposits		33,781,964		24,315,768
Interest accrued but not due		555,054		118,054
Suspence		91		39,800
(B) Grant-in Aid		39,766,470		26,272,612
Opening balance	26,272,612		8,265,707	
Received during the year	22,461,034		74,250,000	
Add Realisation	770		169,447	
	48,734,416		82,685,154	
Less: Utilised	8,967,946			
Refund/Adjustment			56,412,542	
	39,766,470		26,272,612	
(C) Provisions				
- For Bonus		3,475		87,737
- For Gratuity		40,666,000		26,671,000
- For Income Tax		4,001,369		4,001,369
- For Doubtful Debts		4,478,000		4,478,000
- For Leave Encashment		41,425,000		-
		510,468,457		426,482,123


D.R. Paladia
Sr Accounts Officer


Ravi Agrawal
Secretary


Dr M.K. Devarajan
Chairman & Managing Director


Rajhuns Upadhyaya
Director

Place: Jaipur
Date: 28.09.2010

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


Schedule "F" H.O & Other Units

Particulars	Cost as on 1.4.2009	Addition	Reduction	Total	Up to 31.3.2009	Depreciation on WDV Method		Balance as on 31.3.10	Balance as on 31.3.09
						During the Year	Total		
LAND									
(a) Lease hold land	110,986,300	-	-	110,986,300	7,307,851	1,121,072	-	102,557,377	103,678,449
(b) Free hold land	2,397,083	-	-	2,397,083	-	-	-	2,397,083	2,397,083
BUILDING	104,916,504	-	-	104,916,504	37,231,538	3,517,247	-	64,167,719	68,628,190
PLANT & MACHINERY	4,831,829	1,184,634	58,581.00	5,957,882	3,438,469	334,368	56,543	2,241,587	1,393,361
FANS & FITTINGS	4,426,739	25,993	313,968.00	4,138,764	2,678,882	281,134	282,804	1,471,552	1,747,857
OTHER OFFICE EQUIPMENT	29,695,878	589,265	491,867	29,793,256	20,403,716	2,004,289	454,175	7,839,416	8,348,936
FURNITURE & FIXTURE	17,545,689	129,983	494,573	17,181,099	9,246,035	1,524,712	485,246	6,895,598	8,298,655
VEHICLES	1,819,925	-	3,017	1,816,908	1,266,223	143,353	3,017	410,349	553,702
CAPITAL WORK IN PROGRESS	73,079,356	46,875	3,423,149	69,703,082	-	-	-	69,703,082	73,079,356
	349,699,303	1,976,750	4,785,175	346,899,878	81,572,713	8,926,186	1,291,785	257,683,764	268,126,590
Previous year balance	297,759,225	57,842,489	5,902,411	349,699,303	73,791,888	8,019,207	238,382	268,126,590	223,967,336

Previous year balance


D.R. Paladia
Sr Accounts Officer


Ravi Agrawal
Secretary


Dr. M.K. Devarajan
Chairman & Managing Director


Rajhans Upadhyaya
Director




Place: Jaipur
Date: 28.09.2010

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

Schedule "G"

Particular	Figures as at 31st March 2010 (Rs)		Figures as at 31st March 2009 (Rs)	
INVESTMENT				
Long Term Investment {Un-quoted at Book value}				
One equity share of Rs. 1000/- (fully paid up) of All India Handloom Fabrics Marketing Cooperative Society Ltd, Mumbai		1,000		1,000
18,000 "B" Equity shares of Rs. 10/- each of Oberoi Holdings (P) Ltd, Kalkota		180,000		180,000
100 Equity shares of Rs. 1000/- each (fully paid up) of Rajasthan Consultancy Organisation Ltd, Jaipur	100,000	-	100,000	
Less:- Provision for Diminution in Value	100,000		100,000	
500 Equity shares of Rs. 1000/- each (fully paid up) of Rajasthan State Handloom Development Corporation Ltd, Jaipur	500,000	-	500,000	
Less:- Provision for Diminution in Value	500,000		500,000	
Share Application Money of Indo Bazar (Joint Venture) on net	500,000		500,000	
Less:- Provision for Diminution in Value	500,000		500,000	
		181,000		181,000


D.R. Paladia
 Sr Accounts Officer


Ravi Agrawal
 Secretary


Dr. M. K. Devarajan
 Chairman & Managing Director


Rajhans Ujadhaya
 Director

Place: Jaipur
 Date 28.09.2010




(9)

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

Schedule "H"

Particulars	Balance as at		31st March 2010		31st March 2009	
			(Rs)		(Rs)	
CURRENT ASSETS						
Inventory (As taken, valued & certified by the management)			23,419,696			33,111,856
Stores & Spares Parts		141,820			130,150	
Raw Material		143,644			113,263	
Stock in trade		8,813,479			14,113,925	
Work in process		401,073			1,055,211	
Stock in transit		13,919,680			17,699,307	
Sundry Debtors (for which company holds no security/other than personal)						
Debtors outstanding for a period. Exceeding six month considered good		19,331,589			1,682,117	
considered doubtful	23138785	-		23,138,785	-	
Less Provision	23138785			23,138,785		
Other debtors considered good		-	19,331,589		-	1,682,117
Hire Purchase Debtors						
Considered Doubtful	70,673			70,673		
Less Provision	70,673			70,673		
		C/F	42,751,285			34,793,973


D.R. Paladia
 Sr Accounts Officer


Ravi Agrawal
 Secretary


Dr. M.K. Devarajan
 Chairman & Managing Director


Rajhuns Upadhyaya
 Director


Place: Jaipur
 Date 28.09.2010

(9)

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

Schedule "H" (Contd)

Particular	Figures as at 31st March 2010 (Rs)	Figures as at 31st March 2009 (Rs)
B/F	42,751,285	34,793,973
Cash & Bank Balance	101,079,674	83,636,003
(A) Cash in hand (Included postage)	1,333,070	380,351
(B) Bank Balance with Scheduled Bank in Current A/c	34,897,948	17,896,600
(C) Bank Transfer in Transit	1,523,756	776,033
(D) FDR	60,268,757	62,965,058
(Fixed deposited pledged with bank against BG/LC Rs.65,08,119) (Pr Year Rs.53,47,658)		
Deposit with Schedule Bank (Staff Security)	263,258	254,124
Interest Accrued on FDR's of Bank	2,567,492	1,146,904
Govt. PD Account	225,393	216,933
(a) Interest Bearing Rs. 1,88,000		
(b) Non interest bearing Rs. 37393		
Other Current Assets		
Accrued Income	4,117,760	5,085,329
	147,948,719	123,515,305


D.R. Paladia
 Sr Accounts Officer


Ravi Agrawal
 Secretary


Dr. M.K. Devarajan
 Chairman & Managing Director

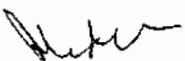

Rajhuns Upadhyaya
 Director

Place: Jaipur
 Date: 28.9.2010

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

Schedule "I"

Particular	Figures as at 31st March 2010 (Rs)	Figures as at 31st March 2009 (Rs)
LOANS & ADVANCES		
Advances Recoverable		
In cash or kind for which Value to be received		
(a) Considered Goods	67,987,552	129,032,505
(b) Considered doubtful	10582900	10,643,971
Less: Provision	10582900	10,643,971
Prepaid Expenses	480,174	604,433
Recoverable		
Considered good	18,881,342	16,152,258
(a) Claims	2,273,024	1,769,213
(b) Rajasthan Sales Tax	1,286,194	1,278,606
(c) Income Tax/Payment	14,400,597	12,182,912
(d) Advance FBT	122,516	122,516
(e) Other	799,011	799,011
Considered Doubtful	-	-
(a) Calims	1,507,879	1,507,879
(b) Suspense	62,394	62,394
Less: Provision	1,570,273	1,570,273
Deposit	2,001,724	2,001,724
	89,350,792	147,790,920


D.R. Paladia
 Sr Accounts Officer


Ravi Agrawal
 Secretary


Dr. M.K. Devarajan
 Chairman & Managing Director


Rajhans Upadhyaya
 Director

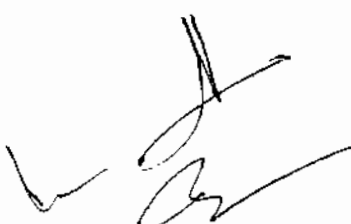
Place: Jaipur
 Date: 28.9.2010

(2)

SCHEDULE "E" ACCOUNTING POLICIES & NOTES ON ACCOUNTS

(A) **SIGNIFICANT ACCOUNTING POLICIES:-**

- (1) The expenditure and realisation as dealt in Annexure "A" in respect of Grant-in-Aid have not been dealt in the Profit & Loss Account.
- (2) **Investment**
 - (i) Long term investment are valued at cost however in case of permanent diminution in value of investment, carrying amount of investment is reduced by the amount of such decline
 - (ii) Current investment are valued at cost or net realisable value which ever is lower
- (3) **Depreciation**
 - (i) **Land**
Amortization is provided in the accounts in respect of leasehold land on the basis of lease period.
 - (ii) **Other Fixed Assets**
Depreciation has been charged on Written Down Value Method at the rates and methods in accordance with schedule XIV of the companies Act, 1956.
- (4) **Retirement Benefits**
 - (i) **Gratuity**
The corporation has taken a policy from LIC for the payment of Gratuity to its employees and annual contribution payable to LIC is debited to the P & L account of the Corporation on the basis of the actuarial valuation
 - (ii) **Leave Encashment**
Provision for the value of leave encashment benefit on retirement of employees/officers have been made on accrual basis on the basis of calculation made by the Corporation
- (5) **Government Grants**
 - (i) **For Capital Expenditure**
Government grants received for capital Expenditure are transferred to Capital reserve upon capitalization of concerned assets and proportionate depreciation on subsidy portion of concerned asset is charged to Capital



Reserve account, unutilized grant is shown in current liabilities.

(ii) For Others

Government grants received for revenue expenditure is set off against the concerned expenditure head / scheme. The same is shown as liability before utilization.

- (6) Miscellaneous income, unrealised Warehousing, handling charges, wharfage charge, rent in dispute, leave encashment, honorarium incentive payment to official other than payment under incentive scheme (Handicrafts) are accounted for an actual receipts/payment basis.
- (7) Interest on the staff advances for the employees who have left the organisation will be accounted for as & when it will be received.
- (8) Sales includes transfer and expenses.
- (9) (a) Stock in trade of Iron & Steel etc. is Valued at Cost on FIFO method.
- (b) Stock in trade of Central Stores & DDRC is valued at cost/standard cost or realizable value whichever is lower on FIFO method. The stock at Emporia is valued at issue price of Central store. DDRC etc. or at realizable value whichever is lower on FIFO method. Shop soiled and damaged articles of handicrafts have been valued at 45% (Rajasthali, Central Stores etc.) at 30% (SSD Wing) on an estimated basis as in earlier years.
- (c) Stores, spare parts and raw material is valued at cost on FIFO method generally.
- (d) Work in process is valued at cost.

(10) **TAXATION**

- (a) Current tax is the provision made for Income Tax Liability, if any on the profits accordance with the Provisions of the Income Tax Act 1961.
- (b) Deferred Tax is recognized subject to the consideration of Prudence on timing difference, being the difference between the taxable income and accounting income that originate in one period and are capable or reversal in one or more subsequent period.
- (c) Deferred Tax Assets and Liabilities are measured using the Tax Rate and Tax Law that has been enacted on the Balance Sheet date.

(B) CONTINGENT LIABILITIES

- (1) Claims against the company not acknowledged as debts. This year Rs 696.72 lakhs, (Previous year Rs. 245.34 lakhs.)
- (2) Various Court cases/ arbitration cases filed by clients and employees Rs.66.00 Lakhs (Previous Year Rs 76.82 lakhs.)
- (3) Claim of Rs. 3596.96 lacs filed by M/S Sadhu Ram Patel & Sons in which the District Magistrate, Jaipur city has passed award of Rs. 314.50 lakhs (Including Interest of Rs. 108.33 lakhs upto 31.03.10) against the corporation.
- (4) Claim of Rs, 522.82 Lakhs filed by M/S Ganesh Container Movers Syndicate, Mumbai (Including Rs. 100.00 lakhs damages and compensation)
- (5) Estimated amount of contracts to be executed on capital account and not provided for this year Rs 3.00 lakhs, (Previous year Rs. 292.62 lakhs.)
- (6) In respect of disallowance/additions in Income Tax assessments, the Company is in appeal before the appropriate Authorities. No material liability is likely to arise from the issues in dispute.
- (7) In respect of Sales Tax Demand of Rs. 1656.24 Lakhs, (Previous year Rs. 283.75 Lakhs.) the Company is in appeal before the appropriate authorities and requested to extend the time for submission of E-1 Form
- (8) Service Tax on commission on consignment sale of Handicrafts amount unascertainable.
- (9) The Corporation has given bank guarantee amounting to Rs. 322.70 Lakh in favour of RIL and SECL (Previous year Rs. 228.28 Lakhs.) further Company has deposited a sum of Rs. 84.91 lakhs With SECL towards add mandatory security (financial coverage for moment of coal by railway)
- (10) Claim of Rs.93.20 lacs filed by M/s. Larok International, Jaipur

(C) NOTES ON ACCOUNTS

- (1) Sadhu Ram Patel & Sons (Erstwhile H & T Contractor of the corporation) has raised a claim of Rs. 3596.96 lakhs against the company against which the District Magistrate, Jaipur city has awarded a claim of Rs. 314.50 lakhs (Including Interest of Rs. 108.33 lakhs) against the corporation. The corporation has filed an appeal in High Court, Jaipur against the judgement of the District Magistrate, Jaipur city and Hon'ble High Court has ordered to be stayed the execution proceedings, Hon'ble High court has passed interim relief order dt 3.9.2008 that appellant shall deposit the amount of claim awarded by arbitrator and upheld by District Judge in favour of the respondent no. 1 one i.e Rs. 2,02,22,423/- Out of this amount a sum of Rs. 1,12,51,827/- will be paid to Syndicate Bank on furnishing usual undertaking by Bank for restitution of the amount with interest @ 9 % in case the appeal is allowed. The rest amount will be deposited in Fixed deposit in any nationalized bank during the pendency of this appeal. In compliance of this order RSIC has deposited a sum of Rs. 1,97,37,423/- and same has been shown as advance against court order So far as amount of award relating to interest part is concerned, the same

will remain stayed during the pendency of this appeal Therefore no liability has been provided against the same.

- (2) Ganesh Container Movers Syndicate (Erstwhile H & T Contractor of the corporation) has raised claims involving total amount of Rs.522.82 lakhs (including Rs. 100.00 Lakh towards damages and compensation) plus interest thereon against the company the matter is pending before Arbitrator involving several disputes, the corporation has not accepted his claims, hence no liability has been provided against the same.
- (3) Land & Building amounting to Rs.1534.34 lakhs (Previous Year 876.36 lakhs) have been accounted subjected to formal transfer of title deeds, since in use and possession of the company. The value of the land already with building amounting to Rs. 0.61 lakhs could not be ascertained.
- (4) The matter regarding payment of rent of Rajasthali, New Delhi premises is still pending for settlement with the Govt. therefore the provision for rent of Rs. 60,000/- p.a. have been made as usual as being done in earlier years.
- (5) The Exhibition / Haat Expenses to the extent of Rs. 5,73,222 (Previous year Rs. 315795) has not been charged to P & L account as the same are reimbursed by Development Commissioner All India Handicrafts Board, New Delhi.
- (6) The shortage in stock in earlier years aggregating to Rs. 2,30,234 is under investigation.(Previous year 2,30,234/-)
- (7) Stock in trade includes goods worth Rs. 0.21 lakhs (Previous year Rs. 0.21 lakhs) lakhs years in transit under enquiry in earlier and Rs. 0.16 Lakhs lying with others.(pervious year Rs. 0.19 lakhs)
- (8) Cash in hand includes Cheques/Drafts/Credit Cards/Money in transit Rs. 3,120/- and Postage Rs.15,009/-
- (9) The balances of Sundry Creditors, Outstanding Liabilities, Sundry Debtors, Loan and Advances are subject to confirmation & reconciliation. These includes some old/unlinked balances pending confirmation reconciliation/settlement. Adjustment if any will be made at the time of final reconciliation / confirmation/settlement. The balance of debtors/creditors of RM and ICD Jodhur are not reconciled with main ledger.



- (10) Income Tax Payment of Rs. 144.01 lakhs shown under the head Loans & Advances and Income Tax Provision of Rs. 40.01 Lacs shown under the head Current Liabilities & Provisions are subject to reconciliation. The efforts are being made to reconcile the same and resultant effect, if any will be accounted for in the year of final reconciliation. Further Additional liability for taxes duties and refund for pending assessment/appeals/revision/reference as well as financial effect for pending cases of claim are accounted for at the time of final settlement/Decision.
- (11) During the year 2002-2003 the Corporation has converted its existing group gratuity scheme to cash accumulation scheme under which LIC of India would be responsible for payment of full gratuity to its employees. As per demand note of LIC of India present value of gratuity for past service is Rs. 767.98 lakhs out of which the value of Corporation fund as on 31.3.2010 is Rs, 361.32 lakhs, and provision of Rs. 406.66 lakhs has been made against balance value to be funded.
- (12) Current Assets includes Rs. 3,20,000/- given to M/S CMC limited for software development and other work, the same is under dispute with the CMC Ltd and the same will be capitalized after implementation of the concerned software.
- (13) Current Assets includes Rs. 4,99,000/- paid to DISC Technology Private Limited , New Delhi for software development in the year 1999, the same is under dispute and award for recovery of the same has been passed by the sole arbitrator against the company, however adjustment of the same will be made only after final settlement of the issue. However provision for doubts full debts of Rs. 4,99,000/- has been made
- (14) Account of M/s. RSRDCC Ltd: Construction contractor for various works of the Corporation is under reconciliation. Final settlement of the same will affect fixed assets and other related accounts and fixed assets and other related accounts shall be debited/credited after the final settlement.
- (15) Unsecured loan includes Rs. 26,66,333/- received from State Government and Rs. 5,33,320/- from state renewal fund which is overdue for payment and Rs. 3,99,854/- towards old interest accrued and due for which no information is available
- (16) Interest includes Rs. 10,76,973/- on Long Term Loans .

- (17) Sundry creditors includes Rs. 319.13 lakhs payable to M/s RSMM Limited on account of credit note issued by above company towards purchase of Iron and Steel from SAIL under MOU with M/S RSMM Limited and erstwhile RSMDC Limited. The above outstanding is subject to confirmation reconciliation on account of deduction of IFC & administrative charges of Rs. 2.18 lakhs and non provision of interest on outstanding amount Since Nov. 2002. Further as per the terms of MOU the Corporation has to pay the amount of credit notes to above two companies within stipulated time period of 30 days from the date of lifting of material from SAIL and accordingly eligible for claim of IFC from above two companies. On the observation of Sr Deputy Accountant General (Comm) vide their letter dated 20.7.2009 We have made provision of interest amount claimed by RSMM of Rs. 340.13 laks.
- (18) Salary and allowances include Rs. 13,89,365/- paid to the CMD (Previous year Rs. 84000/- paid to Chairman and Rs. 3,69,749 paid to MD/CMD)
- (19) Information with regards to amount outstanding towards Directors or firms in which Directors are interested is NIL.
- (20) (a) Traveling and conveyance expenses includes Rs.1,40,323/- - incurred by the CMD (Previous year Rs. 87180 incurred by chairman and Rs. 67,214/- by MD/CMD)
- (21) During the year under review the Corporation has received Rs. 55.00 lakhs from Government of Rajasthan as grant for organizing India International Trade Fair 2009 in New Delhi. The Corporation has a total Exp of Rs, 110.11 Lakhs for the same Grant of Rs. 55.00 lakhs has been fully set off against the same. Balance exp of Rs. 55.11 Lakhs has been debited to P& L Account of the corporation Further Income earned of Rs, 26.06 Lakhs form licence fee of Counters at IITF 2009 has been credited to P&L Account of the Corporation.
- (22) The value of machinery supplied under the hire purchase scheme lying with the hirer has not been shown as stock though the ownership thereof vests in the company.

(23) Related Party Disclosures:

Disclosures as required by the Accounting Standard 18 : Related Party are given below:-

(a) List of related parties and their relationship.

Sr. No.:	Name of the Related Party	Relationship (Key Management Personnel)
1.	Dr M.K Devarajan, IPS,	CMD
2.	Shri Manohar Kant, IAS	CMD
3.	Shri Rohit R Brandon, IAS	CMD
4.	Shri Sanjay Agarwal, IAS	Director
5.	Smt Usha Sharma , IAS	Director
6.	Shri Manohar Kant, IAS	Addl Director
7.	Shri Deepal Upreti, IAS	Addl Director
8.	Smt Veenu Gupta, IAS.	Director
9.	Shri Ashok Jain, IAS	Director
10.	Shri Rajhuns Upadhyay, IAS	Director
11.	Shri Purushottam Agrwal, IAS	Director
12.	Shri Vinod Pandya, IAS	Additional Director
13.	Shri Rajandra Bhanawat, IAS	CMD

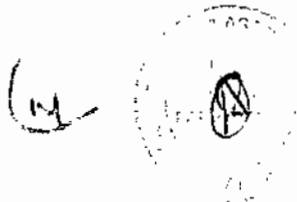
No disclosure is required regarding related party relationship with other State Controlled Enterprises in accordance with Para 9 of AS-18.

(b) Details of Transaction with related parties:-

Salary and allowance paid to

(1) Shri Rohit R Brandon, IAS, CMD	Rs 6,89,311/-
(2) Shri Manohar Kant, IAS CMD	Rs.6,73,626/-
(3) Shri A.K Singh , IAS, MD	Rs. 2,364/-
(4) Shri Arjun Ram Meghwal, IAS, MD	Rs. 24,064/-

No transaction have taken place with Key Management Personnel or their relatives other than payment of Salary & Other dues payable under contractual obligations.

(24) Earning Per Share pursuant to Accounting Standard 20 is as under:-

Particulars	Amount(Rs.)	
	31.3.2010	31.3.2009
Net Profit/Loss after Tax	(15,96,73,815)	(6,45,26,970)
Number of Shares	546403	546403
Face Value(Rs. Per Share)	100	100
EPS-Basic & Diluted (Rs. Per Share)- Negative	(292.23)	(118.09)

- (25) In compliance of budget speech/announcement year 2007-08 point no 165 Rajasthali New Delhi show room was to be renovated and upgraded. RSIC has requested to Government of Rajasthan to provide grant-in -aid/ alternatively a loan in perpetuity of Rs. 150.00 lakhs for renovation. But Government has Sanction Rs. 75.00 Lakhs as interest free loan to RSIC for renovation/up gradation. RSIC has again requested to Government of Rajasthan to provide grant-in-aid instead of loan vide letter dated 14.7.2008. Government of Rajasthan has informed vide their letter dated 25.8.2008 that RSIC may submit their proposal after completion of renovation work. However the work has not completed with all respect but PWD has handover the show room on dt 29.5.2009 and RSIC has started its business Still no direction has been received from govt. about grant RSIC has incurred total expenditure of Rs. 99.38 lakhs up to 31.3.2010 on renovation work against which RSIC has received grant in aid of Rs. 7.50 lacs from DC HC and cost of AC's Rs. 9.86 lacs has been capitalized and balance amount of Rs. 82.02 lakhs has been deferred in five years
- (26) During the year 2009-10 Rajasthali Mt Abu and Udaipur were got renovated and a sum of Rs. 9.00 lakhs was incurred which has also been deferred in five years
- (27) During the year 2009-10 RSIC has sanctioned VRS to the 36 employees and a sum of Rs. 2,63,16,228/- have been paid to them against Ex-Gratia. As per opinion of the expert advisor, committee of the Institute of Chartered Accountant of India, VRS benefit consisting of Ex Gratia Amount have been written off over a period of five year hence Rs. 52,63,245/- has been charged to P & L of the year towards 1/5 write off VRS expenditure. PL encashment of Rs. 59,50,523/- has been fully charged.
- (28) (A). RSIC has got a Rajasthali showroom on M I Road, Jaipur and that a attached Mall constructed. At the time of beginning of construction there were two co occupants in the same piece and partial of land mainly Rajasthan State Bunkar Sahakari Sangh and United General Store. A tripartite agreement was entered between RSIC, Bunkar Sangh and the State and another between RSIC, United General Store and the State wherein Bunkar and United General Store had agreed that the Mall be made by RSIC and on completion of the Mall Bunkar Sangh and United General Store would be given the same area as there were occupying earlier for which they would not be bearing any capital cost whatsoever except their interiors. Construction of Rajasthali is complete whereas

construction of Mall is proportionally complete The area of Bunkar Sangh and United General Store is complete and has been handed over to them on 21/3/2006 and 2/12/2005. The cost of construction of the area of Bunkar Sangh and United General Store is to be borne completely by RSIC. Accordingly the cost of that area has been debited to the building account of Rajasthali and Mall proportionally after deducting the token amount of Rs. 1,00,000/- received from United General Store towards capital outlay.

(B) Sum of Rs. 695.17 Lakhs has been incurred upto 31.3.2010 by the corporation towards capital expenditure on Rajasthali mall, Jaipur

Building of Rajasthali Mall has been taken over from AVL, Jaipur, on dt 21.01.2010 but no activities has started in mall therefore the same has been taken as "Capital work in progress" and shown in the schedule "F" . This project was to be constructed by Avas Vikas Limited as per MOU between RSIC and Avas Vikas Limited dated 27/4/2004 and as per that MOU the ceiling cost of the project was Rs. 593.37 lacs including the fees of Architect, service charges of Avas Vikas Limited @ 7.5% etc. Originally there was a joint venture agreement between RSIC AND Avas Vikas Limited dated 28/8/1998 at the same cost thereafter there were many changes in the project from time to time including changes in the project and also cost escalation. As on date the revised cost of the project was approved by the board in its meeting dated 16/10/2006 agenda item No. 296(3) and board meeting dated 20/8/2008 agenda item 305(15). Only escalated price was approved and agenda did not include the reasons and justification of escalation and there were certain items which were covered in the MOU dated 27/4/2004 and were proposed in the board as additional items. These changes, additions and escalation were proposed by the Project Management Group from time to time.

(29) M/s. Laroc International, Jaipur was given a jewellery counter (precious and semi precious) at Rajasthali Jaipur on minimum sale guarantee for the period from 1.5.2007 to 30.4.2009. CMD was authorized by the Board of Directors in its 205th meeting held on 20.8.2008 to take necessary action as per clause 29 of the tender The contract has been terminated with effect form 31.01.2009 by RSIC (M/s. Laroc International has vacated space on 27.2.2009) and accordingly commission on MSG and licence fee, interest and service tax were debited in the account of M/s. Laroc International, Jaipur As per terms and condition of allotment letter a security equivalent to six month commission and licence fee of minimum guaranteed sales amounting to Rs. 26,52,525/- was to be taken as security amount But while given possession of the counter, only Rs. 15,00,000 was taken against security amount. and no agreement has been executed The position of the account is as under Out standing amount as on 31.1.2009 is

	Rs. 98,82,249/-
Less: security amount taken	Rs. 15,00,000/-
Less: Sales proceeds adjusted in balance security amt	Rs 11,52,525/-
Balance amount to be recovered	Rs. 72,29,724,

There being no security, the party not paying the out standing amount, it has become doubtful and accordingly provision has been made to the above extent. Now matter is pending before arbitrator involving some dispute and M/s. Laroc International has filed counter claim of Rs. 90,23,350/- against RSIC

- (30) Under ASIDE Scheme A sum of Rs. 1398.46 lacs was sanctioned to RSIC for setting of Inland Container Depo, Bikaner. Out of 1398.46 lacs a sum of Rs. 676.05 lacs has been realised as grant in aid during the year 2008-09 for purchase of land etc. RSIC has purchased 75 hacter land at village Sharh Nathainia, Bikaner for Rs. 4,80,75,118/- including stamp duty and registration fee on dt 30.3.2009 which has been capitalized. A sum of Rs. 1.86 lacs was also incurred/accrued towards lease rent and development charges which has been shown in WIP (Work in Progress) as on 31.3.2010
- (31) A sum of Rs. 390679/- incurred on organizing of Handicrafts Exhibition outside and inside state and same has been charged to unutilized grant of Rs. 390679/- for the year 2005-06 and 2006-07 and Rs. 541232/- incurred towards state award event during the year 2009-10 and same has also been charged to unspent grant for the year 2007-08. State Government has requested to grant permission to charged these expenses from the unspent grant lying with the RSIC.
- (32) SAIL has deducted Rs. 3,25,851/- out of SSI rebate payable for the quarter ended June 2000, the issue is under settlement with SAIL and no provision for bad & doubtful debt has been made against the same as the corporation is hopeful of its recovery.
- (33) During the year 2008-09 and 2009-10 Company has not lifted coal quantity form South Eastern Coal Field Ltd as per terms of FSA due to mismanagement of the Corporation, resulting SECL has imposed penalties of Rs. 35.00 lahks (2.11 lakhs + 32.89 Lakhs) on RSIC towards short lifting of Coal as per FSA. Penalties amount has been shown in the P & L Account under the head exp. Pertaining to previous year and penalties.
- (34) During the year 2008-09 Company has created deferred tax assets for Rs. 179.11 lakhs but Looking to the position of the Corporation there is no possibility of any profit in near future, hence there is no requirement to make the provision for deferred tax assets as per AS 22
- (35) Advertisement & Publicity includes gifts and presentation.
- (36) Depreciation and Amortisation of Rs.12,02,805/- has been charged to Capital Reserve in accordance with accounting policy No. 2.
- (37) The Company had to contribution 1 % of paid up capital i.e Rs. 5.46. lac p.a towards state renewal fund but the same had not been contributed since 1999-2000. though the Company is providing liabilities in the books of accounts which had accumulated of Rs.49.14 lacs till march-2010

- (38) There are no employees who are drawing remuneration above the prescribed limit as provided under section 217 (2A) of the companies Act. 1956.
- (39) Value of Long Term investment in Rajasthan Handloom Development Corporation Ltd. Jaipur Rs. 5.00 Lakh, Indo Bazar Rs. 5.00 Lakhs and Rajasthan Consultancy Origination Ltd. Rs. 1.00 Lakh has been reduced by 100% due to permanent reduction in value of the said Investment as per AS-13. The BOD of Indo Bazar decided to windup the company and necessary formalities were initiate of for the winding up the process The Director of the Company has submitted affidavit to the ROC for closure of the company and ROC has been issued a notice on 30.8.10 in pursuant to the sub section 3 of section 560 of the Company Act-1956
- (40) Wood Seizing Plant, Jodhpur has been given on lease to Indo Garman Export Promotion Project, New Delhi @ Rs. 1 per annum
- (41) There are delays in payment beyond 45 days form the due date to suppliers covered micro , small and medium enterprise development Act 2006 and no payment for interest has been made.

S. No.	Name of Party	Due Date	Amount	Payment Date	Payment Delay (Days)
1	M/s Dayal Foundry & Plastic Works	18.2.10	331943	16.4.10	57
2	M/s Dayal Foundry & Plastic Works	24.2.10	731046	20.4.10	55
3	M/s Dayal Foundry & Plastic Works	26.3.10	77412	20.5.10	55
4	M/s Dayal Foundry & Plastic Works	30.3.10	82215	20.5.10	51
5	M/s Dayal Foundry & Plastic Works	30.3.10	404289	17.6.10	79
6	M/s Rajasthan Metals & Smelting Co	31.3.10	229461	30.6.10	91
7	M/s Mehta Plast Corporation	31.3.10	142080	05.8.10	127
8	M/s Govind Enterprises	31.3.10	142080	05.8.10	127
9	M/s A K Enterprises	18.01.10	126062	20.4.10	92
10	M/s A K Enterprises	31.3.10	77046		Not Paid
11	M/s A K Enterprises	31.3.10	24681		Not Paid
12	M/s A K Enterprises	26.3.10	230850		Not Paid
13	M/s Padmawati Polymers	02.02.10	136283	20.4.10	77
14	M/s Padmawati Polymers	30.3.10	82215	20.5.10	51
15	M/s S S Enterprises	31.3.10	1055741		Not Paid
16	M/s Hall Mark	31.3.10	144572	06.7.10	97
17	M/s Kainya Wire Pvt Ltd	31.3.10	226517	20.5.10	50
18	M/s Saharia Steel Products	31.3.10	198428	20.5.10	50
19	M/s Karnawat Traders	22.9.09	1591824	16.4.10	206

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20	M/s Jain Industrial Corporation	10.2.10	341350	16.4.10	65
21	M/s Jain Industrial Corporation	10.2.10	341350	16.4.10	65

(42) Deferred Tax Assets (Net)

S. No.	Particulars	Deferred Tax Assets as on 31.03.2010	Deferred Tax Assets as on 31.03.2009
1.	Deferred Tax Assets Business Loss and Unobserved Depreciation	NIL	2,40,11,738/-
2.	Deferred Tax Liability Depreciation	NIL	61,00,132/-
	Net Deferred Tax Assets	NIL	1,79,11,606/-

(43) (A) Quantitative details and other statutory information
DDRC (Handicrafts)

S.No.	Particulars	Current year	Previous year
1.	Actual Production(Qty)	1361 pcs	2843 Pcs
2.	Opening Stock of goods produced		
	(A) Quantity	4450pcs	4374 Pcs
	(B) Value(Rs.)	3,34,446	3,45,081
3.	Closing Stock of goods produced		
	(A) Quantity	4208 pcs	4450 Pcs
	(B) Value(Rs.)	1,95,943	3,34,446
4.	Raw Material Consumed		
	(A) Quantity	996.400 kg	29754.86 Mtrs
	(B) Value(Rs.)	94,267/-	18,87,798/-

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

UNIT:- RAW MATERIAL

Quantity -MTS
Value - Rs. in lacs

43 (B) QUANTITATIVE DETAILS OF TRADING GOODS

S.No	Name of Item	Opening Stock		Purchase		Closing Stock							
		Current Year Qty	Current Year Value	Previous year Qty	Previous year Value	Current Year Qty	Current Year Value	Previous year Qty	Previous year Value				
1.	Iron & Steel	126.032	37.27	3004.732	1151.40	4622.440	1608.44	14361.560	5772.53	370.992	139.20	126.032	37.27
2.	Coal	9020.060	139.74	-	-	41295.040	1056.38	65764.920	1066.03			9020.060	139.74
2.	Others Handicrafts/Marketing etc	0.00	151.67		178.30		1423.76		762.75		92.14		151.67
	Total	9146.092	328.68	3004.732	1329.70	45917.480	4088.58	80126.480	7601.31	370.992	231.34	9146.092	328.68

43(C) PARTICULARS OF SALES

S.No.	Particulars	Current year		Previous Year		
		Qty	Value	Qty	Value	
1.	Iron & steel		4377.480	1521.90	17240.260	6989.67
2.	Coal		50316.920	1217.97	56746.200	966.09
2.	Other Handicrafts / Marketing etc		-	1655.51	-	975.87
	Total		54694.400	4395.38	73986.460	8931.63

** Note:- Excess. Sale of 1.820 MT (Pre Year 1.340 MT)

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(44) Segment Reporting:

(a) Primary Segment

Based on the guiding principle given in the Accounting Standard -17 : Segment Reporting , the corporation's primary segment are:-

- Handicrafts
- Distribution & Marketing
- Export Infrastructure Services.

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

Description	Handicraft's		EIS		Distribution		Other		Total	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Sales & Service	519.61	590.53	1139.09	3258.34	4088.37	8426.30	-	-	5747.07	12275.17
Total Revenue	519.61	590.53	1139.09	3258.34	4088.37	8426.30	-	-	5747.07	12275.17
Segment Result	(123.86)	(183.32)	59.27	312.83	20.68	76.15	-	-	(43.89)	205.66
Interest Received							50.70	55.53	50.70	55.53
Net Unallocable Income / Exp.							(1603.55)	(906.46)	(1603.55)	(906.46)
Net Loss/Profit									(1596.74)	(645.27)
Provision for current tax										
Provision for deferred tax										
Profit/Loss after tax										
Segment Assets	1720.80	2380.51	1186.59	899.12	1484.93	393.54	3555.68	1650.54	7948.00	5323.71
Segment Liabilities	730.26	896.30	1209.68	747.43	1463.44	1130.58	2404.85	1009.34	5508.23	3783.65
Capital Expenditure	512.27	31.97	2.20	0.85	-	-	.44	11.02	514.91	17.47
Depreciation	45.74	44.89	17.72	18.05	0.91	0.97	8.20	8.00	72.07	71.91
Provision for Diminution on value of investment										

Note :- There is no inter segment sales & revenue

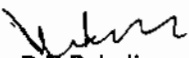
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RAJASTHAN SMALL INDUSTRIES CORPORATION LTD
(A Government of Rajasthan Concern)
Jaipur

Annexure "A"

Details of Expenditure charged to grant-in-aid

Particular	Figures as at 31st March 2010 (Rs)	Figures as at 31st March 2009 (Rs)
Organizing EXHIBITION EXPENSES (IITF 2009)	5,500,000	6,600,000
Organizing Handicrafts Exhibition	390,670	1,257,341
State Award of artisans (Dist and State level craft award)	541,232	28,260
Organising of Gandhi Shilp Bazar (Grant in Aid from DC HC)	1,786,034	-
Development of Languish Craft	-	451,823
	8,217,936	8,337,424


D.R. Paladia
 Sr. Accounts Officer

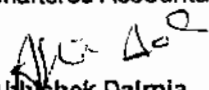

Ravi Agrawal
 Secretary


Dr. M.K. Devarajan
 Chairman & Managing
 Director


Rajhans Upadhyaya
 Director

Place: Jaipur
 Date: 28.9.2010

In Terms of our Report of Even Date
 For Pramod & Associates
 Chartered Accountants


Abhishek Dalmia
 Partner

**THE RAJASTHAN SMALL INDUSTRIES CORPORATION LTD.
(A GOVERNMENT OF RAJASTHAN CONCERN)
JAIPUR**

STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1. REGISTRATION DETAILS 1118 State Code 17
Registration details no.
Balance Sheet
Dated 31.03.2009

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)


Total Liabilities	1,88,565	Total Assets	1,88,565
Sources of Funds		Reserves and Surplus	66,148
Paid up capital	54,640	Unsecured Loans	67,777
		Secured Loan	
Secured Loans	-		
Application of Funds		Investments	181
Net Fixed Assets	2,57,684	Misc. Expenditure	-
Net Current Assets	(2,73,168)	Deferred Tax Assets	28,235
Accumulated Losses	1,75,633		

IV. PERFORMANCE OF COMPANY (Amount in Rs. Thousands)

Turnover/Income	58,48,46	Total Expenditure	74,45,20
Profit before tax (Loss)	(15,96,74)	Profit after Tax (Loss)	(15,96,74)
Earning per share in Rs.	(292.23)		

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICE OF COMPANY (As per monetary terms)

SUPPLY OF ITEM	CODE NO.
i. Raw Material and Marketing assistance to SSI Units	N.A.
ii. Development of handicrafts	N.A.
iii. Export Infrastructure Service	N.A.


D.R. PALADIA
SR ACCOUNTS
OFFICER


RAVI AGRAWAL
SECRETARY


DR. D.K. DEVARAJAN
CHAIRMAN & MANAGING
DIRECTOR


RAJNANS
UPADHYAYA
DIRECTOR

Place: Jaipur
Date:



- 45 (A) Value of imported raw material spare parts and components calculated on CIF basis by the Corporation.

Current Year - Nil Previous Year - Nil

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

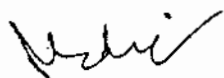
Current Year:	Raw Material		Spares & Stores parts	
	Imported	Indigenous	Imported	In digenous
Total Consumption	Nil	94267	Nil	3666
Percentage	Nil	100%	Nil	100
Previous Year:				
Total Consumption	Nil	1887798	Nil	NIL
Percentage	Nil	100%	Nil	NIL

- (C) Earning in foreign currency on sale of goods:
Current Year : 47.51 Lakh Previous Year: 35.95 Lakh

- (D) Expenditure in foreign currency:
Current Year : NIL Previous Year: NIL

46. Previous year figures have been regrouped, reclassified wherever necessary

Signed Schedule A to O


D.R. Paladia
SR ACCOUNTS
OFFICER



Ravi Agrawal
SECRETARY


D. M. K. Devarajan
CHAIRMAN & MANAGING
DIRECTOR


Rajhuns Upadhyaya
DIRECTOR

In terms of our report of even date
For Pramod & Associates
Chartered Accountants

Place: Jaipur
Dated: 28.9.2010


Abhishek Dalmia
Partner

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

Consolidated Cash Flow Statement for the year ended Year 2009-10

	Figures as at 31st March 2010 (₹)	Figures as at 31st March 2009 (₹)
A. Cash Flow from Operating Activities		
Net Loss after tax and Extra Ordinary Items	(159,673,815)	(64,526,970)
Adjustment for :		
Depreciation	7,208,085	7,190,556
Prior period depreciation	515,298	-
Loss on Sale of Fixed Assets/ Assets W/o	15,683	36,369
Profit on Sale of Fixed Assets	(125,333)	(2,492)
Interest Received	(5,070,419)	(5,552,631)
Dividend Received	(9,000)	(9,000)
Provision for diminution in value of investments/ Doubt ful Debts	-	7,054,632
Interest Paid	6,404,079	-
Excess provision Written Back	113,130.00	-
Misc Exp W/o (VRS Expenditure)	-	-
Exp pertaining to prv year (Dep overcharge in previous year)	410,294	239,859
Income pertaining to prv year	2,272,189.00	-
Sundry Debtor W/b	-	-
Deferred tax assets w/b	17,911,606	-
Operating profit before working capital changes	29,645,612	8,957,293
	(130,028,203)	(55,569,677)
Adjustment for working capital:		
Increase /Decrease in inventory	9,692,160	100,068,326
Increase/Decrease in Sunday Debtors	(17,649,472)	(1,103,773)
Increase/Decrease in Loans & Advance	60,997,427	(17,274,199)
Increase/Decrease in other current assets	(1,528,659)	8,989,227
Increase/Decrease in current liabilities	83,986,334	486,017
Deferred Tax Assets	-	(17,911,606)
Misc Exp deferred	(28,235,556)	-
VRS Benefits excluding leave encashment	107,262,234	73,273,992
	(22,765,969)	17,704,315
Net Cash flow from operating Activities		
B. Cash flow from investing activities		
Interest Received	5,070,419	5,552,631
Dividend Received	9,000	9,000
Purchase of Fixed Assets	(1,410,975)	(4,384,064)
Sale of Fixed Assets	179,891	370,848
Receipt of Investment	-	-
Net Cash Flow from investing activities	3,848,335	1,548,415
C. Cash Flow from Financing Activities		
Interest Paid	(6,404,079)	(2,576,632)
Long term loan taken	42,765,384	-
Repayment of long term loan taken	-	(1,400,000)
Financing Activities	36,361,305	(3,976,632)
Net Increase in cash & Cash Equivalent	17,443,671	15,276,098
Opening balance of cash & Cash Equivalent	83,636,003	68,359,905
Closing balance of cash and Cash Equivalent	101,079,674	83,636,003
Closing balance of cash and Cash Equivalent includes FDR of Rs. 6,05,32,016 (FDR includes pledged with bank against BG/LC Rs. 65,08,119) FDR terms ranging from three month and more		


D.R. Paladia
Sr. Accounts Officer

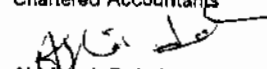

Ravi Agrawal
Secretary


Dr. M.K. Devarajan
Chairman & Managing Director


Rajhuns Upadhyaya
Director

Place: Jaipur
Date: 28.9.2010

In Terms of our Report of Even Date
For Pramod & Associates
Chartered Accountants


Abhishek Dalmia
Partner

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

Unit-Wise Comparative Statements of Turnover Profit & Loss for the year 2008-09 and 2009-10

	Name of Unit	Turnover						Profit & Loss after Appropriation	
		2008-09			2009-10			2008-09	2009-10
		Corpn.	Consign	Total	Corpn.	Consign	Total		
A. Handicrafts									
1	Rajasthali New Delhi	147.24	23.88	171.12	108.00	199.73	307.73	(67.47)	(1.31)
2	Rajasthali Mumbai	1.15	-	1.15	0.18	0.08	0.26	(9.05)	(10.53)
3	Rajasthali Cal (Ch)	3.25	16.14	19.39	3.83	21.48	25.31	(6.74)	(4.27)
4	Rajasthali Cal (Gar)	18.53	6.86	25.39	11.59	9.65	21.24	(6.38)	(0.74)
5	Rajasthali Jaipur	315.35	54.04	369.39	259.26	156.45	415.71	(45.05)	(52.46)
6	Rajasthali Mt Abu	3.40	-	3.40	0.62	2.39	3.01	(2.44)	(4.53)
7	Rajasthali Agra	10.62	-	10.62	4.30	0.96	5.26	(9.33)	(11.22)
8	Rajasthali Udaipur	12.78	0.10	12.88	3.86	28.18	32.04	(12.54)	(16.30)
9	Rajasthali Jaisalmer	-	-	-	-	-	-	-	-
10	D.D.R.C Jaipur	-	-	-	-	-	-	(25.42)	(22.18)
	Total (A)	512.32	101.02	613.34	391.64	418.92	810.56	(184.42)	(123.54)
B. E.I.S									
11	Air Cargo Sanganer	-	-	-	176.44	-	176.44	144.86	115.30
12	I.C.D, Sanganer	-	-	-	448.90	-	448.90	78.95	(3.42)
13	I.C.D, Jodhpur	-	-	-	372.43	-	372.43	54.61	27.34
14	I.C.D, Bhiwadi	-	-	-	2.69	-	2.69	16.17	(68.12)
15	I.C.D Bhiwara	-	-	-	11.25	-	11.25	5.42	(26.17)
	Total (B)	-	-	-	1,011.71	-	1,011.71	300.01	44.93
C. Other									
16	Distribution	-	-	-	-	-	-	-	-
	(a) Raw Material	17,792.54	1,740.33	19,532.87	2,739.87	2,017.39	4,757.26	83.66	(5.64)
	(b) Marketing Division	-	462.60	462.60	1,271.86	-	1,271.86	(7.44)	26.40
17	Head Office	-	-	-	-	-	-	(837.08)	(1,538.89)
	Total (C)	17,792.54	2,202.93	19,995.47	4,011.73	2,017.39	6,029.12	(760.86)	(1,518.13)
	Grant Total (A+B+C)	17,792.54	2,202.93	19,995.47	5,415.08	2,436.31	7,851.39	(645.27)	(1,596.74)
18	Headling Charges of Cargo/I.C.D Services	2,682.48	-	2,682.48	-	-	-	-	-
	Grant Total	20,475.02	2,202.93	22,677.95	5,415.08	2,436.31	7,851.39	(645.27)	(1,596.74)