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BOARD OF DIRECTORS

Chairman	:	Dr. Govind Sharma Principal Secretary, Finance Govt. of Rajasthan, Jaipur
Director	:	1. Shri Rakesh Verma, Principal Secretary, Plan Govt. of Rajasthan, Jaipur 2. Shri Khem Raj Commissioner, Commercial Taxes Govt. of Rajasthan, Jaipur 3. Shri Tanmay Kumar, Secretary Finance (Rev.) Govt. of Rajasthan, Jaipur
Managing Director	:	Shri Dinesh Kumar Excise Commissioner Rajasthan, Udaipur
Executive Director	:	Shri Shrawan Sawhney
Company Secretary	:	Shri R.K. Singhal
Statutory Auditor	:	Chatter & Chatter Chartered Accountants
Reg. Office	:	'D' Block, First Floor, Vitta Bhawan Janpath, Jaipur – 302005
Phone	:	0141-2744231-9
Fax	:	0141-2744237
E-mail	:	ed@rsbcl.net

RAJASTHAN STATE BEVERAGES CORPORATION, LTD.D-Block, 1st Floor, Vitta Bhawan, Jaipur

No: A-2(8)

Date: 15-10-13

To All the Shareholders,
Directors & Others,**NOTICE**

Notice is hereby given that the EIGHTH Annual General Meeting of the Shareholders/Members of the Rajasthan State Beverages Corporation Limited will be held on Monday the 11th day of Nov., 2013 at the registered office of the Corporation at the address mentioned above at 5.00P.M., to transact the following business.

TO CONSIDER IF THOUGHT FIT TO PASS WITH OR WITHOUT MODIFICATION THE FOLLOWING RESOLUTIONS AS ORDINARY RESOLUTIONS**As Ordinary Business:**

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March 2013 and the Balance Sheet as on that date, Auditors' Report thereon alongwith supplementary Audit Report of CAG and the report of the Directors to the Shareholders/Members.
2. To declare dividend, if any.
3. RESOLVED that the remuneration payable to Statutory Auditors M/s Chatter & Chatter, Chartered Accountants, Jaipur for the financial year 2012-13 be and is hereby fixed at Rs. 1,08,000 plus service tax per year and traveling and other expenses not to exceed Rs. 45,000 in pursuance to section 224 (8) aa of Companies Act, 1956

RESOLVED FURTHER that the Board of Directors of the Corporation be and is hereby authorized to fix the remuneration payable to the Statutory Auditors for financial year 2013-14 and onwards pursuance to section 224(8) aa of the Companies Act, 1956.

By order of the Board of Directors

Place: Jaipur

Date: 15th Oct., 2013(R.K. Singhal)
Company Secretary**Note:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need be a member of the Corporation. Proxies in order to be effective must be received by the Corporation not less than 48 hours before the meeting. Format of proxy is enclosed.
2. Balance Sheet, profit and loss account together with statutory auditors report the on and the report of Directors to the Shareholders are enclosed.
3. The supplementary Report of CAG shall be submitted at the time meeting.

Directors' Report to the
Shareholders/ Members for
The year ended 31st March, 2013

Gentlemen,

The Directors of your Corporation have pleasure in presenting to you the EIGHTH ANNUAL REPORT on the working of the Corporation for the year ended 31st March, 2013 together with the Audited Statement of Accounts.

1. Business Operations:

1.1 Canalisation of Liquor:

The Corporation maintained its policy of canalizing IMFL and beer without interfering in the dynamics of the market place. As a result, the healthy competition prevailing amongst suppliers continued during the year.

With its past experience, the Corporation ironed out minor difficulties experienced by the industry in its policies. The corporation is constantly in touch with all its stakeholders and is already ready to fine tune its policies for improving its response and operations.

1.2 Transparency in Operations / on line operation

The Corporation is carrying out its commercial activities through online integrated web based software which has enabled it to maintain total transparency in its operations. Suppliers have been given access on the Corporation's software for online submission of OFS issuance, granting OFS extension and getting all sort of information like issuance of OFS, receipt of material at depot, sale of various brands, stock position of various brands, weekly payment, Inactive Stock Penalty calculation etc. Simultaneously, copies of the ledgers are provided to respective retailers for their reconciliation purpose.

1.3 Infrastructure

In addition to basic facilities like furniture, telephone etc. all the depots have been equipped with computer with printers,. Internet connectivity for running online software, UPS and Gensets for meeting power crisis.

1.4 Financial Management

A sound and prudent financial management is the major strength of the Corporation. The main commercial activity especially the purchase and sale of IMFL / Beer, of the

Corporation have been running on real time on-line basis. This system has streamlined the working of the Corporation. The suppliers have been provided login / password facility to view their stock/sales position along-with their due payment position, at any time / anywhere, heralding an era of real transparency in Corporation functioning.

In the banking arrangements, the core banking solution (CBS) facilities extended by Punjab National Bank, Bank of India and UCO Bank have been availed at its optimum level. The daily customized banking statement sent by bank and its sorting out branch wise / depot wise using "software module" enabled daily deposit reconciliation at depots. It may be mentioned that through the CBS network (anywhere banking) only a single core account is maintained at Jaipur with the facility to the retailers to deposit the requisite amount anywhere throughout the State in over 475 authorized branches. The amount so deposited at any such branch gets instantly credited in the central account being maintained at Jaipur. Besides this, these banks are providing details of amount deposited by licensees in RSBCL A/c on real time basis by the method of seamless integration of websites of these three banks with RSBCL. The notable feature of the above arrangement is converting any amount exceeding two lakh through smart-roamer scheme in FDR A/c automatically fetching interest with the kitty of the Corporation.

The time bound payments to suppliers and all other concerned parties have been the hallmark of operational efficiency of the Corporation. During the year Corporation started releasing due weekly suppliers payment, fully through RTGS (Real Time Gross Settlement) dispensing with issuing of physical cheques to respective supplier.

1.5 Future Outlook

The EIGHTH year of operations proved to be significant, as the Corporation successfully lived up to the confidence reposed by the Government. The policies hitherto adopted have yielded rich dividends and given its past record of implementing Government policies with a friendly face. Your Directors are confident that the Corporation would play a meaningful role in further reforms in the Excise sector.

2.1 Financial Performance:

The turnover of the Corporation during the year is year is Rs. 3905.93 Crores (This include VAT/Composition of Rs.783.81 crores hence without VAT/Composition the turn over is R: 3122.12 cores as compared to Rs. 2572.40 crores (without VAT/composition) in previou

year. During the year RSBCL paid Rs. 62.79 crores to State Govt as Privilege fee and licence fee (Rs. 19.00 crores + 43.79 respectively) as against Rs. 54.24 crores (Rs. 52.00 crores + 2.24 crores respectively) in 2011-12.

The year witnessed an increase of 19.40 percent in interest earned. As against Rs 11.65 crores earned as interest in 2011-12, the interest earned in this year is Rs. 13.91 crores.

2.2 Dividend:

The Board of Directors has recommended the dividend @ 10% (previous year 10%) on paid up capital. The dividend pay-out will require an amount of Rs 23,24,450 (previous year 23,24,450) including dividend distribution tax.

3. Material changes and commitments from the date of balance sheet till today- NIL.

4. Directors Responsibility Statement:

- 4.1 That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 4.2 That the directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period.
- 4.3 That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the Companies Act and for preventing and detecting frauds and other irregularities.
- 4.4 That the director had prepared the annual accounts on a going concern basis.

5. Capital Structure

During the year under review, there has been no change in the authorized capital of Rs. 5.00 crores of the Corporation and paid-up capital of Rs. 2.00 crores.

6. Turnover

The turnover of the Corporation during the current year is Rs. 3905.93 Crores (This includes VAT/composition of Rs.783.81 crores hence without VAT/composition the turnover is Rs. 3122.12 cores as compared to Rs. 2572.40 crores (without VAT/composition) in previous year.

7. CURRENT OUTLOOK

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

8. TECHNOLOGY ABSORPTION

The Corporation is not using any foreign technology. Due attention is paid for energy conservation.

9. DISCLOSURE UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956

As per provisions of Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975, it is stated that since no employee has drawn remuneration more than the prescribed limit during the year under review, hence report may be treated as nil.

10. PERSONAL & INDUSTRIAL RELATIONS

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

11. BOARD MEETINGS

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

BOARD OF DIRECTORS:-

Shri Anoop Khinchi, IAS, Executive Director, RSBCL was appointed Director by Govt of Rajasthan on the Board of Directors of the Corporation in place of Shri Shrawan Sawhney.

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

12. AUDITORS

M/S Chatter & Chatter, Chartered Accountants, Jaipur were appointed by the CAG for undertaking the audit for the year 2012-2013.

13. ACKNOWLEDGEMENT

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

By order of the board

Executive Director

Managing Director

Place: Jaipur

Date: 12-09-2013

M/S CHATTER & CHATTER
CHARTERED ACCOUNTANTS
S-18, MANGAL MARG, BAPUNAGAR
JAIPUR-302015
PHONES : 91-141-2710597 / 2709713 / 2578670
EMAIL : rakeshchatter@gmail.com and/or chatterca@gmail.com

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of Rajasthan State Beverages Corporation Limited for the year ended 31-03-2013 in accordance with the directions / sub-directions issued by the C & AG of India under Section 619(3) (a) of the Companies Act 1956 and certify that we have complied with all the directions / sub-directions issued to us.

For Chatter & Chatter
Chartered Accountants

Place : Jaipur
Dated : 12-9-2013.

Sd/-
(Rakesh Chatter)
Partner
M.No. 073831

Independent Auditor's Report

To the Members of

RAJASTHAN STATE BEVERAGES CORPORATION LTD.

Report On the Financial Statement

We have audited the accompanying financial statements of **RAJASTHAN STATE BEVERAGES CORPORATION LTD** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

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

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Opinion

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

In our opinion and to the best of our information and according to-the explanations given to

us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account. of the profit/ loss for the year ended on that date; and in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 (lithe Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) Disclosure in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 is not required for Government Companies as per Notification No. GSR 829(E) dated October 21, 2003 issued by the Department of Company Affairs;

Forming an Opinion and Reporting on Financial Statements

for **CHATTERAND CHATTER**
Chartered Accountants

Sd/-

RAKESH CHATTER
S-18, MANGAL MARG, BAPU NAGAR
JAIPUR-302015 RAJASTHAN

Place: JAIPUR
Date: 12/09/2013

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of RAJASTHAN STATE BEVERAGES CORPORATION LTD. on the accounts of the company for the year ended 31st March, 2013.

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

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured; to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses 3 (b), 3(c) and 3 (d) of the order are not applicable to the Company.
(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from

companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) There are no contracts or arrangements referred to in section 301 of the Act.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. The maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act, is not applicable in our business and hence is not applicable to the Company.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes. However, the following disputed taxes/duty/cess are outstanding:
 - Rs.5,21,25,843 for demand raised by service tax Department as the Company has gone in appeal against the department and the service tax tribunal(CESTAT) has decided the-case in favour of Commissioner, Service Tax Deptt. However, RSBCL has gone in appeal against the decision of CESTAT and a stay has been granted by the DB of High

Court against the demand raised by Service Tax Deptt.

- Rs. 273.19 lacs for demand raised by the excise department towards late payments for which we have made representation with the Department of Finance for deletion of above demand and as per advice of Finance (Excise) Deptt. Rajasthan RSBCL has requested Commissioner, Excise Deptt. to waive the interest on late deposition of Permit fee/Vend fee under section 30AA of Rajasthan Excise Act, 1950.
 - Rs. 17,13,94,950 for demand raised by the ITO TDS-2 for Liability of TCS for the A/y 2011-12 in which the Company has gone into appeal with the Hon'ble High Court of Rajasthan.
 - The I.T. Department has raised the following demand for disallowance of Expenditure of Privilege Fees cases of which are pending with various appellates and for the Asstt year 2006-07 the ITA T has decided in our favour and the department has gone to High Court which are outstanding though we have paid a part of it for going in appeals.
 - Rs 5,33,41,990 Asstt year 2006-07
 - Rs. 6,70,20,550 Asstt year 2007-08
 - Rs.9, 19,86, 159 Asstt year 2008-09
 - Rs. 11,78,88,170 Asstt year 2009-10
 - Rs. 26,10,31,330 Asstt year 2010-11
 - The Dy. Commissioner, Commercial Tax Department has raised a demand of Rs. 15,80,967 for interest and the appeal against the same is pending.
10. The Company does not have any accumulated loss as at 31st March, 2013 and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
 11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
 12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as

amended) is not applicable to the Company.

14. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds & other Investments and hence it is not applicable,
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution,
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

**for CHATTERAND CHATTER
Chartered Accountants**

Sd/-

**RAKESH CHATTER
S-18, MANGAL MARG, BAPU NAGAR
JAIPUR-302015 RAJASTHAN**

Place: JAIPUR
Date: 12/09/2013

Rajasthan State Beverages Corporation Ltd.

Balance Sheet as at 31st March, 2013

Particulars	Note No.	Figures as at the end of current reporting period (Rs.)		Figures as at the end of previous reporting period (Rs.)	
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	1	20,000,000		20,000,000	
(b) Reserves and Surplus	2	85,545,748		56,360,027	
(c) Money received against share warrants		-	105,545,748	-	76,360,027
(2) Share application money pending allotment					
(3) Non-Current Liabilities					
(a) Long-term borrowings	3	1,254,355			
(b) Deferred tax liabilities (Net)	4	4,105,000		4,105,000	
(c) Other Long term liabilities		-	5,359,355	-	4,105,000
(d) Long term provisions		-		-	
(4) Current Liabilities					
(a) Short-term borrowings				2,680,591,833	
(b) Trade payables	5	3,806,550,322		819,115,280	
(c) Other current liabilities	6	932,008,642			
(d) Short-term provisions	7	16,580,588	4,755,139,552	8,556,618	3,508,263,731
Total			4,866,044,655	3,588,728,758	
II. Assets					
(1) Non-current assets					
(a) Fixed assets					
(i) Tangible assets	8	16,817,103		6,825,901	
(ii) Intangible assets		3,019,458		4,412,877	
(iii) Capital work-in-progress		-		202,952	
(iv) Intangible assets under development		-		-	
Total		19,836,561		11,441,730	
(b) Non-current investments	9	-		3,000	
(c) Deferred tax assets (net)		-		106,874	
(d) Long term loans and advances	10	10,762,686		16,012,686	
			30,599,247		27,564,290
(2) Current assets					
(a) Current investments		-		-	
(b) Inventories	11	1,620,363,982		1,409,021,419	
(c) Trade receivables	12	478,794		1,244,811	
(d) Cash and cash equivalents	13	3,144,389,926		2,099,578,933	
(e) Short-term loans and advances	14	336,322		38,778	
(f) Other current assets	15	69,876,384	4,835,445,408	51,280,527	3,561,164,468
Total			4,866,044,655	3,588,728,758	

Notes Forming Part of Financial Statements

1 to 30

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

As per our report of even date attached.

FOR CHATTER & CHATTER
Chartered Accountants.

On behalf of the Board of Directors

Sd/-
(RAKESH CHATTER)
Partner
Membership No. : 073831
Firm No.: 005376C

Sd/-
(Sharad Mehra)
G.M. (Finance)

Sd/-
(R. K. Singhal)
Co. Sec.

Sd/-
(Anoop Khinchi)
Executive Director

Sd/-
(Dinesh Kumar)
Managing Director

PLACE : JAIPUR
DATE : 12/09/2013

Rajasthan State Beverages Corporation Ltd.

Profit and Loss statement for the year ended 31st March, 2013

Particulars	Note No.	Figures as at the end of current reporting period (Rs.)	Figures as at the end of previous reporting period (Rs.)
I. Revenue from operations	17	31,221,211,142	25,723,985,873
II. Other Income	18	191,172,276	163,072,954
III. Total Revenue (I +II)		<u>31,412,383,418</u>	<u>25,887,058,827</u>
IV. Expenses:			
1. Purchase of Stock-in-Trade		30,816,728,950	25,493,087,921
2. Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	(211342563)	(276308733)
3. Employee benefit expense	21	78,999,304	56,163,530
4. Financial costs		-	-
5. Depreciation and amortization expense	22	5,144,238	4,100,003
6. Other expenses	23	681,181,268	593,181,914
Total Expenses		<u>31,370,711,197</u>	<u>25,870,224,635</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		41,672,221	16,834,192
VI. Exceptional Items (Prior Period Income (Net))	24	(5646954)	(3175807)
VII. Profit before extraordinary items and tax (V - VI)		47,319,175	20,009,999
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		47,319,175	20,009,999
X. Tax expense:			
(1) Current tax		14,256,138	6,232,168
(2) Prior Period tax		191,637	
(2) Deferred tax		1,361,229	289,881
XI. Profit/(Loss) from the period from continuing operations (IX-X)		<u>31,510,171</u>	<u>13,487,950</u>
XII. Profit/(Loss) from discontinuing operations			
XIII. Tax expense of discounting operations			
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)			
XV. Profit/(Loss) for the period (XI + XIV)		31,510,171	13,487,950
A. PROPOSED DIVIDEND			
Provision for Proposed Dividend		2,000,000	2,000,000
Provision for Dividend Distribution Tax		324,450	324,450
B. Transferred to General Reserve		<u>29,185,721</u>	<u>11,163,500</u>
XVI. Earning per equity share:			
(1) Basic		157.55	67.44
(2) Diluted		157.55	67.44

Notes Forming Part of Financial Statements

1 to 30

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

As per our report of even date attached.

FOR CHATTER & CHATTER
Chartered Accountants.

On behalf of the Board of Directors

Sd/-
(RAKESH CHATTER)
Partner
Membership No. : 073831
Firm No.: 005376C

Sd/-
(Sharad Mehra)
G.M. (Finance)

Sd/-
(R. K. Singhal)
Co. Sec.

Sd/-
(Anoop Khinchi)
Executive Director

Sd/-
(Dinesh Kumar)
Managing Director

PLACE : JAIPUR
DATE : 12/09/2013

RAJASTHAN STATE BEVERAGES CORPORATION LIMITED

NOTES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE
YEAR ENDED 31.03.2013A. SIGNIFICANT ACCOUNTING POLICIES1. **Basis of preparation of Financial Statements:**

- i) The financial statements are prepared on an accrual basis and under historical cost convention and in accordance with the generally accepted accounting principles in India, provision of the Companies Act, 1956, Liquor Sourcing Policy(LSP) and in compliance with mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI) except wherever otherwise stated.

2. **Method of Accounting:**i) **Income recognition:**

- a) **Sales:** Sales invoicing and clearance of goods are done from the depots located across the state on software. There after on the basis of sales report generated from the above, a single monthly entry for each depot is booked in the accounting software. Sales do not include inter-depot transfers and applicable VAT.
- b) **Interest on Fixed Deposit:** Interest earned on Fixed Deposits with banks has been accounted for on accrual basis.
- (c) **Miscellaneous Receipts, Inactive Stock Penalty & Margin on drained/returned goods:** Order For Supply (OFS) Extension, Transfer out order (TOO), Late Inward charge (LIC), Inactive Stock Penalty charges, Margin on drained/returned goods are accounted for/received/recovered as per the provisions of Liquor Sourcing Policy and terms & conditions of Agreement executed with suppliers/manufacturers, on accrual basis. However when the recovery of the same seems uncertain. Such income are not taken into account to comply with AS 9.
- ii) **Inventory.** : Stock in hand are valued and stated at lower of cost or net realizable value excluding VAT. The FIFO method of Inventories valuation is used to determine the cost.

3. Change in Accounting Policy:

- (i) Up to 2011-2012 purchases were recognized on MIS Basis as per MIS Date accounted for in the books of accounts. From year 2012-2013 purchases have been recognized on Invoice Basis as per Invoice Date. Due to this change in Accounting Purchase of Rs. 11237348.50 and Input VAT of Rs. 701281.20 related to year 2013-14 recorded in year 2012-13. The closing stock for the year 2012-13 has also increased to that effect and hence there is no change in gross profit. This change in accounting policy has been done as it would result in more appropriate presentation of financial statement.
- (ii) During the year as per decision taken by the management, the software module is to written off in 5 years whereas previously it was depreciated @ 40% on WDV. Due to change of policy excess depreciation of Rs. 340784/- related to previous years is charged in current year and shown in prior period Expenses in profit and loss account.
- (iii) Use of estimates:-

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affects the reported amounts of revenues, expenses, assets & liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and action, actual results could differ from these estimates.

4. Fixed Assets & Depreciation:

- a) Fixed Assets: - The Gross Block of Fixed Assets is stated at cost of acquisition including any cost attributable to bringing the Assets to their working condition for the intended use. The Net Block is stated at cost less accumulated depreciation.
- b) Depreciation: - Depreciation on Fixed Assets is provided on W.D.V. method as per the rates specified in schedule XIV of the Companies Act 1956. Depreciation in respect of additions is charged proportionately for the period from the date of its addition.

Depreciation on assets, where actual cost does not exceed Rs. 5,000/- are depreciated 100% in the year of purchase itself.

Installation of Software module is to be written off in 5 years equal instalments.

5. Personnel:

The Corporation has all personnel's deputed from the Govt. of Rajasthan/State PSU's. The Corporation has made remittances towards Pension Contribution, Provident Fund, Gratuity, State Insurance & Other contributions to the respective Departments/Parent Organizations in respect of the above personnel's.

6. Retirement Benefits:

As per the policy of Corporation all personnel are on deputation and are not recruited by Corporation hence, there will not be any liability relating to retirement of the personnel. However the Pension contribution of Govt. employees on deputation is remitted to the Director Pension as per direction of State Government.

7. Taxation

a) Provisions for Current Tax is made after taking into consideration benefit admissible under the provisions of the Income Tax Act, 1961, if any.

b) Deferred Taxation:

Deferred Tax resulting from "Timing differences" between books and taxable profits accounted using the Tax Rates and Laws that have been enacted or substantively enacted on the balance sheet date. Deferred tax assets are recognized only if there is a reasonable certainty that they will be realized.

8. Deferred Revenue Expenditure:

Expenditure on building renovation is considered as deferred revenue expenditure & written off in the five years beginning with the year of its incidence.

9. Provisions, Contingent Liabilities & Contingent Assets

a) Provisions are recognized when the company has a present legal obligation, as a result of past events, for which it is probable that an outflow of resources will be required to settle the obligation and a reliable estimation can be made form the amount of obligation.

b) Contingent Liabilities are not recognized but are disclosed in the notes to accounts, disputed demands in respect of Income Tax ,Service Tax, TCS, Vat etc. are disclosed as contingent liabilities. Payments in respect of such demands, if any is shown as advance, till the final outcome of the matter.

c) Contingent assets are not recognized but are disclosed in the notes to accounts.

B. Others**1. Nature of Operation**

Rajasthan State Beverage Corporation Limited (RSBCL) has been incorporated as a Public Limited Company by the Government of Rajasthan with the object to control Liquor sales in the State of Rajasthan. RSBCL enjoys special privilege under the provisions of the Rajasthan Excise Act meaning thereby RSBCL has exclusive rights of wholesale Liquor trade in the State of Rajasthan for which it also pays "Privilege Fees" to the Government of Rajasthan as per the Excise Policy. The operations of RSBCL are directed by LSP (Liquor Sourcing Policy) as framed from year to year. LSP for the current year 2012-13 is as per Circular No RSBCL/LSP/2012-13/6394 dated 06.03.2012.

2. Procedure of Sourcing & Selling of Liquor

Manufacturer/supplier places an offer to supply liquor based on the demand prevailing in the respective locations. Thereafter, an order for supply (OFS) is issued to the manufacturer/supplier. Goods invoiced and supplied against OFS are stored in the depots of the Corporation. However, risk reward of such stocks vest in the supplier, though RSBCL gets such stocks insured at its own cost. Manufacturer/ suppliers undertake the responsibility for creating demand for the goods supplied to the Corporation. Payment for the stocks supplied by the Manufacturer/ Suppliers is made only after such stocks are sold. Stocks remaining unsold after a specified period are subject to levy of Inactive Stock Penalty charges or margin on drain out/return to distilleries at rates specified in the LSP. This income is recognized in the books of accounts of RSBCL.

3. Method of Accounting

Goods are received against OFS at depots located across the state which is accounted for at respective depot locations on designated software after adjusting the respective transit losses /shortages. Applicable Input Tax Credit (Rajasthan VAT), if any, is availed on such purchase as per the rules of Rajasthan VAT Act 2003 and Purchases are recognized in Profit & Loss Account excluding Rajasthan VAT. Goods are sold as per the guidelines of LSP. Both purchases and sales are accounted for and recognized in P&L excluding VAT for which setoff is claimed as per Rajasthan VAT Rules. Records of individual sales, purchases, stock are kept and accounted for at respective depots, however financial accounting is done and records are kept at Head Office in Jaipur. Valuation of Stock in Hand at the year end is done in accordance with Point No 2(ii) Method of Accounting of Significant Accounting Policies

4. **Method of Accounting vis-à-vis LSP**

The method of accounting, ownership of goods, income and expense recognition followed varies with the rules, regulations, procedures enumerated in the LSP. The details are as under:-

(a) **Purchases:** Up to 2011-2012 purchases were recognized on MIS Basis as per MIS Date accounted for in the books of accounts. From year 2012-2013 purchases have been recognized on Invoice Basis as per Invoice Date . Due to this change in Accounting Purchase of Rs.11237348.50 and Input VAT of Rs.701281.20 related to year 2013-14 recorded in year 2012-13

(b) **Stock in hand as on 31.03.2013:** Like previous financial year stock in hand at the end of the year valuing Rs1620363981.98 has been accounted for in the books of accounts and included in the preparation of the financial statement.

5. **Inactive Stock Penalty:-**RSBCL has recovered Inactive Stock Penalty charges of Rs. 42851635.08 as provided in the LSP.

The Calculation of Income from inactive stock penalty has been taken as per the Inactive Stock Penalty module in the Integrated Excise Management System software. The inactive stock penalty has been calculated on case boxes including bottles as per LSP. The age of the stock available on 1 April 2012 has been calculated on weighted average basis. Thereafter age of stock during the year has been calculated on actual basis.

a) (i) Uncertain income of Inactive stock penalty of Rs. 1795599.23 not recoverable from 10 parties of current year and Rs. 1307236/- not recoverable from 8 parties related to previous years has not been accounted for in current year because recovery from such parties are uncertain and income not account for in comply with AS-9 relating to Revenue Recognition.

(ii) A sum of Rs. 353265.46 on account of Inactive Stock Penalty Charges (Income) up to the financial year 2012-13 pertaining to M/s Rajasthan State Ganganagar Sugar Mills Ltd (Supplier) has been waived off as earlier decision taken by the Board of Directors of RSBCL on the grounds that RSGSM has requested that production and marketing of royal heritage liquor is not just on a commercial project rather an attempt for the project diversification and constructive attempt to revive old receipts of erstwhile status, of Rajasthan which promotes tourism in state of Rajasthan.

6. Entry for sales, purchase, inventory, other income (Inactive Stock Penalty, RSBCL margin) is done in the accounting software (Tally) on the basis of reports generated by the **Integrated Excise Management System** software.
7. Privilege Fee of Rs. 19.00 Crores and License Fee of Rs. 43,75,00,000/- and application fees of Rs. 3,90,000/- also paid to the Government of Rajasthan during the year 2012-13.
8. The break up of Provision for Doubtful Debts of Rs. 3386083.22 is as under:-
 - i. Recoveries due from retailers for years 2006-2007:- Rs. 5,02,471.32
 - ii. Recoveries due from retailers for years 2007-2008:-Rs 4,87,340.70
 - iii. Composition Tax due from Retailers for the year 2009-2010:- Rs. 594574.89.
 - iv. Unrecovered Inactive Stock Penalty from Suppliers for the year 2007-2008:- Rs. 10,06,987.72
 - v. Unrecovered Inactive Stock Penalty on confiscated goods-Rs 1,74,113.86.
 - vi. Unrecovered Inactive Stock Penalty from Suppliers - Rs.620594.73
9. In the opinion of the Board, Current Assets, Loans and Advances have a realizable value in the ordinary course of business at least equal to the amount at which they are stated.
10. The Debit /Credit balances of Sundry Debtors, Sundry Creditors, Loans and Advances, Bank Balances are subject to reconciliation and confirmation.
11. The Company's primary (business) segment is singular viz liquor. Therefore Segment information as per Accounting Standard-17 in respect thereof is not furnished.
12. Stock in hand as on 31.03.2013 is taken at valued and as certified by the Management of the Corporation. The valuation has been done in accordance with AS-2 as issued by Institute of Chartered Accountant of India (ICAI)
13. RSBCL has awarded a contract to M/s Trimax IT Infrastructure and Services Limited for providing "Integrated Managed IT Services" in Department of Excise, Government of Rajasthan, RSBCL and RSGSM on dt. 22-06-10" the cost of which shall be borne by RSBCL and RSGSM in the ratio of 80:20 respectively. The assigned work was completed on dated 30.6.2012. The payment is to be made in 60 equal installments as per agreement w.e.f01.07.2012.

During the year as per decision taken by Board of Directors Rs. 65.68 lacs to be recovered from M/S Trimax IT as Liquidity Damage in 60 installments out of which Rs. 2021864.00 related up to current year. Rs.1501000.00 related to Fixed assets has been reduced from fixed assets and Rs.520864.00 related to expenses has been reduced from IT(FMS) expenses.

14. During the year Fire occurred at Kota depot and goods of Rs. 4,79,91,110.70 were destroyed by fire belonging to suppliers hence respective supplier accounts have been debited and the purchases are reduced to that extent. A Claim of Rs. 3.32 crore has been sanctioned recovery by National Insurance Company. The matter is under process of approval of claims. The Fixed Assets of Rs.9390 at W.D.V has destroyed in fire taken in loss by fire in the Books of Accounts and fixed assets reduced accordingly.
15. During the year corporation received refund advice of Income Tax of Rs. 4,44,99,210 for A.Y. 2011-12 & A.Y. 2009-10 and interest of Rs. 1335051.00 there on but the same is adjusted against outstanding demand but the matter is under appeal. The interest shown in Income Tax other income as Interest on I.T. Refund.

B. NOTES FOR INFORMATION:

1. Share Capital

Particulars	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Authorized share capital:		
500000 Equity Share of Rs. 100.00 each	50,000,000	50,000,000
Issued, Subscribed and Paid up		
200000 Equity Share of Rs. 100.00 each	20,000,000	20,000,000
TOTAL	20,000,000	20,000,000

1.1 Details of shareholders holding more than 5% shares of the Company as on March 31, 2013 are given below

Name of Shareholders	As at 31.03.2013		As at 31.03.2012	
	No. of Shares held	% of holding	No. of Shares held	% of holding
His Excellency Governor of Rajasthan	199,992	100.00%	199,992	100.00%

1.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31.03.2013	As at 31.03.2012
	No. of Shares	No. of Shares
Equity share at the beginning of the year	200,000	200,000
Add: Share issued on exercise of Employee Stock Options	-	-
Less: Shares cancelled on buy back of equity shares	-	-
Equity share at the end of the year	200,000	200,000

2. Reserves & Surplus

Particulars	As at 31.03.2013 (Rs.)		As at 31.03.2012 (Rs.)	
a) Capital Reserve		137,500		137,500
b) General Reserves				
Opening Balance	56,222,527		45,059,027	
Add: Reserve created during the year	29,185,721	85,408,248	11,163,500	56,222,527
c) Profit and Loss Account				
Opening Balance	-		-	
Add: Transferred from P&L A/c	31,510,171		13,487,950	
Less: Transferred to General Reserve	29,185,721		11,163,500	
Less: Interim Dividend	-		-	
Less: Proposed Dividend	2,000,000		2,000,000	
Less: Dividend Distribution Tax	324,450		324,450	
Total		85,545,748		56,360,027

3 Deferred Tax

Particulars	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Deferred Tax Assets /(Deferred Tax Liabilities)		
Opening Balance	106,874	(558433)
Add: Assets / (Liability) Created	(1361229)	665,307
Total	(1254355)	106,874

4 Other Long Term Liabilities

Particulars	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
A. Secured Loan		
B. Unsecured		
Security Deposits from M/s Trimax I.T	4,105,000	4,105,000
Total	4,105,000	4,105,000

5 Trade Payables

PARTICULARS	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
A. Creditors for Goods		
Creditors for Fixed Assets	8,367,459	12,176,503
Sundry Creditors suppliers/distilleries	3,574,703,404	2,639,127,413
Suppliers account(withheld)	190,359,080	-
VAT Payable to Suppliers	12,164,151	12,164,151
B. Creditors for Expenses		
Sundry Creditors	20,956,228	17,123,766
Total Creditors	3,806,550,322	2,680,591,833

6 Other Current Liabilities

Particulars		As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
A.	Statutory Liabilities		
	TDS Payable	1,152,849	1,493,874
	VAT Payable	837,391,763	659,275,014
	Service Tax Payable	89,772	-
	Vend Fee	456,937	3,407,922
	Permit Fee	1,152,166	10,035,572
	Special Vend Fees	1,437,779	15,296,492
	Surcharge on Fees	-	2,335
	TCS	20,241,248	37,762,582
B.	Security Deposits from Service Providers/Suppliers	16,524,995	17,772,154
C.	Other Outstanding Liabilities		
	Advance From Retailors	8,069,500	38,651,210
	Retailers Control a/c	37,777,702	28,937,137
	Bank Overdraft	7,713,931	6,480,988
	Total	932,008,642	819,115,280

7 Short Term Provisions

Particulars		As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
A)	Provision for Direct Taxes	14,256,138	6,232,168
B)	Provision for Dividend & Dividend Tax	2,324,450	2,324,450
	Total	16,580,588	8,556,618

SCHEDULE-8
FORMING PART OF THE BALANCE SHEET AS AT 31st March, 2013
FIXED ASSETS

(Amount in Rs.)

S. NO.	PARTICULAR	GROSS BLOCK			DEPRECIATION/AMORTISATION						NET BLOCK	
		As at 1st April 2012	Additions	Deduction	As at 31st March 2013	Up to 31st March 2012	For the Year	Related to Prev. Year	Deduction during year	As at 31st March 2013	As at 31st March, 2013	As at 31st March 2012
1	2	3	4	5	6	7	8	9	10	11	12	13
A.	TANGIBLES ASSETS											
1	OFFICE EQUIPMENTS											
a	Telephone Instruments	29,740	-	-	29,740	21,729	1,114	-	-	22,843	6,897	8,011
b	Mobile Instruments	246,300	18,400	-	264,700	132,458	17,594	-	-	150,062	114,638	113,832
c	Photo Copy Machine	130,639	-	-	130,639	72,707	8,058	-	-	80,765	49,874	57,932
d	Fax Machine	33,228	-	-	33,228	19,438	1,918	-	-	21,356	11,872	13,790
e	Installation of RAS	95,000	-	-	95,000	92,215	1,114	-	-	93,329	1,671	2,785
f	UPS(Batteries)	833,091	128,500	1,023	960,588	633,857	105,974	-	-	739,831	220,738	199,234
2	COMPUTER EQUIPMENTS											
a	Installation of Server	254,000	-	-	254,000	183,061	36,376	-	-	199,437	54,563	90,939
b	Computers	3,174,818	1,834,285	3,555	5,005,548	2,983,981	590,718	-	-	3,574,699	1,430,849	190,837
c	Laptop	525,076	598,748	-	1,123,824	474,507	213,139	-	-	687,646	436,178	50,569
3	FURNITURE AND FIXTURES											
4	Computer Accessories	1,252,132	45,258	3,436	1,293,954	995,608	136,740	-	-	1,132,348	161,606	256,524
5	Computer Printer	-	521,657	-	521,657	-	76,471	-	-	76,471	445,186	-
6	D.G Set	850,684	-	-	850,684	451,784	55,487	-	-	507,271	343,413	398,900
7	Electrical Appliances	619,723	15,990	-	635,713	405,380	49,799	-	-	455,179	180,534	214,343
8	Fire Fighting Equipments	599,991	123,605	-	723,596	352,551	158,645	-	-	509,196	214,400	247,440
9	Hand Plate Lorry	47,960	-	-	47,960	31,593	2,962	-	-	34,555	13,405	16,387
10	Instt. of Broad Band	50,119	-	-	50,119	47,665	982	-	-	48,647	1,472	2,454
11	Car	638,461	1,830,150	-	2,468,611	442,791	371,874	-	-	814,665	1,653,946	195,670
13	Office Equipments	249,577	9,925	-	259,502	167,539	24,774	-	-	192,313	67,169	82,038

S. NO.	PARTICULAR	GROSS BLOCK					DEPRECIATION/AMORTISATION					NET BLOCK		
		As at 1st April 2012	Additions	Deduction	As at 31st March 2013	Up to 31st March 2012	For the Year	Related to Prev. Year	Deduction during year	As at 31st March 2013	As at 31st March, 2013	As at 31st March 2012		
		3	4	5	6	7	8	9	10	11	12	13		
1	2													
14	Air Conditioners	273,687			273,687	187,740	15,556			203,296	70,391	85,947		
15	V Set	1,333,218			1,333,218	1,251,361	32,743			1,284,104	49,114	81,857		
16	Data Center	7,753,649	1,681,894	775,365	8,660,178	4,258,771	1,930,914		425,877	5,763,808	2,896,370	3,494,878		
17	Water Cooler	36,500	-		36,500	70	6,594			6,664	29,836	36,430		
18	Land with RIICO	-	7,409,012		7,409,012	-				-	7,409,012	-		
											16,817,103	6,825,901		
B.	INTANGIBLE ASSETS													
	Installation of Software	742,433	3,150		745,583	700,614	19,878			720,492	25,091	41,819		
	Installation of Software Module*	4,914,968	445,650	511,792	4,848,826	543,910	969,765	340,784		1,854,459	2,994,367	4,371,058		
											3,019,458	4,412,877		
												202,952		
C.	Capital Work in Progress	202,952												
	TOTAL	28,837,042	14,953,475	1,499,499	42,291,018	17,395,312	5,144,238	340,784	425,877	22,454,457	19,836,561	11,441,730		
	Previous year	23,748,726	9,623,852	4,535,536	28,837,042	12,389,514	4,100,003	1,063,844	158,049	17,395,312	11,441,730			

01. During the year as per decision taken by the management to confirm with AS 26 to charge depreciation on software module is to be amortised in 5 years. Due to that differences Rs.340784/- between the depreciation charged in last year and to be charged has been debited in Prior period depreciation.

02. During the year as per decision taken by the management 10% liquidity damage of Rs. 65.68 lacs charge on M/s Trimax IT Infrastructure & Service Limited. Out of which Rs.2021864/- recovered during the year. Rs. 1501000/- related to fixed assets capitalised in previous years has been reduced from Data Centre of Rs.775365/- and Rs.511792/- from installation of Software module shown in deletion and Rs.1691894 related to amount capitalised in current year shown after deducting by Rs.186877.00 and same in installation of Software Module Rs. 242698.00 related to amount capitalised in current year shown after deducting by Rs. 26966.00

03. During the year computer of Rs. 3555(WDV), installation of UPS Battery of Rs. 1023(WDV), computer accessories of Rs. 3436(WDV) and furniture of Rs. 1376(WDV) destroyed at Kota by fire shown in deletion and taken in loss by fire.

04. In previous years depreciation on Data Centre has been excess charged by Rs. 425877.00 credited in prior period income.

9 Non-current investments

Particulars	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
A) Trade Investments	-	-
B) Other Investments	-	3,000
Total		3,000

*Other investments includes NSC of RS. 3000 (last year) Pledged with Commercial Taxes Deptt has been release in current year and interest of Rs. 2061 has been account for in other income.

10 Long term loans and advances

Particulars	AS at 31.03.2013 (Rs.)	AS at 31.03.2012 (Rs.)
(a) Capital Advances;		
(b) Security Deposits;	12,686	12,686
Telephone		
(c) Other loans and advances	750,000	6,000,000
Advance Income Tax	10,000,000	10,000,000
Income Tax(Against Appeal)	10,762,686	16,012,686
Total		16,012,686

- (i) Above Income Tax include Rs. 5000000 related to F.Y. 2006-07 , Rs. 2500000 related to F.Y. 2007-08, Rs. 2500000 related to F.Y. 2008-09 deposited with Income Tax Department against the appeal filed.

11 Inventories

Particulars	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
a) Stock in trade	1,609,126,634	1,409,021,419
b) Stock-in-Transit	11,237,348	-
Total	1,620,363,982	1,409,021,419

- (i) Stock in trade (in respect of good acquired for trading) valued at cost or net realizable value whichever is lower.

12 Trade Receivables

Particulars	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Outstanding for a period exceeding 6 months		
a) Secured, Considered Good :		
b) Unsecured, Considered Good :		1,244,811
a) Doubtful	478,794	
Retailors Having Debit Balance	3,386,083	2944022
Less:Provision For Doubtful Debts	-3,386,083	-2944022
Others		
a) Secured, Considered Good :		
b) Unsecured, Considered Good :		
Total	478,794	1,244,811

13 Cash and cash equivalents

Particulars		As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
a)	Balances with Banks	10,787,877	12,598,732
b)	Cash in hand	1,246	8,493
c)	Imprest with Depott Managers	192,153	327,135
d)	Fixed Deposit with Bank	3,133,408,650	2,086,644,573
Total		3,144,389,926	2,099,578,933

Balances with Bank includes:

- (i) Fixed deposits with more than 12 months maturity of Rs NIL (Previous year : NIL)

14 Short-term loans and advances

Particulars		As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
A. Loans & Advances from related parties			
a)	Secured, Considered Good :		
b)	Unsecured, Considered Good :		
	Advance To Staff	1,283	270
B. Others			
		335,039	38,508
Total		336,322	38,778

- (i) All the above short term loans and advances are unsecured and considered good.
(ii) All the above short term loans and advances are provided to non-related parties

15 Other current assets

Particulars		As at 31.03,2013 (Rs.)	As at 31.03.2012 (Rs.)
a)	Accrued Interest on FDR	67244	37,787
b)	Prepaid Expenses	26874859	2,36,13,861
c)	TDS Refundable	42506212	2,76,28,879
d)	VAT Refundable	4,28,069	-
TOTAL		6,98,76,384	5,12,80,527

- (i) All the above short term loans and advances are unsecured and considered good.
(ii) All the above short term loans and advances are provided to non-related parties

16 Contingent liabilities and commitments (to the extent not provided for)

Particulars		As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
(i) Contingent Liabilities			
(a)	Claims against the Company not acknowledged as debt	97,19,18,749	78,18,00,000
(b)	Guarantees		
(c)	Other money for which the Company is contingently liable		
(ii) Commitments			
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for		
(b)	Uncalled liability on shares and other investments partly paid		
(c)	Other commitments		
TOTAL		97,19,18,749	78,18,00,000

- (a) The claims not accepted and not provided: A claim of Rs. 8.92 lacs raised by one of the contractors Ms. Anu Gupta is pending for decision before the Honble high Court, Jaipur
- (b) The Commissioner of central Excise Jaipur -I show-caused and raised a demand of Rs. 52125843.00 as service tax on the gross margin under the service tax category business Auxiliary services up to August 2007. On Appeal of RSBCL, the service tax tribunal, New Delhi has decided the case in favour of Commissioner of Central Excise Jaipur-I. RSBCL filed all appeal in the double bench of Raj. High Court which has been admitted and the matter is sub judice.
- (ii) A show cause notice regarding service tax (excluding interest) on the gross margin for the period from September 2007 to march 2011 amounting to Rs. 12.58 crore has not been provided for in the books of accounts as the matter of applicability of service tax on the business of RSBCL has sub judice with double bench of Rajasthan High Court.
- (c) Rs. 273.19 lacs for demand raised by the Excise Department towards late payments for which we have made representations with the Department of Finance for deletion of above demand As per the advice of Finance (Excise) Department Rajasthan, RSBCL has requested to Commissioner Excise Department to waive the interest on late deposition of Permit fee/Vend fee U/s 30AA of the Rajasthan Excise Act, 1950.
- (b) **Income Tax:**
- (i) **Assessment year 2006-2007:** The Income Tax Department has raised a demand of Rs. 5,33,41,990/- for the Assessment Year 2006-07 disallowing expenditure of Privilege Fee on the ground that the same is an expenditure of Capital nature. Later, the C.I.T. (Appeals) II has decided the mater in favour of RSBCL and turned down the demand of Rs. 5,33,41,990/-. The Income Tax Department went into appeal in the same matter with the ITAT, Jaipur Bench "B" Jaipur. However the ITAT has dismissed the appeal of the income Tax Department and has decided the case in favour of RSBCL RSBCL has deposited a sum of Rs. 50 Lacs with the income tax Department for the relevent year.
- (ii) **Assessment Year 2007-2008:-** For the assessment year 2007-2008 expenditure of privilege fee has been disallowed by treating it as an expenditure of capital Nature and the assessing authority has raised a demand of Rs. 6,70,20,550/-. RSBCL has gone into appeal and CIT (Appeal) has decided the case in favour of RSBCL by allowing privilege fee as Revenue Expenditure. However, both RSBCL as well as the Income Tax Department have gone into appeal with the ITAT Jaipur on different grounds. The ITAT has been dismissed the appeal of Income Tax and has decided the case in favour of RSBCL However, both RSBCL as well as Income Tax Department gone into appeal in Hon'ble High Court of Rajasthan Jaipur Bench on different grounds. RSBCL has deposited a sum of Rs. 25 Lacs with the income tax Department for the relevent year.
- (iii) **Assessment Year 2008-2009 :-** For the assessment year 2008-2009 expenditure of privilege fee has been disallowed by treating it as an expenditure of capital Nature and the assessing authority has raised a demand of Rs. Rs. 9,19,86,159/-. The CIT Appeal has been decided the matter in favour of RSBCL and turned down the demand of Rs. 9,19,86,159/-. However, both RSBCL as well as Income Tax Department gone into Appeal in ITAT Jaipur Bench "B" Jaipur on different grounds RSBCL has deposited a sum of Rs. 25 Lacs with the income tax Department for the relevent year.
- (iv) **Assessment Year 2009-2010:-** In Assessment Year 2009-2010 Income Tax Department again raised a demand of Rs. 11,78,88,170/- disallowing expenditure of Privilege Fees on the ground that the same is on expenditure of capital nature. The CIT Appeal has been

decided the matter in favour of RSBCL and turned down the demand of Rs. 11,78,88,170/- . However, both RSBCL as well as Income Tax Department gone into Appeal in ITAT Jaipur Bench "B" Jaipur on different grounds. (RSBCL went on appeal on the issue of Permit fees and Surcharge and issue of unreconciliation bank balance written off.)

- (v) **Assessment Year 2010-11 :-** In Assessment Year 2010-2011 Income Tax Department again raised a demand of Rs. 26,10,31,330/- disallowing expenditure of Privilege Fees on the ground that the same is on expenditure of capital nature RSBCL gone into appeal with CIT (Appeals) Jaipur
- (vi) **Assessment Year 2011-12 :-** For Assessment Year 2011-12 RSBCL has received notice for Assessment. Assessment Proceeding is in progress with Dy. Commissioner, Income Tax (Circle-6) Jaipur.
- (vii) **TCS Demand :-** RSBCL Received a notice from ITO, TDS-2 Jaipur for liability of TCS Rs. 17,13,94,950/- for the Assessment Year 2011-12. RSBCL gone into appeal in Hon'ble High Court of Rajasthan Jaipur Bench, Jaipur. The amount of Demand was pertains for short deduction due to wrong PAN of Licencees, short payment and late payment interest. After filing appeal Income Tax Authorities discussed about notice and they told to correct the returns as much as possible. RSBCL furnished corrected returns and deposited Rs. 2,73,790.00 for late payment interest.
- (viii) The Income-Tax assessments of the company have been completed up to assessment year 2010-2011. Based on the decision the Appellate authorities end the interpretations of other relevant provisions, the company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.
- (e) Pay fixation as per Rajasthan Civil Service (Revised pay rules 2008) pertaining to one from Rajas Sangh and one from Panchayati Raj has not been provided for in the books of accounts since the respective department have not been done in their parent Departments
- (f) **Demurrage Calculation Module** charges of Rs. 100000.00 not handed over to M/s Trimax IT Infrastructure and Services Limited which was prepared by them and matter is under discussion.
- (g) **VAT Assessment year 2010-11 :** The Dy. Commissioner Commercial Taxes Department has raised a demand of Rs. 1580967.00 for interest. Against this RSBCL filed an appeal for waive this amount U/s 51 of RVAT.
- (h) **Liability pertaining to following court cases not been accounted for in the books of accounts:**
- (i) Rs. 5.58 Lacs Suit filed by Ms. Saraswati Devi against RSBCL demanding compensation for the death of her husband with Labour Commissioner-compensation, Sawai Madhopur.
 - (ii) Rs. 4.37 Lacs Suit filed by M/s Rahul Batala (Retailer) for his balance Outstanding recoverable from RSBCL with Additional Civil Judge, Kota
 - (iii) Rs. 1.69 Lacs Appeal Filed by RSBCL in Rajasthan High Court Jaipur Bench Against the decision of District Judge city Sawai Madhopur deciding the case in favour of Mrs. Munni Devi pertaining to her claim of godown rent of Sawai Madhopur Depot As per the decision RSBCL also deposited amount of Rs. 168795 to the District Judge, Sawai Madhopur .

Contingent Assets

- (a) Shortage of material to Rs. 52.86 Lacs was noticed at Jaipur (Sikar Road) Depot in the year 2006-07. After effecting recovery the present outstanding amount is Rs. 48.23 Lacs, in respect of which FIR has been lodged against the persons responsible and challan has been filed by the Police U/S IPC in Court (Chornu). The matter is still pending.

17. Revenue from operations

Particulars		FY2012-13 (Rs.)	FY2011-12 (Rs.)
a)	Sale of products	31,221,211,142	25,723,985,873
TOTAL		31,221,211,142	25,723,985,873

18 Other Income

Particulars		FY2012-13 (Rs.)	FY2011-12 (Rs.)
a)	Interest on Bank Deposit	139,080,018	116,528,640
b)	Inactive stock penalty	42,851,635	38,680,642
c)	Other non-operating income	7,903,511	7,863,672
d)	Interest on NSC	2,061	-
e)	Interest on I.T. Refund	1,335,051	-
TOTAL		191,172,276	163,072,954

19 Change in Inventories

Particulars		FY2012-13 (Rs.)	FY2011-12 (Rs.)
a)	Stock in trade	(211342563)	(276308733)
TOTAL		(211342563)	(276308733)

20 Details of opening, purchase, sales, closing stock:

Quantitative information regarding Opening and Closing stock:-

Traded Goods :

Particulars	Nature of goods	Qty (in Bottles)	Amount (in Rs.)
Opening Stock	IMFL/FMFL	11,431,772	1,409,021,418.57
	BEER	9,679,642	
Purchases	IMFL/FMFL	337,361,118	30,816,728,950.11
	BEER	232,464,089	
Sales	IMFL/FMFL	335,079,871	31,221,211,141.94
	BEER	232,011,241	
Closing Stock	IMFL/FMFL	13,713,019	1,609,126,633.48
	BEER	10,132,490	
Goods in Transit	IMFL/FMFL	138,498	11,237,348.50
	BEER	100,519	

21 Employee benefit expense

Particulars		FY2012-13 (Rs.)	FY2011-12 (Rs.)
a)	Salaries & Wages		51,052,744
b)	Bonus & exgratia	72,402,060	1,055,178
c)	Pension Contribution	1,343,368	3,328,805
d)	Medical Expenses Reimbursement	3,950,532	727,003
TOTAL		1,303,344	56,163,530

22 Depreciation & Amortised Cost

Particulars		FY2012-13 (Rs.)	FY2011-12 (Rs.)
a)	Depreciation		4,100,003
TOTAL		5,144,238	4,100,003

23. Other Expenses

Particulars		FY2012-13 (Rs.)	FY2011-12 (Rs.)
A.	Selling & Distribution Overheads		
	Travelling and Conveyance	267,006	334,695
	Honorarium	84,000	84,000
	TOTAL (A)	351,006	418,695
B.	General & Administrative Overheads		
	Rent	21,444,401	19,249,111
	Accounting Service Expenses	653,447	923,500
	Expenses on Security	13,900,500	12,974,785
	Expenses on IT Services	3,242,270	970,790
	Expenses on Outsourced Labour/Driver Payment	677,009	1,356,797
	Computer Consumables	63,379	122,491
	Entertainment Expenses	143,909	148,429
	Electricity & Water Charges	1,331,801	1,096,903
	Printing and Stationery Expenses	1,934,505	1,490,707
	Postage and Courier Expenses	101,571	78,789
	Telephone Expenses	1,734,466	1,742,317
	Bank charges	8,961	1,150
	Plantation and Nursery	208,000	507,000
	V-Set Expenses	-	4,964
	Office Expenses	1,808,499	1,007,625
	Statutory Auditors Remuneration	121,349	101,124
	Travelling Expenses of statutory auditors	25,125	21,250
	Tax Audit Fees	26,966	22,472
	Internal Audit Fees	897,675	969,052
	Advertisement and Publicity	1,013,465	1,432,609
	Legal and Professional Charges	742,542	848,039
	Insurance on stock at Depots	1,003,776	3,534,168
	Insurance of vehicles	11,457	1,648
	Running and Maintenance of Motor Vehicles	1,231,845	1,190,881
	Repairs and Maintenance of office equipments	102,479	270,282
	Privilege Fee to Govt. of Rajasthan	190,000,000	520,000,000
	License Fees to Govt. of Rajasthan	437,890,000	22,390,000
	Transportation Expenses	28,460	32,546
	Interest on TCS	-	273,790
	Provision for Doubtful Debts	482,405	-
	TOTAL (B)	680,830,262	592,763,219
	TOTAL (A+B)	681,181,268	593,181,914

24 (A) Prior Period Adjustment (Net)

Particulars	FY2012-13 (Rs.)	FY2011-12 (Rs.)
Income		
Sales	-	-
Other Income	7,213,503	5,186,174
	7213503	5186174
Expenses		
Purchase	-	-
Administrative, General Expenses	1446021	2,010,367
Interest	196231	-
Depreciation (Net)	(85093)	-
	1557159	2010367
Net Debit/(Credit) Total	(5,656,344)	(3,175,807)

(B) Extra Ordinary Items

Particulars	FY2012-13 (Rs.)	FY2011-12 (Rs.)
Loss by fire	9,390.00	-
Total (A+B)	(5646954)	(3175807)

25 Payment to Auditors

Particulars	FY2012-13 (Rs.)	FY2011-12 (Rs.)
(a) For Statutory Audit	121349	101,124
(b) For Tax Audit	26966	22,472
(c) For others services	0	
(d) For reimbursement of expenses	25125	21,250

26 Segment Reporting

As the company's business activity falls within a single segment viz. 'Alcoholic Trading Activity' and the sales substantially being in the domestic market, the disclosure requirements of the Accounting Standard (AS) 17 "Segment Reporting" as prescribed by the Companies (Accounting Standard) Rules 2006 are not applicable. However it does not have any impact on the true and fair view of the state of affairs in case of Balance Sheet and Profit and Loss Account.

27 Basic & Diluted Earnings per share (EPS) computed in accordance with Accounting Standard 20 "Earning per share" as prescribed under the Companies (Accounting Standard) Rules, 2006

	2012-13	2011-12
Profit After Tax (Rs in Lacs)	29,185,721	13,487,950
Adjusted weighted average number of shares outstanding		
Basic (In Lacs)	200,000	200,000
Diluted (In Lacs)	200,000	200,000
Earning per Share (face value Re. 1/- per share)		
Basic (Rs.)	145.93	67.44
Diluted (Rs.)	145.93	67.44

28 As per Accounting Standard 18 (AS-18) 'Related Party Disclosures', prescribed by the Companies (Accounting Standard) Rules, 2006.

(i) List of related parties and relationships:

Name of the Related Party

DR. GOVIND SHARMA

SHRI DINESH KUMAR

SHRI SHRAWAN SAWHNEY

Relationship

CHAIRMAN

M.D.

EXECUTIVE DIRECTOR

(ii) Transactions during the period with Related Parties:

S. No	Nature of Transaction	Holding company	Key Management Personnel	Subsidiary Company	Associates	Total	Outstanding as on 31.03.13
A. Profit & Loss A/c							
1	Honorarium		18,000			18,000	1,500
2	Remuneration		1,181,841			1,181,841	106,769
3	Traveling Expenses		58,491			58,491	
B. Balance Sheet							
1	Honorarium						1,500
2	Remuneration						106,769
3	Traveling Expenses						
C. Off Balance Sheet Items							

29 Trade creditors include dues to Small Industrial Undertaking. There are no Small Scale Industrial Undertaking to whom an amount of Rs. One Lac or more was payable and outstanding for more than 30 days.

30 Previous year's figures have been regrouped/rearranged wherever necessary.

As per our report of even date attached.
FOR CHATTER & CHATTER

Chartered Accountants

On behalf of the Board of Directors

Sd/-
(RAKESH CHATTER)
Partner
Membership No. 073831
Registration No.:

Sd/-
(Sharad Mehra)
G.M. (Finance)

Sd/-
(R. K. Singhal)
Co. Sec.

Sd/-
(Anoop Khinchi)
Executive Director

Sd/-
(Dinesh Kumar)
Managing Director

Place: Jaipur
Date :12/09/2013

Rajasthan State Beverages Corporation Ltd.

CASH FLOW STATEMENT (INDIRECT METHOD) FOR THE YEAR ENDED MARCH 31, 2013

Particulars	For the year ended 31.03.13	For the year ended 31.03.12
A. Cash Flow from Operating Activities	416.72	168.34
Net Profit before exceptional items & tax	51.44	41.00
Adjustments for:		
Depreciation	-	-
Misc. Expenditure written off	13.61	(6.85)
Deferred Tax Assets/Liabilities	(1,390.82)	(1,165.29)
Interest Income		
Dividend Income		
Other Non Operating Income		
Loss/(Profit) on sale of asset		
Loss/(Profit) on sale of Investment		
Finance Charges	(909.05)	(962.60)
Operating profit before working capital changes	-	-
Adjustments for:		
Short Term Borrowings	11,259.58	9,503.36
Trade Payables	1,128.93	(1,071.31)
Other Current Liabilities	80.24	(130.54)
Short Term Provisions	-	-
Current Investment	(2,113.43)	(2,763.09)
Inventories	7.66	(3.80)
Trade Receivables	(2.98)	6.33
Short Term Loans & Advances	(185.95)	(113.35)
Other Current Assets		
Increase/(Decrease) in Other Liabilities		
Increase/(Decrease) in Provisions	9,265.00	4,465.00
Cash generated from operations	52.50	22.77
Loans and Advances	(181.32)	(65.22)
Less: Direct taxes paid/deducted at source	49.33	42.40
Less: Exceptional items	9,185.51	4,464.95
Net Cash from/ (Used in) Operating Activities (A)		
B. Cash Flow from Investing Activities	(128.26)	(52.46)
(Purchase)/Sale of fixed assets	1,390.82	1,165.29
Interest received		
Dividend received		
Profit on sale of asset		
Inter Corporate Deposit to Subsidiary		
(Purchase)/ sale of Investment (Net)	0.03	
(Purchase)/ sale of Investment (Net)		
(Purchase)/ sale of Investment (Net)		
Net Cash from/ (Used in) Investing Activities (B)	1,262.59	1,112.83
C. Cash Flow from Financing Activities		
Issue of Equity Shares	-	(23.25)
Dividend Paid		
Dividend Tax Paid	0.00	0.00
Share Issue Expenses	-	(23.25)
Net Cash from/ (Used in) Financing Activities (C)	0.00	5,554.53
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	10,448.10	15,441.26
Cash & Cash Equivalents - Opening Balance	20,995.79	20,995.79
Cash & Cash Equivalents - Closing Balance	31,443.89	
Cash in Hand		3.35
Remittance in Transit including Cheques in Hand	1.93	
Balances in Banks		20,992.44
Total	31441.96	20995.79
	31443.89	

As per our report of even date attached.
FOR CHATTER & CHATTER
Chartered Accountants

On behalf of the Board of Directors

Sd/-
(RAKESH CHATTER)
Partner
Membership No. 073831
Registration No.:
Place: Jaipur
Date : 12/09/2013

Sd/-
(Sharad Mehra)
G.M. (Finance)

Sd/-
(R. K. Singhal)
Co. Sec.

Sd/-
(Anoop Khinchi)
Executive Director

Sd/-
(Dinesh Kumar)
Managing Director

REPLY OF ANNEXURE TO THE AUDITORS' REPORT (2012-13)

AUDITORS' REPORT	REPLY
<p>1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.</p> <p>(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.</p> <p>(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.</p>	<p>No comment</p> <p>No comment</p> <p>No comment</p>
<p>2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.</p> <p>(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.</p> <p>(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.</p>	<p>No comment</p> <p>No comment</p> <p>No comment</p>
<p>3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.</p>	<p>No comment</p>

Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.

No comment

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

No comment

5. a) There are no contracts or arrangements referred to in section 301 of the Act.

No comment

6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.

No comment

7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.

No comment

8. The maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act, is not applicable in our business and hence is not applicable to the Company.

No comment

9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.

No comment

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

However, the following disputed taxes/ duty/ cess are outstanding:

- Rs.5,21,25,843 for demand raised by service tax Department as the Company has gone in appeal against the department and the service tax tribunal(CESTAT) has decided the case in favour of Commissioner, Service Tax Deptt. However , RSBCL has gone in appeal against the decision of CESTAT and a stay has been granted by the DB of High Court against the demand raised by Service Tax Deptt..
- Rs.273.19 lacs for demand raised by the excise department towards late payments for which we have made representation with the Department of Finance for deletion of above demand and as per advice of Finance (Excise) Deptt. Rajasthan RSBCL has requested Commissioner ,Excise Deptt. to waive the interest on late deposition of Permit

No comment

No comment

fee/Vend fee under section 30AA of Rajasthan Excise Act, 1950.

- Rs. 17,13,94,950 for demand raised by the ITO TDS-2 for Liability of TCS for the A/y 2011-12 in which the Company has gone into appeal with the Hon'ble High Court of Rajasthan.

- The I.T. Department has raised the following demand for disallowance of Expenditure of Privilege Fees cases of which are pending with various appellates and for the Asstt year 2006-07 the ITAT has decided in our favour and the department has gone to High Court which are outstanding though we have paid a part of it for going in appeals.

- Rs 5,33,41,990 Asstt year 2006-07

- Rs. 6,70,20,550 Asstt year 2007-08

- Rs.9,19,86,159 Asstt year 2008-09

Corporation has gone into an appeal with the Hon'ble High Court against the order passed by ITO TDS-2. The amount of demand was pertains for short deduction due to wrong PAN of Licencees, short payment and late payment interest. After filing appeal Income Tax Authorities discussed about notice and they have directed to correct the returns as much as possible. RSBCL thereafter furnished corrected returns.

Regarding demands raised by the Income Tax deptt., the Corporation has gone into appeal before the Income Tax Appellate Tribunal (ITAT) and CIT (Appeals) Appeals pertaining to the year 2006-07 has been decided in RSBCL's favour by the ITAT. An appeal has been filed by I.T. Deptt in Hon'ble Rajasthan High Court.

Regarding demands raised by the Income Tax deptt., the Corporation has gone into appeal before the Income Tax Appellate Tribunal (ITAT) and CIT (Appeals) Appeals pertaining to the year 2007-08 has been decided in RSBCL's favour by the ITAT. RSBCL as well as Income Tax Department has gone into appeal in Hon'ble High Court of Rajasthan on different grounds.

Regarding demands raised by the Income Tax deptt., RSBCL as well as Income Tax Department has gone into appeal before the Income Tax Appellate Tribunal (ITAT) on different grounds.

<p>- Rs. 11,78,88,170 Asstt year 2009-10</p> <p>- Rs. 26,10,31,330 Asstt year 2010-11</p> <ul style="list-style-type: none"> The Dy. Commissioner, Commercial Tax Department has raised a demand of Rs. 15,80,967 for interest and the appeal against the same is pending. 	<p>Regarding demands raised by the Income Tax deptt., RSBCL as well as Income Tax Department has gone into appeal before the Income Tax Appellate Tribunal (ITAT) on different grounds.</p> <p>RSBCL gone into appeal with CIT (Appeals) Jaipur.</p> <p>RSBCL filed an appeal for waive this amount U/s 51 of RVAT.</p>
<p>10. The Company does not have any accumulated loss as at 31st March, 2013 and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.</p>	<p>No comment</p>
<p>11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.</p>	<p>No comment</p>
<p>12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.</p>	<p>No comment</p>
<p>13.. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company</p>	<p>No comment</p>
<p>14. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds & other Investments and hence it is not applicable.</p>	<p>No comment</p>

<p>15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.</p>	<p>No comment</p>
<p>16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.</p>	<p>No comment</p>
<p>17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.</p>	<p>No comment</p>
<p>18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.</p>	<p>No comment</p>
<p>19. The Company has no outstanding debentures during the period under audit.</p>	<p>No comment</p>
<p>20. The Company has not raised any money by public issue during the year.</p>	<p>No comment</p>
<p>21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.</p>	<p>No comment</p>

संख्या / No. _____ / / आरएसबीसी / 2012-13 / के-461 / 1418

भारतीय लेखा तथा लेखा परीक्षा विभाग

कार्यालय महालेखाकार (आर्थिक एवं राजस्व क्षेत्र लेखा परीक्षा) राजस्थान जनपथ, जयपुर - 302005

INDIAN AUDIT AND ACCOUNTS DEPARTMENT

OFFICE OF THE ACCOUNTANT GENERAL (ECONOMIC & REVENUE SECTOR AUDIT) RAJASTHAN
JANPATH, JAIPUR- 302005

दिनांक / Date 17/10/2013

प्रबन्ध निदेशक,

राजस्थान स्टेट बेवरेज कॉर्पोरेशन लिमिटेड,

'डी' ब्लॉक, वित्त भवन, जनपथ,

जयपुर।

विषय : राजस्थान स्टेट बेवरेज कॉर्पोरेशन लिमिटेड, जयपुर के 31 मार्च, 2013 को समाप्त वर्ष के लेखों पर भारत के नियंत्रक महालेखापरीक्षक की टिप्पणी

महोदय,

मुझे कम्पनी अधिनियम की धारा 619 (5) के अन्तर्गत कम्पनी की वार्षिक साधारण सभा में प्रस्तुत करने हेतु 31 मार्च, 2013 को समाप्त वर्ष के लिए राजस्थान स्टेट बेवरेज कॉर्पोरेशन लिमिटेड, जयपुर के लेखाओं पर कम्पनी अधिनियम की धारा 619 (4) के अधीन समीक्षा न करने का 'असमीक्षा प्रमाण-पत्र' (नॉन रिब्यू सर्टिफिकेट) जारी करने का निर्देश हुआ है।

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

संलग्न : उपरोक्तानुसार

भवदीय,

ह0

उपमहालेखाकार

(आर्थिक क्षेत्र लेखा परीक्षा- I)

Phone : 0141-2385431-39 * Fax : 91-141-2385230 * Email : agauRajasthan2@cag.gov.in

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

The preparation of financial statements of Rajasthan State Beverages Corporation Limited, Jaipur for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 12.09.2013

I, on behalf of the Comptroller and Auditor General of India, have decided not to review the report of the Statutory Auditors on the accounts of Rajasthan State Beverages Corporation Limited, Jaipur for the year ended 31 March 2013 and as such have no comments to make under Section 619 (4) of the Companies Act, 1956.

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

Sd/-
(S.Alok)

Accountant General
(Eco. & Rev. Sector Audit)
Rajasthan, Jaipur

Place :- Jaipur

Date :- 15.10.13

FORM OF PROXY
(SEE Section 176 (6) for the Companies Act, 1956)
RAJASTHAN STATE BEVERAGES CORPORATION LIMITED, JAIPUR

I ----- of -----
----- in the district of ----- being member / members
of the above named company hereby appoint -----
----- of ----- in the district of ----- as my
/ our proxy to vote for me / us on my our behalf at EIGHT Annual General
Meeting of the Company to which I / We belong to be held on ----- At -
----- To transact the following business and at any adjournment
thereof.

-----Signed this ----- day of Day of ----- 2013

Signature

Revenue Stamp of Re.1



राजस्थान स्टेट बेवरेजेज कॉर्पोरेशन लिमिटेड
(राज्य सरकार का उपक्रम)

प्रथम मंजिल, डी.ब्लॉक, वित्त भवन, जनपथ, जयपुर
फोन: 0141.2744233/34 * फैक्स: 0141-2744237

RAJASTHAN STATE BEVERAGES CORPORATION LIMITED
(A Unit of State Government)

1st Floor, D-Block, Vitta Bhawan, Janpath, Jaipur
Phone : 0141-2744233/34, Fax : 0141-2744237
Website : www.rajexcise.gov.in