

8th Annual Report 2019-20



**Rajasthan State Power Finance and
Financial Services Corporation Limited**

**RAJASTHAN STATE POWER
FINANCE AND
FINANCIAL SERVICES
CORPORATION LIMITED
(RSPF & FSCL)**



**8th Annual Report
2019-20**

Save Power, Save Money

Rajasthan State Power Finance and Financial Services Corporation Limited

(RSPF & FSCL)

CIN: U65923RJ2012SGC041087

Board of Directors

(as on 31.03.2020)

Chairman

Shri Niranjana Kumar Arya

Managing Director

Shri Hemanta Kumar Gera

Directors

Dr. Subodh Agarwal

Dr. Prithvi Raj

Dr. Pritam B. Yashvant

Shri Sudhir Kumar Sharma

Smt. Urmila Rajoria

Shri Ashutosh A.T. Pednekar

Registered and Administrative Office:

**RAJASTHAN STATE POWER FINANCE AND
FINANCIAL SERVICES CORPORATION LIMITED**

(RSPF&FSCL)

CIN: U65923RJ2012SGC041087

1, Bajaj Nagar Enclave, Near Gandhi Nagar Railway Station,

Jaipur (Rajasthan) – 302 015, India

Phone: +91-141-2708611

Email: rspfcl@rajasthan.gov.in, Website: <http://rspfcl.rajasthan.gov.in>

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NOTICE
of the Annual General Meeting

Notice is hereby given that the Eighth Annual General Meeting of the members of Rajasthan State Power Finance and Financial Services Corporation Limited is scheduled to be held on Wednesday, 16th December, 2020, at 4.30 PM at CR-2, Secretariat, Jaipur – 302 005 (Rajasthan) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Annual Accounts of the Company for the year 2019-20 (Balance Sheet as on 31st March, 2020, and the Statement of Profit and Loss Account for the year ended on that date, along with Notes on Accounts appended thereto) together with the Reports of Directors and Auditors thereon.
2. To confirm and approve the appointment and to fix remuneration of the Statutory Auditor of the Company for the Financial Year 2020-21.

SPECIAL BUSINESS:

3. To take note of the amount donated in RAJ. CMRF COVID-19 MITIGATION FUND and to consider and, if thought fit, to pass, with or without modification(s), following resolution as an Ordinary Resolution:

“RESOLVED THAT ex post facto approval of the members of the Company be and is hereby given for the amount of Rs. 2 crore donated to RAJ. CMRF COVID-19 MITIGATION FUND.”

By order of the Board of Directors

Dated: 24.11.2020
Registered Office:
Plot No. 1, Bajaj Nagar Enclave,
Near Gandhi Nagar Railway Station,
Jaipur



(Krati Joshi)
Company Secretary
ACS 40057

Note:

1. AN EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 RELATING TO THE SPECIAL BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING IN RESPECT OF ITEM NO. 3. IS ANNEXED HERETO AND FORMS PART OF NOTICE.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON POLL INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED HEREWITH AND, IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF 8TH ANNUAL GENERAL MEETING.
3. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
4. EVERY MEMBER ENTITLED TO VOTE AT THE MEETING, OR ON ANY RESOLUTION TO BE MOVED THEREAT, SHALL BE ENTITLED DURING THE PERIOD BEGINNING 24 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING AND ENDING WITH THE CONCLUSION OF THE MEETING, TO INSPECT THE PROXIES LODGED, AT ANY TIME DURING THE BUSINESS HOURS OF THE COMPANY, PROVIDED NOT LESS THAN THREE DAYS' NOTICE IN WRITING OF THE INTENTION TO INSPECT IS GIVEN TO THE COMPANY.

EXPLANATORY STATEMENTS U/S. 102 OF THE COMPANIES ACT, 2013:

Pertaining to the recent situation of pandemic due to COVID-19 State Government has opened a RAJ. CMRF COVID-19 MITIGATION FUND with account no. 39233225397 in State Bank of India, Jaipur, Secretariat Branch.

Keeping in view the mass suffering caused due to pandemic COVID-19 it was decided to donate an amount of Rs. 2 Crore to this fund on 27.03.2020 and an approval on file was taken from the Chairman and Managing Director of the corporation. Due to the severity of the situation and complete lockdown, matter could not be presented before the board and the members for approval. The Board took note of the same in the meeting held on 25.06.2020 and resolved that post facto approval of the same may be taken in next Annual General Meeting.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution. The relevant documents are available for inspection by the members during working hours at registered office of the company.

The Directors recommend the aforesaid resolution for post facto approval by the members.

DIRECTORS' REPORT

Dear Shareholders,

Board of Directors has great pleasure in presenting the 8th Annual Report on the business and operation of the Company together with the Audited Financial Statements of the Company for the financial year ended on 31st March, 2020 and the Reports of Independent Auditors.

Financial Results

The financial results for the year are summarized below:

(Rs. in Lakhs)

PARTICULARS	2019-20	2018-19
Income	291.14	836.49
Expenses	267.30	77.88
Net profit/(loss) for the year before taxes & provisions	23.84	758.61
Appropriation/adjustments	0.00	0.00
Previous year's adjustment (net)	0.33	0.01
Profit/(loss) for the year before tax	23.51	758.60
Less: Provision for Taxation		
- Current Year	6.63	211.93
- Earlier Year	0.00	0.00
- Deferred tax	(0.09)	(0.20)
- MAT Credit entitlement	0.00	0.00
Profit/(loss) after tax	16.97	546.86

Dividend

The Board of Directors has not recommended any dividend for the financial year ended on 31st March, 2020.

Reserves

The Company has created a reserve fund in terms of Section 45(IC) of the RBI Act, 1934 and transferred to reserve fund an amount of Rs. 3.39 Lakhs from surplus during the financial year ended on 31st March, 2020.

Resources

The Company has not applied or/and received any grant from the Government of Rajasthan in the financial year ended on 31st March, 2020 and the Company has parked its surplus funds with banks by negotiating special rate of interest for short term period and earned interest of Rs. 291.04 Lakhs. There was no outstanding loan from any Bank/Financial Institutions as on 31st March, 2020.

Net Worth

The Net Worth of the Company at the close of the current financial year (FY 2019-20) and the previous financial year (FY 2018-19) was Rs.111.14 and Rs. Rs.110.97 Crores respectively.

Details of Subsidiary, Joint Venture or Associate Companies

The Company does not have any Subsidiary, Joint Venture or Associate Company.

Brief description of the Company's working during the year

The Company has approved its Investment Policy for investment of its funds in the eligible securities on 21.11.2017. Further, to spend the amount on the CSR Activities, Company has also approved its Corporate Social Responsibility (CSR) Policy on 27.07.2017. The Credit Policy of the company has also been duly framed. Company is now offering short term working capital loans to other state PSUs.

Share Capital and Buy Back

During this financial year, there has been no change in the Authorized and Paid-up Share Capital of the Company.

Directors

The State Government has appointed following Directors during the year on the Board of the Company:

S.No.	Name of Directors	Date of Appointment
1.	Sh. Hemant Kumar Gera	23.09.2019
2.	Sh. Ashutosh A.T. Pednekar	23.09.2019

And following were ceased to be Directors from the Board of the Company:

S.No.	Name of Directors	Date of Cessation
1.	Sh. Gaurav Goyal	23.09.2019
2.	Smt. Manju Rajpal	23.09.2019

The Board places on record its sincere appreciation of the contribution made by the aforesaid Directors during their tenure as members of the Board.

Meetings of the Board of Directors

A total of 3 Board Meetings were held during the financial year 2019-20 on 30th July, 2019, 13th December, 2019 and 30th January, 2020. The names of members of the Board, their attendance at the Board Meetings are as under:

S.No.	Name of Director	Attendance during the year 2019-20
1.	Sh. Niranjan Kumar Arya	3/3
2.	Smt. Manju Rajpal	1/1
3.	Sh. Hemant Kumar Gera	2/2
4.	Dr. Subodh Agarwal	0/3
5.	Dr. Prithvi Raj	3/3
6.	Sh. Gaurav Goyal	0/1
7.	Sh. Ashutosh A.T. Pedenekar	1/2
8.	Sh. Sudhir Kumar Sharma	2/3
9.	Dr. Pritam B. Yashvant	1/3
10.	Smt. Urmila Rajoria	2/3

Audit Committee

The Company has an Audit Committee, formed pursuant to the section 177 of the Companies Act, 2013, consisting of the following ex-officio Directors of the Company as members:

1. Dr. Prithvi Raj, Secretary, Finance (Revenue), GoR and Chairman, Audit Committee
2. Dr. Pritam B. Yashvant, Commissioner, Commercial Taxes Deptt., GoR
3. Sh. Sudhir Kumar Sharma, Sp. Secretary, Finance (Expenditure), GoR

As no Independent Director has been appointed on the Board of the Company, the Committee does not consist any Independent Director.

Nomination & Remuneration Committee

The Company has a Nomination & Remuneration Committee, formed pursuant to the section 178 of the Companies Act, 2013, consisting of the following ex-officio Directors of the Company as members:

1. Dr. Prithvi Raj, Secretary, Finance (Revenue), GoR
2. Dr. Pritam B. Yashvant, Commissioner, Commercial Taxes Deptt., GoR
3. Sh. Sudhir Kumar Sharma, Sp. Secretary, Finance (Expenditure), GoR

As no Independent Director has been appointed on the Board of the Company, the Committee does not consist of Independent Director.

Corporate Social Responsibility (CSR) Committee

The Company has a Corporate Social Responsibility (CSR) Committee, formed pursuant to the section 135 of the Companies Act, 2013, consisting of the following ex-officio

Directors of the Company as members:

1. Sh. Hemant Kumar Gera, Managing Director, RSPF&FSCL and Chairman, CSR Committee
2. Sh. Sudhir Kumar Sharma, Sp. Secretary, Finance (Expenditure), GoR
3. Smt. Urmila Rajoria, Managing Director, Rajasthan Financial Corporation

As no Independent Director has been appointed on the Board of the Company, the Committee does not consist of Independent Director.

Finance Committee

The Company has a Finance Committee to examine and finalize the loan proposals, consisting of the following ex-officio Directors of the Company as members:

1. Smt. Hemant Kumar Gera, Managing Director, RSPF&FSCL and Chairman, Finance Committee
2. Sh. Sudhir Kumar Sharma, Sp. Secretary, Finance (Expenditure), GoR
3. Smt. Urmila Rajoria, Managing Director, Rajasthan Financial Corporation.

CSR Policy

As per the requirement of section 135 and schedule VII of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, Company has approved its Corporate Social Responsibility (CSR) Policy on 27.07.2017. The Company was required to spend Rs. 48,63,991/- during the financial year 2019-20

(Rs. 2,55,070 for the year 2015-16, Rs. 7,14,022 for the year 2016-17, Rs. 13,13,549 for the year 2017-18, Rs. 12,65,008 for the year 2018-19 and Rs. 13,16,342/-for the year 2019-20). The Committee proposed to spend the CSR amount of the Company towards establishment/installment of electric water heater (Geysers) at the Kasturba Gandhi Balika Vidyalayas (KGBV) which are a residential girls 'school run by the Government for the weaker sections and recommended it to the Board for their approval. The CSR Policy may be assessed on the Company's website <http://rspfcl.rajasthan.gov.in/>.

The Annual Report on CSR Activities is provided as Addendum-1 to the Board's Report.

Details of Key Managerial Personnel

In pursuance to the section 203 of the Companies Act, 2013, following were designated as KMP's of the Company as on 31st March, 2020:

S.No.	Name	Designation
1.	Sh. Hemant Kumar Gera	Managing Director
2.	Sh. Ashutosh Vajpeyi	Chief Financial Officer
3.	Ms. Krati Joshi	Company Secretary

Following ceased to be KMP of the Company during the financial year:

S.No.	Name	Designation
1.	Smt. Manju Rajpal	Managing Director

Declaration by Independent Director

No independent Directors have been appointed on the Board of the Company so far.

Extract of the Annual Return

The extract of the Annual Return in Form No. MGT-9 is annexed as **Addendum-2** to the Board's Report.

Particulars of Employees

None of the employee of the Company falls under the purview of the provisions of receipt of remuneration in excess of the limits prescribed under Section 197(12) of

the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Conservation of Energy and Technology Absorption

Disclosure of particulars in respect to conservation of energy and technology absorption are not applicable in view of the nature of the business of the Company.

Foreign Exchange Earnings & Outgo

Company has not carried out any foreign exchange transaction during the year.

Sustainable Development

Your Company's aspirations of sustaining and enhancing its long term growth plans are well balanced by its conscious commitments to society and in its principles of conducting business in a fully compliant manner. Your Company partakes in letter and spirit its intention of being a responsible corporate citizen and is committed to contribute positively in all activities pertaining to environmental protection, health, safety, energy Conservation and societal commitments while at the same time continuing to protect and enhance all stakeholders' interests.

Particulars of Loans, Guarantees or Investment u/s 186

The Company has not given loans, guarantees and made investments in terms of provisions of section 186 of the Companies Act, 2013.

Internal Financial Control System and their adequacy

The Company has adequate internal financial control system commensurate with the size of the Company.

Risk Management Policy

Your Company has appropriate risk management system in place for identification and assessment of risks, measures to mitigate them and mechanisms for their proper and timely monitoring and reporting.

Secretarial Standards:

The Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and required by the section 205 of Companies Act, 2013.

Auditors & Auditors' Report

Statutory Auditor

The Comptroller & Auditor General of India, New Delhi, appointed M/s D. P. Khandelwal & Co., Chartered Accountants, Jaipur as Auditors for auditing the accounts of the Company for the financial year ending on 31st March, 2020.

Secretarial Auditor

In compliance of the provisions of the section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Deepak Aswani & Associates, Practicing Company Secretaries, Jaipur, were appointed to conduct Secretarial Audit for the financial year ending on 31st March, 2020.

The Secretarial Audit Report for the financial year ended on 31st March, 2020 is annexed as **Addendum-3** to this Board Report.

Directors' Responsibility Statement

In pursuance to the requirement under section 134 (3) (c) of the Companies Act, 2013, your Directors report that:

1. Accounting standards were followed to the extent possible and practical in preparation of Annual Accounts for the year under review;
2. Accounting policies are applied consistently to give a true and fair view of the state of affairs of the Company as on 31st March, 2020 and of the profit for the year ended on that date;
3. Proper and sufficient care has been taken for maintenance of adequate accounting records, for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. Accounts have been prepared on a going concern concept basis; and
5. Proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

General:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Particulars of Contracts or Arrangements with related parties;
2. Details relating to deposits covered under chapter V of the Companies Act;
3. Issue of Equity Shares with differential rights as to dividend, voting rights or otherwise;
4. Issue of shares (including sweat equity shares) to employees of the Company under any scheme;
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;
6. There is no change in the nature of business of the Company;
7. There have been no material changes and commitments affecting the financial position of the Company; and
8. There have been no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

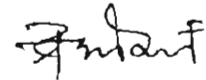
Acknowledgment

The Directors express their sincere appreciation for the co-operation and assistance received from various departments of the State and Central Government, Bankers, the Internal, Secretarial and Statutory Auditors and all the business constituents. The Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all officers and staff, resulting in successful performance of the Company year after year. The Directors also express their gratitude to the Shareholders for the confidence reposed in the Management of the Company.

For and on behalf of Board of Directors



Rajan Vishal
Managing Director
DIN: 08264855



Sudhir Kumar Sharma
Director
DIN: 02879180

Date: 05-10-2020

Place: Jaipur

Corporate Social Responsibility

Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014

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

RSPF&FSCL's CSR Policy, encompasses the Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large.

In alignment with the vision of the Company, RSPF&FSCL through its CSR initiatives and will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concern.

The CSR Policy consist the following activities for the CSR projects or programs to be undertaken:

- (1) Activities as listed in schedule VII of the Companies Act 2013:
 - (i) Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
 - (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
 - (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
 - (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
 - (v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional art and handicrafts;
 - (vi) measures for the benefit of armed forces veterans, war widows and their dependents;

- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;
- (viii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Govt.;
- (x) Rural development projects; and
- (xi) Slum area development.

(For the purposes of this item, the term 'Slum Area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force)

- (2) Contribution to Chief Minister Relief Fund, GoR and in any other Scheme/ Fund / Programme initiated by the Government of Rajasthan (Subject to if such contribution is covered under the rules of the Scheme / Fund / Programme taken up by any Govt. Deptt. for the activities of schedule VII of the Companies Act, 2013).

In accordance with requirements of the Companies Act, 2013, the Company has constituted a CSR Committee, who has recommended the CSR Policy to the Board and the approved policy is uploaded on the Company's website.

The CSR Policy may be assessed on the Company's website as stated below:

Web link: <http://rspfcl.rajasthan.gov.in/>

2. The Composition of the CSR Committee:

- i. Sh. Hemant Kumar Gera, Managing Director, RSPF&FSCL and Chairman, CSR Committee
- ii. Sh. Sudhir Kumar Sharma, Sp. Secretary, Finance (Expenditure), GoR
- iii. Smt. Urmila Rajoria, Managing Director, Rajasthan Financial Corporation

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

Average net profit: Rs. 65,81,7113

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

The Company was required to spend Rs. 13,16,342.26

5. Details of CSR spent during the financial year:

- (a) **Total amount to be spent for the financial year:** Rs. 48,63,991/- during the financial year 2019-20 (Rs. 2,55,070 for the year 2015-16, Rs. 7,14,022 for the year 2016-17, Rs. 13,13,549 for the year 2017-18, Rs. 12,65,008 for the year 2018-19 and Rs. 13,16,342/- for the year 2019-20).

(b) Amount unspent, if any: Rs. 48,63,991/-

(c) Manner in which the amount spent during the financial year:

The Company did not spend any amount on the CSR Activities.

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

The CSR Committee has recommended a CSR Proposal to the Board, to spend the CSR amount of the Company towards establishment/installment of electric water heater (Geysers) at the Kasturba Gandhi Balika Vidyalaya (KGBV) which is a residential girls' school run by the Government for the weaker sections. The Board approved the Proposal and appointed the Managing Director of the Company to look over the matter. The Company is in correspondence with Rajasthan School Education Council for deciding modalities to install the electric water heaters (geysers) in KGBVs. The Expenditure on CSR activities is under process and likely to be made in F.Y. 2020-21.

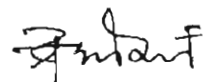
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of Board of Directors



Rajan Vishal
Managing Director
DIN: 08264855



Sudhir Kumar Sharma
Director
DIN: 02879180

Date: 05-10-2020

Place: Jaipur

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2020****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U65923RJ2012SGC041087
2	Registration Date	21/12/2012
3	Name of the Company	RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION LIMITED
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARE STATE GOVERNMENT COMPANY
5	Address of the Registered office & contact details	PLOT NO.1, BAJAJ NAGAR ENCLAVE, NEAR GANDHI NAGAR RAILWAY STATION, JAIPUR -302015 TEL. & FAX:0141-2708611
6	Whether listed company	NO
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N/A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Other financial service activities, except insurance and pension funding	649164300	100%
2			
3			

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	N/A				
2					
3					

IV SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF			-	0.00%			-	0.00%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)	-	900,000	900,000	100.00%	-	900,000	900,000	100.00%	0.00%
d) Bodies Corp.			-	0.00%			-	0.00%	0.00%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)	-	900,000	900,000	100.00%	-	900,000	900,000	100.00%	0.00%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	900,000	900,000	100.00%	-	900,000	900,000	100.00%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian			-	0.00%			-	0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh			-	0.00%			-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh			-	0.00%			-	0.00%	0.00%
c) Others (specify)									
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
Total Public (B)	-	-	-	0.00%	-	-	-	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	-	900,000	900,000	100.00%	-	900,000	900,000	100.00%	0.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Sh. Niranjana Kumar Arya(ACS, Finance)	899,930	99.99%	-	899,930	99.99%	-	-
2	Dr. Prithvi Raj (Secretary, Finance (Revenue))	10	0.0011%	-	10	0.0011%	-	-
3	Sh. Sudhir Kumar Sharma (Sp. Secretary, Finance (Expenditure))	10	0.0011%	-	10	0.0011%	-	-
4	Smt. Manju Rajpal (Secretary, Finance (Budget))	10	0.0011%	-	0	0.00%	-	-

5	Sh. Hemant Kumar Gera(Secretary, Finance (Budget))	0	0.00%	-	10	0.0011%	-	-
6	Dr. Pritam B. Yashvant (Comm., CTD)	10	0.0011%	-	10	0.0011%	-	-
7	Sh. Naresh Pal Gangwar (Secretary, Energy)	10	0.0011%	-	0	0.00%	-	-
8	Sh. Naresh Pal Gangwar (CMD, JVVNL)	10	0.0011%	-	0	0.00%	-	-
9	Sh. Kunji Lal Meena(CMD, JVVNL)	10	0.0011%	-	0	0.00%	-	-
10	Sh. Kunji Lal Meena(Secretary, Energy)	10	0.0011%	-	0	0.00%	-	-
11	Sh. Renu Jaipal(IG, Registration & Stamp)	10	0.0011%	-	0	0.00%	-	-
12	Sh. Mahaveer Prasad(IG, Registration & Stamp)	0	0.00%	-	10	0.0011%	-	-
13	Sh. Ajitabh Sharma(Secretary, Energy)	0	0.00%	-	10	0.0011%	-	-
14	Sh. Ajitabh Sharma(CMD, JVVNL)	0	0.00%	-	10	0.0011%	-	-

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			900,000	100.00%	900,000	100.00%
	Changes during the year						
1	Shares transferred from Smt. Manju Rajpal to Sh. Hemant Kumar Gera (Secretary Finance (Budget))	23.09.2019	Transfer	10	0.0011%	10	0.0011%
2	Shares transferred from Sh. Naresh Pal Gangwar to Sh. Kunji Lal Meena (CMD,JVVNL)	23.09.2019	Transfer	10	0.0011%	10	0.0011%
3	Shares transferred from Sh. Naresh Pal Gangwar to Sh. Kunji Lal Meena(Pr.Sc. Energy)	23.09.2019	Transfer	10	0.0011%	10	0.0011%

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
4	Shares transferred from Smt.Kumari Renu Jaipal to Sh. Mahaveer Prasad(IG, Stamp & Registration, Ajmer)	25.09.2019	Transfer	10	0.0011%	10	0.0011%
5	Shares transferred from Sh. Kunji Lal Meena to Sh. Ajitabh Sharma (CMD,JVVNL)	13.02.2020	Transfer	10	0.0011%	10	0.0011%
6	Shares transferred from Sh. Kunji Lal Meena to Sh. Ajitabh Sharma (Pr.Sc. Energy)	13.02.2020	Transfer	10	0.0011%	10	0.0011%
	At the end of the year			900,000	100.00%	900,000	100.00%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
2	Name			N/A		N/A	
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Sh. Niranjan Kumar Arya (ACS, Finance)						
	At the beginning of the year			899,930	99.99%	0	0.00%
	Changes during the year	No Change		0	0.00%	0	0.00%
	At the end of the year			899,930	99.99%	899,930	99.99%
2	Smt. Manju Rajpal (Secretary, Finance (Budget))						
	At the beginning of the year			10	0.0011%	10	0.0011%
	Changes during the year	23.09.2019	Transfer	10	0.0011%	0	0.00%
	At the end of the year			0	0.00%	0	0.00%
3	Dr. Prithvi Raj (Secretary, Finance (Revenue))						
	At the beginning of the year			10	0.0011%	10	0.0011%
	Changes during the year	No Change		0	0.00%	0	0.00%
	At the end of the year			10	0.0011%	10	0.0011%
4	Sh. Sudhir Kumar Sharma (Secretary, Finance (Expenditure))						
	At the beginning of the year			10	0.0011%	10	0.0011%
	Changes during the year	No Change		0	0.00%	0	0.00%
	At the end of the year			10	0.0011%	10	0.0011%
5	Sh. Hemant Kumar Gera (Secretary, Finance (Budget))						
	At the beginning of the year			0	0.00%	0	0.00%
	Changes during the year	23.09.2019	Transfer	10	0.0011%	10	0.0011%
	At the end of the year			10	0.0011%	10	0.0011%
6	Dr. Pritam B. Yashvant (Comm., CTD)						
	At the beginning of the year			10	0.0011%	10	0.0011%
	Changes during the year	No Change		0	0.00%	0	0.00%
	At the end of the year			10	0.0011%	10	0.0011%

V. INDEBTEDNESS

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

(Amt. Rs./Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL			
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	NIL			
* Reduction				
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	NIL			
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name		(Rs/Lac)
	Designation		
1	Gross salary	NIL	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other Directors			
SN.	Particulars of Remuneration	Name of Directors	Total Amount (Rs/Lac)
1	Independent Directors	N/A	
	Fee for attending board committee meetings		-
	Commission		-
	Others, please specify		-
	Total (1)		-
2	Other Non-Executive Directors		-
	Fee for attending board committee meetings		-
	Commission		-
	Others, please specify		-
	Total (2)		-
	Total (B)=(1+2)		-
	Total Managerial Remuneration		-
	Overall Ceiling as per the Act		

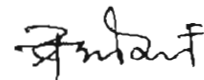
C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD					
SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		Name			
		Designation	CEO	CFO	CS
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-	-	3.94
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				-
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total				3.94

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

For and on behalf of Board of Directors



Rajan Vishal
Managing Director
DIN: 08264855



Sudhir Kumar Sharma
Director
DIN: 02879180

Date: 05-10-2020

Place: Jaipur

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2020

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

To,

The Members,
RAJASTHAN STATE POWER FINANCE AND
FINANCIAL SERVICES CORPORATION LIMITED
(CIN: U65923RJ2012SGC041087)
1, BAJAJ NAGAR ENCLAVE,
NEAR GHANDI NAGAR RAILWAY STATION, JAIPUR-302015

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "**RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION LIMITED**" (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; *(Not Applicable to the company as the company is unlisted public state government company, in which 100% shares are held by the Rajasthan State Government and there is no public shareholder)*
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; *(Not Applicable to the company as securities issued by the company are in physical form)*

DS DEEPAK ASWANI & ASSOCIATES

(COMPANY SECRETARIES)

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company as the company has not entered into such transaction during the period under review)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-**NOTAPPLICABLE**
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **NOTAPPLICABLE**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **NOTAPPLICABLE**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **NOTAPPLICABLE**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **NOTAPPLICABLE**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **NOTAPPLICABLE**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **NOTAPPLICABLE**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **NOTAPPLICABLE**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **NOTAPPLICABLE**
 - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and **NOTAPPLICABLE**
 - (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **NOTAPPLICABLE**
- (vi) Specific laws/regulations/guidelines applicable to the company as mentioned hereunder:
- i. The guideline issued by the Reserve Bank of India (RBI) in respect of Non-Banking Financial Company (NBFC)
 - ii. Prevention of Money laundering Act, 2000 (PMLA)

We have also examined compliance with the applicable clauses of the following: -

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;

DEEPAK ASWANI & ASSOCIATES

(COMPANY SECRETARIES)

- ii. The Listing Agreements entered into by the Company with Stock Exchanges. – **This clause is not applicable to the company as the company is an Unlisted Public Company.**

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

1. The Board of Company is not duly constituted, as the Company has failed to appoint Independent Directors on its Board as per the provisions of the section 149 of the Companies Act, 2013.
2. The Audit Committee, Nomination and Remuneration Committee and the CSR Committee are not properly constituted according to the provisions of the Section 177, 178 and 135 of Companies Act, 2013 respectively and rules made thereunder.
3. The Company did not hold proper Board meeting in terms of section 173 of Companies Act, 2013 and rules made thereunder.
4. The Company approved the CSR Policy of the Company and the amount to be spent on the CSR Activities. However, the Company has not spent the amount on CSR activities till effective date.
5. The Company has appointed CFO on additional charge basis. However, as per the provisions of Section 203 of Companies Act, 2013 and rules made thereunder, CFO shall be appointed on whole time basis.
6. The Company has entered into an agreement with a practicing company secretary firm to appoint/hire a Whole Time Company Secretary for the Company. However, as per the provisions of the companies act, 2013, “every whole-time key managerial personnel (i.e. whole time Company Secretary) of a company shall be appointed by means of a resolution of the board containing the terms and conditions of the appointment including the remuneration.

As per the terms of agreement entered between the Company and the Practicing Company Secretary Firm; the company is delegating the powers of appointment to the Practicing Company Secretary firm.

As per our interpretation of law, the Whole Time Company Secretary shall be appointed by the Company directly in its Board not through by delegation of its power to another person. Here the company is delegating its power to a practicing company secretary firm.

7. The company has followed properly the secretarial standards as issued by the Institute of Company Secretaries of India and as required by the section 205 of Companies Act, 2013

DS DEEPAK ASWANI & ASSOCIATES

(COMPANY SECRETARIES)

We further report that

- ✓ The changes in composition of board of directors that took place during the year under review were carried out in compliance with the provisions of the Companies Act, 2013
- ✓ The CSR amount to be spent on the CSR Activities is in the pipeline, the CSR committee of the company has recommended a proposal to the board for their approval to spend the CSR amount
- ✓ A system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- ✓ All decisions of the board and committee were carried with the requisite majority.

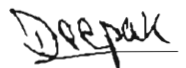
We further report that based on review of the records of the Company there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulation and guidelines.

We further report that during the Audit Report there were no specific events / actions having a major bearing on the Company's affairs.

Place: Jaipur

Date: 21.08.2020

**For Deepak Aswani & Associates
(Practicing Company Secretaries)**



**Deepak Aswani
(Proprietor)**

M No - A48024

C P No. : 17650

UDIN: A048024B000602842

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

DEEPAK ASWANI & ASSOCIATES

(COMPANY SECRETARIES)

'Annexure A'

To,
The Members,
RAJASTHAN STATE POWER FINANCE AND
FINANCIAL SERVICES CORPORATION LIMITED
(CIN: U65923RJ2012SGC041087)
1, BAJAJ NAGAR ENCLAVE,
NEAR GHANDI NAGAR RAILWAY STATION, JAIPUR-302015

Our report of even date is to be read along with this letter.

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

Place: Jaipur
Date: 21.08.2020

For Deepak Aswani & Associates
(Practicing Company Secretaries)



Deepak Aswani
(Proprietor)
M No - A48024
C P No. : 17650
UDIN: A048024B000602842

REPLIES TO THE OBSERVATIONS OF SECRETARIAL AUDIT REPORT

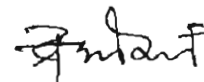
S. No.	Observation	Management Reply
1.	The Board of Company is not duly constituted, as the Company has failed to appoint Independent Directors on its Board as per provisions of the section 149 of the Companies Act,2013	Since, the company is a State Government Company the appointment of Independent Directors is to be made by the State Government. State Government had earlier decided names of 2 Independent Directors in the year 2018 but formal appointment orders could not be made due to model code of conduct of state assembly election. Corporation has again initiated process of appointment of Independent Directors.
2.	The Audit Committee, Nomination and Remuneration Committee and the CSR Committee are not properly constituted according to the provisions of the section 177,178 and 135 of the companies Act, 2013 and rules made thereunder.	Appointment of Independent Directors in the Board is under consideration.
3.	The Company did not hold proper Board Meeting in terms of section 173 of the companies Act,2013 and rules made thereunder.	The Board Meeting's were scheduled to be held according to section 173 of the Companies Act,2013 and Secretarial Standard-1 issued on the Meetings of the Board of Directors but one of the scheduled Board Meeting could not be held due to session of Rajasthan Vidhansabha, therefore, only three Board Meetings were held in a Calender year rather than four (as required by the Companies Act,2013)
4.	The Company approved the CSR Policy of the Company and the amount to be spent on the CSR activities. However, the Company has not spent the amount on CSR activities till effective date.	In the 28 th Board Meeting held on 25.06.2020, the Board decided to spend the CSR amount towards establishment /installment of electric water heater (Geysers) at the Kasturba Gandhi Balika Vidyalayas or (KGBV) which are residential girls' secondary school run by the Government for the weaker sections considering the requirement of provisions that "Company shall give preference to the local area and areas around it where it operates, for spending the amount" and appointed the Managing Director of the Company to look over the matter. The expenditure will be done in near future.

S. No.	Observation	Management Reply
5.	The Company has appointed CFO on additional charge basis. However, as per the provisions of Section 203 of the Companies Act, 2013 and rules made thereunder, CFO shall be appointed on whole-time basis.	Whole time CFO has been appointed as per provisions of the Section 203 of the Companies Act,2013 w.e.f.13.05.2020.
6.	<p>The Company has entered into an agreement with a practicing company secretary firm to appoint/hire a Whole Time Company Secretary for the Company. However, as per the provisions of the companies act, 2013, "every whole-time key managerial personnel (i.e. whole time Company Secretary) of a company shall be appointed by means of a resolution of the board containing the terms and conditions of the appointment including the remuneration.</p> <p>As per the terms of agreement entered between the Company and the Practicing Company Secretary Firm; the company is delegating the powers of appointment to the Practicing Company Secretary firm.</p> <p>As per our interpretation of law, the Whole Time Company Secretary shall be appointed by the Company directly in its Board not through by delegation of its power to another person. Here the company is delegating its power to a practicing company secretary firm.</p>	The Company has appointed Company Secretary on Whole time basis. The Board has been appraised about her appointment, remuneration paid and terms & conditions of the appointment in its Meeting. The Company has appointed the Company secretary as per requirement of the company and has fulfilled all the formalities as per the act (filling of e-form DIR-12 and e-form MGT-14) regarding the appointment and has not delegated the power to the Practicing Company Secretary Firm.

For and on behalf of Board of Directors



(Rajan Vishal)
Managing Director
DIN: 08264855



(Sudhir Kumar Sharma)
Director
DIN: 02879180

Date: 05-10-2020

Place: Jaipur

D.P. KHANDELWAL & CO.
Chartered Accountants
1stFloor, Akul Chambers
H-4, Sahkar Marg
Opp.J.P. Phatak
Jaipur 302015
Ph. No. 2741057



E mail:deshnidhi@gmail.com

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

To the Members of

Rajasthan State Power Finance & Financial Services Corporation Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the standalone financial statements of **Rajasthan State Power Finance & Financial Services Corporation Limited** ('the Company'), which comprise the Balance Sheet As at **31st March, 2020**, Statement of Profit and Loss , the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its Profit and its cash flow for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention on the following matter in the **Note 13 of Part-C of the financial statements**:

As per the supplementary audit for the financial year 2018-19, provision towards State Renewal Fund (SRF) was not made as per Note no. 13. If the provision would have been made, it would have resulted in increase in the current liability by Rs. 54 Lakhs and decrease in the profit by Rs. 54 Lacks.

Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Report, but does not include the financial statements and our auditor's report thereon. The Other information is not made available to us till the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

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

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters

related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility for the Audit of Standalone Financial Statements

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

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

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

statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(5) of the Act, we give a statement on the compliance to the directions issued by the Comptroller and Auditor General of India in the **Annexure "I"**.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Government of India in terms of Sub-Section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give a statement on the matters specified in the paragraph 3 and 4 of the said order the extent applicable to the company in the **Annexure "II"**.
3. Subject to **"Annexure-III"**, as required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) Being a Government Company, pursuant to the notification number GSR 463(E) dated 5th June 2015, issued by the Government of India; the provisions of sub section (2) of Section 164 of the Companies Act, 2013 are not applicable to the Company.
 - f) With respect to the adequacy of Internal Financial Controls over financial reporting of the company and operative effectiveness of such controls refer to our separate report in Annexure "IV". Our report expresses an unmodified

opinion on the adequacy and operative effectiveness of the company's internal financial controls over financial reporting.

- g) Being a Government Company, pursuant to the notification number GSR 463(E) dated 5th June 2015, issued by the Government of India; the provisions of sub section (2) of Section 197 of the Companies Act, 2013 are not applicable to the Company.
- h) With respect to the other matters to be included in the Independent Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.

For D.P Khandelwal & Company
Chartered Accountants
(FRN: 000155C)


Deshnidhi Gupta
(Partner)
M.N.078560

Date:05.10.2020

Place: Jaipur

UDIN:20078560AAAABI3810

“ANNEXURE I” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to our report of even date to the member of Rajasthan State Power Finance & Financial Services Corporation Limited on the accounts for the year ended 31st March 2020 as per Directions indicating the area to be examined by the Statutory Auditors issued by the Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013. We have generated this report, as per the information and explanation provided to us by the management during the course of audit.)

General Directions (Annexure A)

S.No.	Observations	Reply
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has processed all accounting transactions for the year 2019-20 on the Tally accounting software as being used by the company. (Reported on the basis of Combination of test procedures adopted by us.)
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	As informed by the Company, it has not taken any loan; hence there is no restructuring of an existing loan or cases of waiver/ write off of debts/ loans/ interest etc.
3.	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	As informed by the Company, no funds were received by company for any Specific Scheme from Central/ State Agencies.

Company/Sector Specific Directions (Sub-Directions) (Annexure "B")

S.No.	Observations	Reply
1.	Whether the company has complied with the directions issued by the Reserve Bank of India for:	
	Non-Banking Finance Companies	As informed and explained to us by the company, it has generally complied with the Directions issued by Reserve Bank of India as applicable to it relating to NBFC. However, the Company's Financial assets are not more than 50% of its total assets and the income from financial assets is not more than 50% of its total income as stipulated in certificate of registration as Non Banking Financial Institution issued by Reserve Bank of India. Further the company has not complied with the requirement of Para No. 23 of Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
	Classification of Non Performing assets	As informed and explained to us the company has complied with the Directions issued by Reserve Bank of India in relation to classification of Non-Performing Assets.
	Capital Adequacy norms for NBFCs	As informed and explained to us the company has complied with the Directions issued by Reserve Bank of India in relation to Capital Adequacy norms as applicable to Government NBFC.
2.	Comment on confirmation of balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.	The confirmation of term deposits with Bank and Bank balances were obtained. There was no cash balance as at 31.03.2020.

S.No.	Observations	Reply
3.	Whether the Bank guarantees have been revalidated in time.	As informed ,the Company has not taken any Bank guarantees during the year. Therefore not applicable to company.

For D.P Khandelwal & Company
Chartered Accountants
(FRN: 000155C)



Deshnihi Gupta
(Partner)
M.N.078560

Date:05.10.2020

Place: Jaipur

UDIN:20078560AAAABI3810

“Annexure II” to the Independent Auditor's Report

(Referred to our report of even date to the member of Rajasthan State Power Finance & Financial Services Corporation Limited on the accounts for the year ended 31st March 2020 as required by the Companies (Auditor's Report) Order, 2016 issued by the Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013)

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management at year end, as informed to us no discrepancies were noticed on such verification by the management.
- ii. As informed to us, the company is not engaged in purchase/sale of goods and not maintaining Inventory, Hence this clause is not applicable to the Company.
- iii. As explained to us, the company had not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the order is not applicable.
- iv. According to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
- v. As per information and explanations given to us, the company has not accepted any deposits from public and hence directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable to the company.

- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at reporting date for a period of more than six months from the date they became payable

- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
- viii. Based on examination of books and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
- x. Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit that causes the financial statements to be materially misstated.
- xi. Being a Government Company, pursuant to the notification number GSR 463(E) dated 5th June 2015, issued by the Government of India; the provisions of sub section (2) of Section 197 of the Companies Act, 2013 are not applicable to the Company.

- xii. The company is not a Nidhi Company hence reporting under this clause is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
- xvi. According to the information and explanations given to us, the company is already registered with the Reserve Bank of India vide registration Certificate No. B-10.00226'NBFC-ND' dated 24.07.2013 which is further renewed on 24.11.2016.

For D.P Khandelwal & Company

Chartered Accountants

(FRN: 000155C)



Deshnidhi Gupta

(Partner)

M.N.078560

Date:05.10.2020

Place: Jaipur

UDIN:20078560AAAABI3810

“ANNEXURE III” TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to our report of even date to the member of Rajasthan State Power Finance & Financial Services Corporation Limited on the accounts for the year ended 31st March 2020)

1. The Board of the company is not duly constituted as the company has failed to appoint Independent Directors on its Board as per the provision of Section 149 of the Companies Act 2013.
2. Company has approved CSR Policy in its Board Meeting but company has not spent the amount on CSR Activities from F.Y. 2015-16 till 2019-20. As per requirement of section 135 and schedule VII of Companies Act, 2013 read with companies (corporate social responsibility policy) rules 2014, company was required to spend Rs.4864000/- during the financial year 2019-20 (Rs.1316342/- in Financial year 2019-20, Rs. 1265008/- in Financial year 2018-19, Rs. 1313549/- in Financial year 2017-18 and Rs. 714022/- in Financial year 2016-17 and 255070/- in the Financial year 2015-16).

For D.P Khandelwal & Company
Chartered Accountants
(FRN: 000155C)



Deshmidhi Gupta
(Partner)
M.N.078560

Date:05.10.2020

Place: Jaipur

UDIN:20078560AAAABI3810

“ANNEXURE IV” TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to our report of even date to the member of Rajasthan State Power Finance & Financial Services Corporation Limited on the accounts for the year ended 31st March 2020)

Report on the Internal Financial Controls under Clause (i) of Sub-section (3) of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of State Power Finance & Financial Services Corporation Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

The Company has adopted the Rajasthan Service Rules, GF&AR and any other service and Financial Rules prescribing general conditions of services made by appropriate authority under the proviso to Article 309 of the Constitution of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to

an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For D.P Khandelwal & Company

Chartered Accountants

(FRN: 000155C)



Deshnidhi Gupta

(Partner)

M.N.078560

Date:05.10.2020

Place: Jaipur

UDIN:20078560AAAABI3810

RAJASTHAN STATE POWER FINANCE & FINANCIAL SERVICES CORPORATION LIMITED
(Formerly known as Rajasthan State Power Finance Corporation Ltd)
CIN: U65923RJ2012SGC041087
BALANCE SHEET
as at 31st March, 2020

Particulars	Note Part A	(In Rs.)	(In Rs.)
		As at 31.03.2020	As at 31.03.2019
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	900,000,000	900,000,000
(b) Reserves and Surplus	2	211,422,158	209,724,887
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings			
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities			
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade Payable			
(b) Other current liabilities	3	900,247	956,493
(c) Short-term provisions	4	-	10,780
Total		1,112,322,405	1,110,692,160
II.ASSETS			
(1) Non-current assets			
(a) Property, Plant & Equipment	5		
(i) Tangible assets		1,239,471	1,239,471
Less: Accumulated Depreciation		1,067,923	939,003
		171,548	300,468
(ii) Intangible assets		52,800	52,800
Less: Accumulated Depreciation		50,160	50,160
		2,640	2,640
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments			
(c) Deferred tax assets (net)		75,191	66,293
(d) Long term loans and advances		-	-
(e) Other Non Current Assets	6	5,000	5,000

Particulars	Note Part A	As at 31.03.2020	As at 31.03.2019
(2) Current assets			
(a) Cash and Bank balance			
(i) Cash and cash equivalents	7	-	-
Cash-in-Hand		-	-
Balance With Scheduled Banks & PD A/c		1,104,410,291	493,673
FDR with Scheduled Banks having maturity within 3 months		2,380,089	1,064,365,337
Accrued interest on FDR		98,932	44,651,104
(ii) Other Bank Balances			
FDR with Scheduled Banks having maturity more than 3 months		-	-
Accrued interest on FDR		-	-
(b) Short-term loans and advances		-	-
(c) Other current assets	8	5,178,714	807,645
Total		1,112,322,405	1,110,692,160

Significant Accounting Policies

Part B

Other Notes of Accounts

Part C

Notes from Part A to Part C form an integral part of Accounts

This is balance sheet referred in our report of even date.

For and on behalf of the Board of Directors



Rajan Vishal
Managing Director
DIN 08264855



Sudhir Kumar Sharma
Director
DIN 02879180



Manish Shukla
CFO



Krati Joshi
Company Secretary
ACS 40057

Signed in terms of our Report of even date attached

For D.P. Khandelwal & Co.

Chartered Accountants

FRN:000155C



(Deshniidhi Gupta)

Partner

M.No. 078560

Place: JAIPUR

Date: 05.10.2020

UDIN:20078560AAAABI3810

RAJASTHAN STATE POWER FINANCE & FINANCIAL SERVICES CORPORATION LIMITED
(Formerly known as Rajasthan State Power Finance Corporation Ltd)

CIN: U65923RJ2012SGC041087

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31st March, 2020

Particulars	Note No	(In Rs.)	(In Rs.)
		For the year ended 31.03.2020	For the year ended 31.03.2019
I. Revenue from operations	9	29,103,688	83,091,958
II. Other Income	10	11,180	557,431
III. Total Revenue (I +II)		29,114,868	83,649,389
IV. Expenses:			
Employee Benefit Expenses	11	2,616,512	3,052,292
Operating Expenses	12	1,920,815	2,069,852
Financial Costs		0	49,527
Depreciation		128,920	160,188
Other Expenses	13	22,064,273	2,456,784
Total Expenses		26,730,520	7,788,643
Prior Period Adjustments:		32,908	1505
V. Profit/ Loss before exceptional and extraordinary items and tax (III - IV)		2,351,440	75,859,241
VI. Exceptional Items			
VII. Profit/Loss before extraordinary items and tax (V - VI)		2,351,440	75,859,241
VIII. Extraordinary Items			
IX. Profit/Loss before tax (VII - VIII)		2,351,440	75,859,241
X. Tax expense:			
(1) Current tax		663,067	21,193,003
(2) Deferred tax Liability(+)/ Asset(-)		-8,898	-19,786
XI. Profit/Loss from the period from continuing operations (IX-X)		1,697,271	54,686,024
XII. Profit/(Loss) from discontinuing operations			
XIII. Tax expense of discontinuing operations			
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)			

Particulars	Note No	For the year ended 31.03.2020	For the year ended 31.03.2019
XV. Profit/(Loss) for the period (XI + XIV)		1,697,271	54,686,024
XVI. Earning per equity share:			
(1) Basic		1.89	60.76
(2) Diluted		1.89	60.76

Significant Accounting Policies

Part B

Other Notes of Accounts

Part C

Notes from Part A to Part C form an integral part of Accounts

This is balance sheet referred in our report of even date.

For and on behalf of the Board of Directors



Rajan Vishal
Managing Director
DIN 08264855



Sudhir Kumar Sharma
Director
DIN 02879180



Manish Shukla
CFO



Krati Joshi
Company Secretary
ACS 40057

Signed in terms of our Report of even date attached
For D.P. Khandelwal & Co.
Chartered Accountants
FRN:000155C



(Deshnidhi Gupta)

Partner

M.No. 078560

Place: JAIPUR

Date: 05.10.2020

UDIN:20078560AAAABI3810

RAJASTHAN STATE POWER FINANCE & FINANCIAL SERVICES CORPORATION LIMITED
(Formerly known as Rajasthan State Power Finance Corporation Ltd)
CIN: U65923RJ2012SGC041087
Cash Flow Statement


		For the year ending 31.03.2020		For the year ending 31.03.2019	
			Amount (in Rs.)		Amount (in Rs.)
A	Cash Flow from Operating Activities				
	Net Profit/Net Loss after taxes and Extra- ordinary items	1,697,271		54,686,024	
	Adjustments for:				
	Depreciation	128,920		160,188	
	Taxes	663,067		21,193,003	
	Interest on TDS	-		49,527	
	Deffered Tax Asset(-)/ Liabilities(+)	-8,898		-19,786	
	Operating profit before Working Capital Changes	2,480,360		76,068,956	
	Increase/Decrease in Current Assets (-/+)	-4,371,069		-475,120	
	Increase/ Decrease in Current Liabilities (+/-)	-67,026		105,675	
	Increase / Decrease in Other Non Current Assets (-/+)	-		4,445,379	
	Increase / Decrease in Loans & Advances (-/+)	-		-	
	Net cash from operating activities		-1,957,735		80,144,890
	Tax Paid		663,067		21,193,003
B	Cash Flow from Investing Activities				
	Acquisition of Tangible Assets	-		-133,400	
	Net cash flow from Investing Activities		-		-133,400
C	Cash Flows from Financing Activities				
	Interest on TDS	-		-49,527	
	Net cash flow from Financing Activities		-		-49,527

		For the year ending 31.03.2020		For the year ending 31.03.2019	
			Amount (in Rs.)		Amount (in Rs.)
D	Net Increase & Decrease in Cash & Cash Equivalants(A+B+C)		-2,620,802		58,768,960
E	Opening Cash & Cash Equivalants		1,109,510,114		1,050,741,154
F	Cash and Cash Equivalants at the end of year		1,106,889,312		1,109,510,114
	Balance With Scheduled Banks & PD A/c	1,104,410,291		493,673	
	FDR with Scheduled Banks having maturity within 3 months	2,380,089		1,064,365,337	
	Accrued interest on FDR	98,932		44,651,104	

For and on behalf of the Board of Directors



Rajan Vishal
Managing Director
DIN 08264855



Sudhir Kumar Sharma
Director
DIN 02879180



Manish Shukla
CFO



Krati Joshi
Company Secretary
ACS 40057

Signed in terms of our Report of even date attached
For D.P. Khandelwal & Co.
Chartered Accountants
FRN:000155C



(Deshnidhi Gupta)
Partner
M.No. 078560
Place: JAIPUR
Date: 05.10.2020
UDIN:20078560AAAABI3810

Note 1
Share Capital

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number	amount	Number	amount
Authorised				
2500000 Equity Shares of Rs.1000 each	2,500,000	2,500,000,000	2,500,000	2,500,000,000
Issued				
900000 Equity Shares of Rs.1000 each	900,000	900,000,000	900,000	900,000,000
Subscribed & Paid up				
900000 Equity Shares of Rs.1000 each	900,000	900,000,000	900,000	900,000,000
Total		900,000,000		900,000,000

Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule III to the Companies Act, 2013

Particulars	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	900000	900000000	-	-
Shares Issued during the year	NIL	NIL	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	900000	900000000	-	-

Information on Shares in the company held by each shareholder holding more than 5% of paid up equity Share

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Niranjana Kumar Arya (Addl. Chief Secretary, Finance) On behalf of H.E. The Governor of Rajasthan	899930	99.99%	899930	99.99%
Total	899930	99.99%	899930	99.99%

Note 2
Reserves & Surplus

	As On 31.03.2020	As on 31.03.2019
a. Surplus		
Opening balance	167,779,910	155,038,863
(+) Net Profit/(Net Loss) For the current year	1,697,271	54,686,024
(-) Transfer to Reserve Fund in terms of Section 45(IC) of the RBI Act, 1934	339,454	41,944,977
Closing Balance	169,137,727	167,779,910

	As On 31.03.2020	As on 31.03.2019
b. Reserve Fund in terms of Section 45(IC) of the RBI Act, 1934		
Opening Balance	41,944,977	-
(+) Current Year Transfer	339,454	41,944,977
(-) Written Back in Current Year		
Closing Balance	42,284,431	41,944,977
Total	211,422,158	209,724,887

Note 3

Other Current Liabilities

	As On 31.03.2020	As on 31.03.2019
(a) Trade payables		
(i) M. S. M. E. Creditors	-	-
(ii) Other Creditors	-	-
(b) Others		
(I) M. S. M. E. Creditors		
(a) Creditors for Expenses	54000	23,721
(b) Other payables to Consultants	30825	28,800
(II) Other Creditors for Expenses	159677	137411
(III) Other statutory payables	110076	78105
(IV) Other payables to Consultants	151811	112276
(V) Other payables for Salary & Reimbursements	173562	308197
(VI) Other payables for Audit Fees	76860	75600
(VII) Other payables for		
Internal Audit	30600	30600
Secretarial Audit	24750	22500
(VIII) Other payables for Earnest Money	27850	27850
(IX) Security Deposits	48896	67871
(X) Misc Deposits	11340	21420
(XI) Credit Balance in Current Account with SBI	0	22,142
Total	900,247	956,493

Note 4

Short Term Provisions

	As On 31.03.2020	As on 31.03.2019
Provision for Income Tax for FY 2016-17	-	10,780
Provision for Income Tax	663,067	21,193,003
Less: Advance tax and TDS as per Contra	663,067	21,193,003
Total	-	10,780

Note 5**Fixed Assets**

Fixed Assets	Gross Block			Depreciation			Net Block	
	Balance as at 1 April 2019	Additions/ (Disposals)	Balance as at 31 March 2020	Balance as at 1 April 2019	Depreciation charge for the year	Balance as at 31 March 2020	Balance as at 1 April 2019	Balance as at 31 March 2020
Tangible Assets (A)								
Furniture and Fixtures	396,421	-	396,421	320,495	20,062	340,557	75,926	55,864
Office equipment	330,214	-	330,214	216,077	49,943	266,020	114,137	64,194
Office equipment (Computers & Printers)	512,836	-	512,836	402,431	58,915	461,346	110,405	51,490
Total (A)	1,239,471	-	1,239,471	939,003	128,920	1,067,923	300,468	171,548
Intangible Assets (B)								
Tally Software	52,800		52,800	50,160	-	50,160	2,640	2,640
Total (B)	52,800	-	52,800	50,160	-	50,160	2,640	2,640
Total (A+B)	1,292,271	-	1,292,271	989,163	128,920	1,118,083	303,108	174,188

5.1 Depreciation has been charged on Written Down Value Method (WDV) based on useful life of the assets as mentioned in Schedule II of the Companies Act, 2013

Note 6**Other Non Current Asset**

Particulars	As On 31.03.2020	As on 31.03.2019
Advance to others	5,000	5,000
Total	5,000	5,000

Note 7**Cash and cash equivalents****(a) Cash in Hand**

Particulars	As On 31.03.2020	As on 31.03.2019
Cash in Hand	-	-
Total	-	-

(b) Balance with Schedule Banks

Particulars	As On 31.03.2020	As on 31.03.2019
Balance with PD a/c	1,014,925,301	10,000
Balance with IDBI bank (Current Account)	483,712	483,673
Balance with SBI bank (Current Account)	89,001,278	-
Total	1,104,410,291	493,673

(c) Balance of FDR with Scheduled Bank

	As On 31.03.2020	As on 31.03.2019
(I) FDR with banks	2,380,089	1,064,365,337
(II) Accrued interest on FDR	98,932	44,651,104
Total	2,479,021	1,109,016,441

Note 8**Other Current Assets**

	As On 31.03.2020	As on 31.03.2019
GST TDS Recoverable	2999	0
TDS Refundable (Net off provision for Income tax FY 2017-18)	332525	332525
TDS Refundable (Net off provision for Income tax FY 2018-19)	188750	475,120
TDS Refundable (Net off provision for Income tax FY 2019-20)	4654440	-
Total	5,178,714	807,645

Note 9**Revenue From Operations**

	As On 31.03.2020	As on 31.03.2019
Income from Interest on Deposits	29,103,688	83,091,958
Total	29,103,688	83,091,958

Note 10**Other Income**

	As On 31.03.2020	As on 31.03.2019
Interest on Income tax refund	-	553,931
Misc. Income	-	3,500
Provisions Written Back	11,180	-
Total	11,180	557,431

Note 11**Employee Benefit Expenses**

	As On 31.03.2020	As on 31.03.2019
Salary	2,528,988	2,973,076
Bonus & ExGratia	13,548	-
Leave Encashment	73,976	79,216
Total	2,616,512	3,052,292

Note 12**Operating Expenses**

	As On 31.03.2020	As on 31.03.2019
Consultancy Charges	1,920,815	2,069,852
Total	1,920,815	2,069,852

Note 13**Other Expenses**

	As On 31.03.2020	As on 31.03.2019
Printing & Stationery Expenses	59,997	78,730
Rent	892,080	892,080
Telephone Expenses	26,671	30,491
Charges of contract personnel	576,660	733,144
Office expenses	157,194	228,285
<u>Payment to Statutory Auditor</u>		
Statutory Audit Fees	67,260	68,440
Tax Audit Fees	17,000	14,160
Internal Audit Fees	34,000	34,000
Secretarial Audit Fees	27,500	25,000
Hiring of vehicle	91,862	258,000
Entertainment	2,022	685
Board meeting expenses	5,141	4,872
Bank Charges	2,467	519
Electricity and water charges	60,969	67,398
ROC Filing Fees	30,700	8,400
GST late filing fees	-	600
Other Professional Fees	12,750	11,980
Contribution to CMRF covid-19 mitigation fund	20,000,000	-
Total	22,064,273	2,456,784

**RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION
LIMITED**
(Formerly known as Rajasthan State Power Finance Corporation Limited)
CIN: U65923RJ2012SGC041087

Notes to the Financial Statements for the year ended 31st March, 2020

PART B SIGNIFICANT ACCOUNTING POLICIES

(A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply with all material aspects with the accounting standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.

All Assets & Liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

(B) REVENUE RECOGNITION

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Interest income is recognized on time proportion basis taking into account the amount invested and rate applicable.

(C) PROPERTY, PLANT & EQUIPMENT

Property, Plant & Equipment are stated at Historical Cost which includes cost of acquisitions, installation, direct costs and borrowing cost incurred up to the date of commissioning.

(D) DEPRECIATION

- (i) Depreciation on assets is provided for original cost of the asset reduced by its residual value estimated from time to time, as per written down value method, over the useful lives of the assets as prescribed by Schedule II to the Companies Act, 2013
- (ii) Depreciation is provided on pro-rata basis from the date of addition in which assets come into operation.
- (iii) Items of Property, Plant & Equipment costing ₹ 5,000/- or less are depreciated fully charged to the revenue after reducing its residual value in the year of purchase.

(E) GOVERNMENT GRANTS IN AID

(i) **Capital Grant**

Grants from the Governments/ non- Government or other Authorities towards capital expenditure for creation of Assets are initially shown as “Deferred Government Grants”. These will be subsequently recognized as income each year over the life of the relevant asset in proportion to Depreciation on those assets.

Government grant in the form of non monetary assets given free of cost, is recorded at the nominal value of ₹ 1 and as it is in nature of promoter's contribution, is credited to Capital Fund Reserve and treated as part of Shareholders funds.

(ii) **Revenue Grant**

Grants from the Governments/ non- Government or other Authorities towards revenue will be recognized in P&L Account under the Head “Other Income”.

(F) INVESTMENT

Investment, which is readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investment. All other investments are classified as non-current investments.

Current investments are carried in the financial statement at lower of cost or fair market value determined on an individual investment basis. Long term (Non-Current) investments are carried at cost; provision for diminution in value is made to recognize a decline other than temporary fall in the value of the investments

(G) EMPLOYEES BENEFITS

Company's contribution paid/payable during the Financial years towards the provident fund and pension is charged in the Statement of Profit and Loss.

Gratuity and Post retirement benefit related to employees which are on deputation basis are not provided for in the books of accounts because such deputed staff will be shifted to their respective departments before retirement and such liability shall be paid by the parent organisation.

Therefore, there is no long term liability regarding Retirement Benefits as per AS 15 issued by ICAI.

(H) BORROWING COST

Borrowing costs that are attributable to the acquisition and construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

(I) LEASE TRANSACTION

For assets taken on operating lease, lease rentals payable are charged to revenue.

(J) EARNING PER SHARE

Basic and diluted Earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders and weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(K) DEFERRED TAX

Income Tax provision comprises of Current Tax and Deferred Tax charge or credit. Provision for Current Tax is made on the assessable income at the tax rate applicable to the relevant Assessment Year. The Deferred Tax Asset and Liability is calculated by applying tax rate and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred Tax Assets arising mainly on account of unabsorbed depreciation under tax laws are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred Tax Assets on account of other timing differences are recognized, only to the extent, there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amount of Deferred Assets is reviewed to reassure realization.

(L) IMPAIRMENT

The Carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal as well as external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing the value in use, the estimated future Cash flows are discounted to the present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over the remaining useful life. Previously recognized impairment loss is further provided or reversed depending upon the changes in circumstances.

(M) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company recognizes provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but

probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(N) CASH AND CASHEQUIVALENTS

Cash and cash equivalents comprise of cash at bank and cash in hand. The company considers all highly liquid investments with an original maturity of three months or less from the date of purchases, to be cash equivalents.

(O) USE OF ESTIMATES

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. The difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

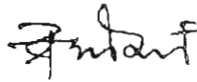
(P) CASH FLOW STATEMENT

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard – 3 on Cash Flow Statement.

For and on behalf of the Board of Directors



Rajan Vishal
Managing Director
DIN 08264855



Sudhir Kumar Sharma
Director
DIN 02879180



Manish Shukla
CFO



Krati Joshi
Company Secretary
ACS 40057

Signed in terms of our Report of even date attached
For D.P. Khandelwal & Co.
Chartered Accountants
FRN:000155C



(Deshniidhi Gupta)
Partner
M.No. 078560
Place: JAIPUR
Date: 05.10.2020
UDIN:20078560AAAABI3810

**RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION
LIMITED**
(Formerly known as Rajasthan State Power Finance Corporation Limited)
CIN: U65923RJ2012SGC041087

Notes to the Financial Statements for the year ended 31st March, 2020

PART C OTHER NOTES ON ACCOUNTS

- Note 1.** The Company was incorporated on 21st December 2012. The Company received the Certificate of Commencement of Business on 26th July 2013. The Company was established to finance the projects and schemes for generation/transmission and distribution of power. Further, the Company has changed its name from the 'Rajasthan State Power Finance Corporation Limited' to 'Rajasthan State Power Finance and Financial Services Corporation Limited' vide the cabinet order dated 12/10/2015 and amended its Memorandum of Association for including in objects, clauses enabling it to finance, lend, advance deposit and all other activities related to financing to state government and its departments and undertakings.
- Note 2.** The company got its registration as Non Banking Financing Company without accepting public deposits on 24th July 2013 under Section 45 IA of The Reserve Bank of India Act, 1934 as amended on 24th November, 2016, by the Reserve bank of India. As per the mandate, the company does not accept public deposits and it duly follows guidelines issued by the RBI from time to time. The company also follows the norms as applicable to the Non Banking Financing Companies related to Provisioning, Asset Classification, Income Recognition and Prudential norms as per the directions of Reserve Bank of India.
- Note 3.** The Company does not have more than one reportable segment. Hence no disclosure is required as per AS - 17 'Segment Reporting'.
- Note 4.** The Disclosures as required under AS-18 'Related Party Disclosures' issued by ICAI are as under:
- (i) Names of individual and Key Management personal:-
- (a) Niranjan Kumar Arya, Chairman (from 19.12.2018 to till date)
- (b) ManjuRajpal, Managing Director (From 08.05.2017 to 23.09.2019)
- (c) Hemant Kumar Gera, Managing Director (From 23.09.2019 to 12.05.2020)
- (d) Rajan Vishal, Managing Director (From 12.05.2020 to till date)

- (e) Manish Shukla, GM (Finance) & Chief financial officer (from 13.05.2020 till date)
- (f) AshutoshVajpeyi, GM (finance) & Chief financial officer (from 24.01.2019 to 13.05.2020)
- (g) Krati Joshi, Company Secretary, from (15.02.2019 to till date)
- (ii) Transactions with Related Party of Such individual and Key Management personal -Nil
- (iii) Enterprises in which any person described above has substantial interest - Nil
- (iv) Remuneration to Key Managerial Personnel

Particulars	Amount
Remuneration paid to Shri Niranjn Kumar Arya (Chairman)	Nil
Remuneration for Additional Charge to Smt Manju Rajpal (as Managing Director)	33667/- (Rs. 54,920/- in the previous year)
Remuneration for Additional Charge to Shri Hemant Kumar Gera (as Managing Director)	38268/- (Nil in the previous year)
Remuneration for Additional Charge to Shri AshutoshVajpeyi (as Chief financial officer)	Nil
Ms. Krati Joshi (CS)	Company Secretary appointed through a Company Secretary firm to whom remuneration of Rs.394500/- was paid by the company in the Financial year. (Rs. 48,000/ in previous year)

Note 5. The Net Deferred Tax Asset of Rs 75191/- (Rs 66293 for previous year) have been computed as per Accounting Standard 22 -'Accounting for taxes on Income'. The breakup of Deferred Tax Asset is given below:

S. No.	Particulars	Deferred Tax Assets/ Liabilities as on 01.04.2019 (₹)	Charged/ (Credit) during the year (₹)	Deferred Tax Assets/ Liabilities as at 31.03.2020 (₹)
(i)	Deferred Tax Assets On account of impact of Depreciation	66293	8898	75191
	Deferred Tax Assets (Net)	66293	8898	75191

Note 6. In compliance with Accounting Standard – 20 on 'Earning Per Share' issued by the ICAI, the calculation of Earning Per Share (basic and diluted) is as under:-

PARTICULARS		31.03.2020	31.03.2019
(i)	Profit/(loss) after tax	1,697,271	54686024
(ii)	Weighted Average Number of Equity Shares (Basic)	900000	900000
(iii)	Weighted Average Number of Equity Shares (Diluted)	900000	900000
(iv)	Basic EPS	(+)1.89	(+)60.76
(v)	Diluted EPS	(+)1.89	(+)60.76
(vi)	Nominal Value of Per Equity Share	1000	1000

Note 7. The information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2020. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	March 31 st , 2020	March 31 st , 2019
a. The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
-Principal amount due remaining unpaid	84825/-	52521/-
-Interest amount due remaining unpaid	Nil	Nil
b. The amount of interest paid by the buyer in terms of section 16 of the MSME Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil

Note 8. Balance of Sundry Debtors, Sundry Creditors and Advances are subject to confirmation and/or reconciliation from respective parties and its consequent effect, if any.

Note 9. As per requirement of section 135 and schedule VII of Companies Act, 2013 read with companies (corporate social responsibility policy) rules 2014, company was required to spend Rs.4863991/- during the financial year 2019-20 (Rs.1316342/- in Financial year 2019-20, Rs. 1265008/- in Financial year 2018-19, Rs. 1313549/- in Financial year 2017-18 and Rs.

714022/- in Financial year 2016-17 and 255070/- in the Financial year 2015-16). Company will spend the same in coming years.

Note 10. The company has been showing the Income received from the interest on Deposits as 'Operating Income' since previous years, however during the preparation of financial statements for the previous year, the policy was changed (on the basis of POM issued by C&AG) and the Income received from the interest on Deposits was shown as 'Other Income'. While during the supplementary audit conducted by the C&AG last year, it was accepted that the policy adopted by the Company of showing the Income as Operating Income is correct and acceptable. In view of this the Company has shown the Income received from the interest on Deposits as 'Revenue from operation'.

Note 11. The employee's contribution to various funds late deposited during the financial year 2016-17 was disallowed in tax audit report, however the same were not considered while filing the income tax return. The scrutiny assessment of the company for the Financial Year 2016-17 was completed while accepting the Income Tax return, hence, the provision of Income Tax amounting to Rs. 10,780/- is reversed in the books of accounts. Further refund, if any, receivable from the department will be accounted for in the year of receipt.

Note 12. The Company has created a Reserve Fund in terms of section 45 (IC) of the Reserve Bank of India Act, 1934. The Company has transferred 20% from the Surplus amounting to Rs.339454/- as per the requirement of the RBI Act, 1934.

Note 13. The C&AG of India had commented on the Profitability of the Company in the last year financial statements on the issue of non-provision of liability towards contribution to SRF Fund for the period 2016-17 to 2018-19 vide their report dated 20.09.2020. During the year it was observed that the nature of liability is non-statutory and it is not mandatory on the part of the Company to necessarily contribute to the Fund. The Board of the Company has decided to take up the matter to the authorities incharge of the fund.

The Company has sought justified reason as to why this Company is required to contribute to the SRF and written letter dated 22/07/2020 mentioning that the company is not having substantially appointed employee so far and is not supposed to get benefitted from such contribution.

In the reply of the letter the Authorities in charge of the fund vide letter dated 21/08/2020 has asked to clarify whether the managerial personnel appointed at the Company are substantially appointed or not.

The Company responded vide letter dated 08/09/2020 by mentioning that there is no employee substantially appointed by the Company. Hence, the provision of Contribution to SRF Fund has not been made during the financial year.

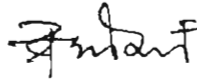
Note 14. Previous figures have been regrouped / reclassified, wherever necessary, to make them comparable to the current year's presentation.

Note 15. Figures have been rounded off to nearest Rupee.

For and on behalf of the Board of Directors



Rajan Vishal
Managing Director
DIN 08264855



Sudhir Kumar Sharma
Director
DIN 02879180



Manish Shukla
CFO



Krati Joshi
Company Secretary
ACS 40057

Signed in terms of our Report of even date attached
For D.P. Khandelwal & Co.
Chartered Accountants
FRN:000155C



(Deshnidhi Gupta)
Partner
M.No. 078560
Place: JAIPUR
Date: 05.10.2020
UDIN:20078560AAAABI3810



संख्या/No. AMG-IV/F-II/AA/RSPFC/K-32/2019-20/D-756

भारतीय लेखापरीक्षा और लेखा विभाग

कार्यालय प्रधान महालेखाकार (लेखापरीक्षा-I) राजस्थान
जनपथ, जयपुर-302 005

INDIAN AUDIT AND ACCOUNTS DEPARTMENT

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT-I) RAJASTHAN
Janpath, Jaipur- 302 005

दिनांक / Date: 07/12/2020

प्रबन्ध निदेशक,

राजस्थान स्टेट पावर फाइनेन्स एवं फाईनेन्शियल

सर्विसेस कॉरपोरेशन लिमिटेड,

प्लाट नं. 1, बजाज एन्क्लेव, गाँधी नगर रेल्वे स्टेशन के पास,

जयपुर - 302015, राजस्थान।

विषय: राजस्थान स्टेट पावर फाइनेन्स एवं फाईनेन्शियल सर्विसेस कॉरपोरेशन लिमिटेड, जयपुर के 31 मार्च 2020 को समाप्त वर्ष के लेखों पर भारत के नियंत्रक - महालेखापरीक्षक की टिप्पणियां।

महोदय,

मुझे इस पत्र के साथ कम्पनी अधिनियम की धारा 143 (6)(b) के अंतर्गत राजस्थान स्टेट पावर फाइनेन्स एवं फाईनेन्शियल सर्विसेस कॉरपोरेशन लिमिटेड, जयपुर के 31 मार्च 2020 को समाप्त वर्ष के वित्तीय विवरणों पर भारत के नियंत्रक महालेखापरीक्षक की टिप्पणियां वार्षिक आम सभा के समक्ष कम्पनी अधिनियम की धारा 143 (6) के अंतर्गत प्रस्तुत करने हेतु जारी करने का आदेश प्राप्त हुआ है।

उपरोक्त अवधि के वित्तीय विवरणों एवं लेखापरीक्षकों की रिपोर्ट की सात प्रतियां जो साधारण सभा में रखी जावें तथा स्वीकृत की जावें, कृपया इस कार्यालय को शीघ्र भिजवाने को श्रम करें।

भवदीय,

संलग्न : उपरोक्तानुसार

उपमहालेखाकार
(लेखा परीक्षा-I)

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COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH, 2020.

The preparation of financial statements of Rajasthan State Power Finance and Financial Services Corporation Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 05 October, 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Rajasthan State Power Finance and Financial Services Corporation Limited for the year ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

A. **Comments on Profitability
Statement of Profit and Loss
Employees benefit Expenses (Note-11): ₹ 26.17 lakh**

The above is understated by ₹ 0.95 lakh due to non-inclusion of pension contribution pertaining to the year 2019-20. This has also resulted in understatement of other Current Liabilities by ₹ 0.95 lakh. Consequently, Profit for the year is overstated by ₹ 0.95 lakh.

B. **Independent Auditor's Report**

Emphasis of Matter

With reference to Note 13 of part C of the financial statements, Statutory Auditor has mentioned under Emphasis of matter that

“As per the Supplementary Audit for the financial year 2018-19, provision towards State Renewal Fund (SRF) was not made as per Note No.13. If the provision would have been made, it would have resulted in increase in the current liability by Rs.54 lakh and decrease in profit by Rs.54 lakhs”.

As against the demand/ liability of Rs.60 lakh, the Statutory Auditor has only disclosed Rs 54 lakhs as liability. Further, while giving impact of this, it has not been stated by the Statutory Auditor that had the provision for Rs.60 lakhs made, the profit before tax of Rs.23.51 lakhs would have turned into loss of Rs.36.49 lakhs. The Auditor's Report is deficient to this effect.

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



(Anadi Misra)
Accountant General
(Audit-I)
Rajasthan, Jaipur

Place:- Jaipur
Date:- 07.12.2020

Important Telephone Numbers

Name	Designation	Contact No.
Shri Niranjan Kumar Arya, IAS	Chairman	0141-2227664
Shri Rajan Vishal, IAS	Managing Director	0141-2227599
Shri Manish Shukla	General Manager (Finance) cum Chief Financial Officer	0141-2708611
Shri Akul Bhargava	General Manager (System)	94140-92426
Shri Pankaj Jangid	AGM (HR/Adm.)	94606-59588
Shri Ashish Sharma	AGM (Accounts)	9928750543
Shri Girish Kumar Chelani	Manager Accounts	99280-83369
Shri Tikamchand Sharma	Manager Accounts	9460408189
Shri S. C. Soni	Chief Consultant (Administration)	94133-40787
Shri R. R. Poddar	Chief Consultant (Banking)	92140-56056
Ms. Krati Joshi	Company Secretary	97990-18659

Route Map of the Registered Office of the Company



Registered and Administrative Office:

RAJASTHAN STATE POWER FINANCE AND FINANCIAL SERVICES CORPORATION LIMITED

1, Bajaj Nagar Enclave, Near Gandhi Nagar Railway Station,
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