



**RSC INTERNATIONAL LTD.**

Tel. : 91 22-32563315 Fax : 91 22 - 28600300  
Email : rscinternational@gmail.com

Ref. No.

09<sup>th</sup> SEPTEMBER, 2014  
Date

To,  
The Manager  
Department of Corporate Services and Listing  
Bombay Stock Exchange Limited  
PJ Towers,  
Dalal Street, Fort  
Mumbai – 400 001

**Sub: Clause 31 of the Listing Agreement**  
RSC INTERNATIONAL LTD. SCRIPT CODE 530179

Dear Sir,

We are submitting herewith the Annual Report of the company alongwith notice of AGM (6 copies) in accordance with Clause 31 of the Listing agreement.

You are requested to kindly update the records and oblige.

Thanking you.

Yours faithfully,

For: RSC INTERNATIONAL Ltd.

  
Director





RSC INTERNATIONAL LIMITED

# RSC INTERNATIONAL LTD.

Tel. : 91 22-32563315 Fax : 91 22 - 28600300

Email : rscinternational@gmail.com

Ref. No. \_\_\_\_\_

Date \_\_\_\_\_

## FORM A

1.	Name of the company	RSC International Ltd
2.	Audited Financial Statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Unqualified
4.	Frequency of observation	NIL
5.	To be signed by:- <ul style="list-style-type: none"> <li>• CEO/Managing Director</li> <li>• CFO</li> <li>• Auditor of the company</li> <li>• Audit Committee Chairman</li> </ul>	

For Vimal Agrawal Associate  
 Chartered Accountants  
 Firm's Registration No. 004187C  
  
 (V K Agrawal)  
 (name of CA)



Membership No. 071627

For RSC International Ltd

Director

Place: JAIPUR  
 Date: 03-6-2014

**21<sup>st</sup> Annual Report**

**2013-2014**

**Board of Directors**

Shri Gyan Chand Jain  
**Managing Director**  
Shri Ankur Gyanchand Jain  
**Director**  
Smt. Alka Jain  
**Director**  
Shri R.P. Agarwal  
**Independent Director**  
Shri Kailash Chand  
**Independent Director**  
Shri Jitendra Bansal  
**Independent Director**

**Auditors**

Vimal Agrawal & Associates  
Opp. Rambhawan Dharmshala  
Moti Doongri Road  
Jaipur – 302 004

**Registered Office**

66, Gangwal Park  
M.D. Road, Jaipur – 302004

**Registrar of Share Transfers**

Alankit Assignments Ltd.  
Alankit House, 2E/21,  
Jhandelwala Extn., New Delhi –  
110 055  
Tel: (011) 42541234/ 23541234  
Fax: (011) 23552001  
Email: [info@alankit.com](mailto:info@alankit.com)  
Website: [www.alankit.com](http://www.alankit.com)

## Directors' Report

Dear Members,

Your directors have pleasure in presenting the 21<sup>st</sup> Annual Report of the company together with the audited statements of accounts for the year ended 31<sup>st</sup> March, 2014

### **Financial results:**

<b>Particulars</b>	<b>31.03.2014 (in lacs)</b>	<b>31.03.2013 (in lacs)</b>
Sales & Other Income	923,897	931,164
Profit before interest & depreciation	713,897	811,164
Less: Interest	-	-
Profit before depreciation	1,637,794	1,742,328
Less: Depreciation	3,678	4,770
Profit after depreciation	1,634,116	1,737,558
Provision for Income Tax	-	-
Profit after tax	279,011	565,838

### **Acceptance of deposits**

The company has not accepted any deposits from public during the year under review.

### **Disclosure of particulars with respect to conservation of energy etc:**

Necessary information required by the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 for conservation of energy, technology absorption and Foreign Exchange earnings and outgo are **NIL**.

### **Directors' responsibility Statement:**

As required under Section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm that:

- I. That in the preparation of annual accounts, the applicable Accounting Standards have been followed;
- II. That the directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair price of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- III. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. That the directors had prepared the annual accounts on a going concern basis.

**Auditors**

M/s Vimal Agrawal & Associates, Chartered Accountants, Jaipur, retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

**Personnel:**

The company has not employed any person who is in receipt of remuneration of more than Rs. 60,00,000/- for the whole year or Rs 5,00,000/- per month in the case of employment for part of the year.

**Directors**

Mr. Ankur Jain and Alka Jain, directors of the company retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

Mr. R.P. Agarwal, Mr. Kailash Chand and Mr. Jitendra Bansal, Independent Directors of the company were appointed as an Independent Directors of the company for 5 consecutive years, not liable to retire by rotation.

**Report on Corporate Governance:**

The report on Corporate Governance in accordance with Clause 49 of the Listing Agreement with the stock exchanges is attached to this report in annexure.

**For an on behalf of the  
Board of Directors**

**(G.C. Jain) (Ankur Jain)  
Mg. Director Director**

**Place: Jaipur  
Date: 05<sup>th</sup> Sep, 2014**

Registered Office:  
**66, Gangwal park,  
M. D. Road,  
Jaipur- 302004**

## **Management Discussion and Analysis**

### **Business Outlook**

The company had a weaving plant at Bhilwara but due to market conditions and stiff competition, the manufacturing unit of the company had to be closed down. The company has taken up agency business of synthetic fabrics. Company hopes to achieve good results in this line looking to the acceptance of Indian products in global market. Presently the company is doing agency business of fabrics.

### **Opportunities and Threats**

The opening of the international market has thrown a host of opportunities with unique set of challenges. The dismantling of quota system has given an added advantage and huge opportunity to India as compared to other countries including china. This is especially because viscose fiber is available in abundant quantity in India as compared to other countries. Thus, in India new designs can be introduced faster allowing Indian manufacturers to cater to the larger section of the people with a variety of color choices and designs which is not feasible for the Chinese manufacturers. This is one of the reasons that the Indian fabrics, particularly viscose suiting dominates the market as compared to the Chinese fabrics. India, therefore, has a massive edge compared to China in viscose polyester fabrics.

### **Internal Control System**

The company had the internal audit and control system to ensure that all transactions are authorised, recorded and reported correctly. The internal control system consists of comprehensive internal and external audits. The company has an Audit Committee of three directors of the company. The Audit Committee reviews the adequacy of internal control systems and findings of internal audit. Moreover, the Annual Financial Results of the company were reviewed and recommended by the Audit Committee for consideration and approval of the Board of Directors. The Audit Committee met five times during the year ended 31<sup>st</sup> March, 2014.

## **Financial Review and Analysis**

### **(a) Share Capital**

The authorised share capital of the company is Rs. 7,00,00,000/- comprising of 70,00,000 equity shares of Rs. 10/- each. The paid-up capital of the Company is Rs. 5,27,29,000/-. There was no change in the paid-up share capital and authorized capital of the Company.

### **(b) Loan funds**

No secured loan is outstanding at the year end.

**(c) Net current assets**

At the end of the current period, Current Assets of the Company as on 31.03.2014 were Rs.4,76,562 as compared to Rs. 3,75,935 as on 31.03.2013.

**(d) Sales**

During the year under review the Company has earned an income of Rs. 9,23,897/- as compared to Rs. 9,31,164/- in the year 31.03.2013.

**Human Resource Management**

Human resources are a valuable asset for any organization. The company is giving emphasis to upgrade the skills of its human resources. This is in keeping with its policy of enhancing the individual's growth potential within the framework of corporate goals.

**Cautionary Statement**

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable Securities Laws and Regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include cyclical changes and pricing in the company's principal markets, changes in government Regulations, tax regimes, economic developments within India and other incidental factors.

### **Declaration by Managing Director**

I, Gyan Chand Jain, managing director of RSC International Limited hereby declare that all the Board Members and senior managerial personnel have affirmed for the year ended 31<sup>st</sup> March 2014, compliance with the code of conduct of the company laid down for them.

### **Certificate by Managing Director**

I, Gyan Chand Jain, Managing Director of RSC International Limited, do hereby certify

1. That we have reviewed the financial statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March 2014 and that to the best of our knowledge and belief.
  - These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - These statements present a true and fair view of the company's state of affairs and are in compliance with the existing accounting standards, applicable law and Regulations.
2. That there are to the best of our knowledge and belief no transactions entered into by the company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
3. That we accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps that we have taken or purpose to take to rectify the identified deficiencies and;
4. That we have informed the auditors and the Audit Committee of;
  - Significant changes in the internal control during the year.
  - Significant changes in accounting policies during the year and that the same been disclosed in the notes to the financial statements; and
  - Instances of significant fraud of which we have become aware and the involvement therein if any of the management of and employee having significant role in the company's internal control system.

**Place: Jaipur**

**Date: 5<sup>th</sup> Sep, 2014**

**Ghyanchand Jain.  
Managing Director**



**Auditor's Certificate on Corporate Governance**

To

The Members of RSC International Ltd.

We have examined the compliance of conditions of Corporate Governance by RSC International Ltd. for the year ended 31<sup>st</sup> March, 2014, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression or opinion on the Financial Statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. We state that generally no investor grievances are pending for a period exceeding one month against the Company as per records maintained by the company. We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Vimal Agarwal & Associates,  
Chartered Accountants,**

**(V. K. Agarwal)  
Partner**

**Place: Jaipur  
Date: 5<sup>th</sup> Sep, 2014**

**REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE**

The Board has adopted and is committed to adopting its obligations under relevant Regulations and Laws, as well as relevant best practices relating to Corporate Governance. The Board believes that good governance is voluntary and self-discipline with the strongest impetus coming from directors and management itself, and ultimately leads to enhancement of value for all stakeholders. The management and organization as RSC International Limited aims to be progressive, competent and trustworthy creating and enhancing value for stakeholders and customers, while relating and respecting the best of Indian values in conduct. The Board lays significant emphasis on integrity, transparency and accountability.

**1. BOARD OF DIRECTORS**

At present, the board consists of six (6) directors, out of whom three are non-executive and independent directors.

Details of all directors are given below by category, attendance, total directorship and membership and Chairmanship of the board and committees.

Name of director	Category	Meetin g held during his/ her tenure	Meetin gs attende d	Attende d last AGM	No. of other directors hips	No. of other committee membersh ip/ chairmans hip
Mr. GyanChand Jain	Executiv e (Mg. Director)	13	13	Y	1	Nil
Mr. Ankur Jain	Executiv e	13	13	Y	1	Nil
Mrs. Alka Jain	Executiv e	13	13	Y	1	Nil
Mr. R.P.Agarwal	Independ ent	13	13	Y	1	3
Mr.Kailash Chand	Independ ent	13	13	Y	Nil	3
Mr.Jitendra Bansal	Independ ent	13	13	Y	Nil	3

- There were 13 meetings held during the year on 4.3.2013, 16.4.2013, 18.4.2013, 31.5.2013, 30.7.2013, 19.8.2013, 17.9.2013, 14.10.2013, 30.10.2013, 20.12.2013, 6.1.2014, 30.1.2014 and 20.2.2014
- Last AGM was held on 30<sup>th</sup> September, 2013 (Monday) at the Registered Office at 66, Gangawal Park, M.D Road, Jaipur-302004.

- **Appointment/re-appointment:**

- i. Mrs. Alka Jain (DIN 00498124) who retires by rotation and being eligible offers herself for re-appointment, be and is hereby re-appointed as a Director of the company liable to retire by rotation.

Name: Alka Jain

Age: 54 years

Qualification: Graduate

Expertise: Business

Other directorships: NIL

- ii. Mr. Ankur Jain (DIN 01129847) who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the company liable to retire by rotation.

Name: Ankur Jain

Age: 26 years

Qualification: Post Graduate

Expertise: Business

Other directorships: NIL

- iii. Mr. Kailash Chand (DIN 02641949) whose term expires at the ensuing Annual General Meeting be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years at the ensuing Annual General Meeting. (In pursuance of clause 49 of the Listing Agreement).

Name: Kailash Chand

Age: 53 years

Qualification: Graduate

Expertise: Finance

Other directorships: NIL

- iv. Mr. Jitendra Bansal (DIN 02292667) whose term expires at the ensuing Annual General Meeting and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years at the ensuing Annual General Meeting. (In pursuance of clause 49 of the Listing Agreement).

Name: Jitendra Bansal

Age: 38 years

Qualification: Graduate

Expertise: Business

Other directorships:

- v. Mr. R. P. Agarwal (DIN 00213186) whose term expires at the ensuing Annual General Meeting and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years at the ensuing Annual General Meeting. (In pursuance of clause 49 of the Listing Agreement).

Name: R. P. Agarwal

Age: 57 years

Qualification: Graduate

Expertise: Business

Other directorships: NIL

## **2. AUDIT COMMITTEE**

The Audit Committee of the Company comprises of three (3) directors. The Audit Committee performs the following functions:

- (a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that Financial Statements are correct, sufficient and credible.

- (b) Reviewing the efficiency of the internal control mechanism and monitors the risk management policies adopted by the Company.
- (c) Reviewing the reports furnished by the Internal and Statutory Auditors and ensures that suitable follow up actions are taken.
- (d) Examining accounting, taxation and disclosure in respect of all significant transactions.
- (e) Discuss with the Internal Auditors regarding any significant findings and follow up on such issues.
- (f) Reviewing the findings of any Internal Auditors in matters where there is suspected fraud or irregularity, or a failure of internal control system of a material nature, and then reporting such matters to the board.
- (g) Discuss with External Auditors before the Audit Committee on the nature and scope of audit as well as having post audit discussion to ascertain area of concern.
- (h) To approve unaudited quarterly Financial Results and publish the same as required in the Listing Agreement.
- (i) The information regarding the composition of Audit Committee, number of meetings attended by the members of the Audit Committee are as under:-

Sr. no.	Name of member	Position in committee	Meeting held during his tenure	Meetings attended
1	Mr. R. P Agarwal	Chairman	5	5
2.	Mr. Kailash Chand	Member	5	5
3.	Mr. Jitendra Bansal	Member	5	5

- There were 5 meetings held during the year on 4.3.2013, 31.5.2013, 19.8.2013, 30.10.2013 and 30.1.2014

### 3. SHAREHOLDERS' GRIEVANCE COMMITTEE

The committee reviewed the shareholders' grievances, their redressal and the share transfers for the year and expressed satisfaction with the same that there is no pending grievance of any investor against the company.

The information regarding the composition of Shareholders' Grievance Committee, number of meetings attended by the members of the shareholders' grievance committee are as under:-

Sr. No.	Name of member	Position in committee	Meeting held during his tenure	Meetings attended
1.	Mr. R. P Agarwal	Chairman	4	4
2.	Mr. Kailash Chand	Member	4	4
3.	Mr. Jitendra Bansal	Member	4	4

- There were 4 meetings held during the year on 4.3.2013, 31.5.2013, 30.10.2013 and 30.1.2014

#### 4. REMUNERATION COMMITTEE

The company has constituted a Remuneration Committee during the year 2003. The remuneration of the Managing / Executive Director is decided by the Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance track record of Managing / Executive Directors, macroeconomic review on remuneration packages of heads of other organization and is reported to the board.

In the last few years efforts have been made to link the annual variable pay of senior personnel with the performance of the company in general and their individual performance for the relevant year measured against specific major performance areas which are closely aligned to company's objectives.

- No meeting was held during the year of Remuneration Committee.

#### 5. GENERAL BODY MEETINGS

The details of annual general meetings held in the last 3 years are given below:

Annual General Meeting	Day and date	Time	Venue
18 <sup>th</sup> Meeting	(Friday) 30 <sup>th</sup> September, 2011	11.00 a.m	66, Gangwal Park, M.D. Road, Jaipur
19 <sup>th</sup> Meeting	Saturday 30 <sup>th</sup> September, 2012	11.00 a.m	66, Gangwal Park, M.D. Road, Jaipur

20 <sup>th</sup> Meeting	Monday 30 <sup>th</sup> September, 2013	11.00 a.m	66, Gangwal Park, M.D. Road, Jaipur
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## 6. DISCLOSURES

- a. Materially related transactions with related parties, i.e. promoters, directors or management, their subsidiaries or relatives conflicting with the company's interest. There are no such transactions.
- b. Transactions with the related parties are disclosed in point No.5 of Significant Accounting Policies in the Annual Report as required by Accounting Standards under AS 18 issued by the Institute of Chartered Accountants of India.
- c. During the last three years, no penalties or strictures have been imposed on the company by the Stock Exchanges or SEBI or any other Statutory Authorities on matters related to Capital Market.
- d. A qualified Practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL & CDSL.
- e. Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee. The company has formulated ethical practices policy in line with the Whistle Blower Policy which is a channel for receiving and redressing employees' complaints.

## 7. MEANS OF COMMUNICATION

- a. In compliance with the requirements of Listing Agreement, the Company regularly intimates unaudited as well as audited Financial Results to the Stock Exchanges immediately after are taken on record by the Board of Directors. The annual, half yearly and quarterly results are regularly submitted to the Stock Exchange in accordance with the Listing Agreement and published in newspaper(s) in compliance of the provisions of the Listing Agreement.
- b. Management Discussion and Analysis Report forms part of the Report of Directors.

## 8. General Shareholder's Information:

- (a) **Date of Book Closure:** 23.09.2014 to 29.09.2014
- (b) **Date and Venue of AGM:**  
**Date:** 30.09.2014  
**Day:** Tuesday  
**Time:** 3.00 P.M  
**Venue:** 66, Gangwal Park, M.D. Road, Jaipur
- (c) **Financial calendar (tentative and subject to change)**  
Financial reporting for the first quarter ending June 30, 2013; **30<sup>th</sup> July, 2013**  
Financial reporting for the second quarter ending September 30, 2013; **30<sup>th</sup> October, 2013**  
Financial reporting for the third quarter ending December 31 2013; **31<sup>st</sup> January, 2013**  
Financial reporting for the fourth quarter ending March 31, 2014; **30<sup>th</sup> April, 2014**
- (d) **Dividend:** No dividend being recommended by the Board of Directors during the year.
- (e) **Listing of Equity Shares in Stock Exchange:** Jaipur, Bombay and Delhi Stock Exchange
- (f) **Demat ISIN exchange number in NSDL & CDSL for equity shares:** ISIN No. INE015F01019
- (g) **Stock Exchange Code:**  
Jaipur Stock Exchange - 557  
Bombay Stock Exchange - 530179  
Delhi Stock Exchange - 18171
- (h) **Registrar and Share Transfer Agent:**

Alankit Assignments Ltd  
Alankit House, 2E/21,  
Jhandewalan Extn.,  
New Delhi-110055  
Tel:(011) 4254 1234/23541234



(i) Shareholding Pattern as on 31<sup>st</sup> March, 2014.

S. No.	Category	No. of share holders	No. of shares	% of Total
1.	Promoter and promoter Group	24	2163220	37.62
2.	NRI	26	71800	1.25
3.	Resident individuals	3000	3062180	53.26
4.	Bodies Corporate	12	452500	7.87
	<b>Total</b>	<b>3062</b>	<b>5749700</b>	<b>100.00</b>

(j) Distribution of Shareholding as on 31<sup>st</sup> March, 2014.

Shareholding of nominal value of Rs. 10/-	No. of share holders	% to total	No. of shares	Amount in Rs.	% to total
UP TO 5000	3020	98.63	2204060	2,20,40,600	38.34
5001 TO 10000	22	0.72	151925	15,19,250	2.64
10001 TO 20000	6	0.20	89400	8,94,000	1.55
20001 TO 30000	1	0.03	26200	2,62,000	0.45
30001 TO 40000	3	0.09	99100	9,91,000	1.72
40001 TO 50000	1	0.03	50000	5,00,000	0.87
50001 TO 100000	2	0.06	178490	17,84,900	3.11
100001 AND ABOVE	7	0.24	2950525	2,95,05,250	51.32
<b>TOTAL</b>	<b>3062</b>	<b>100.00</b>	<b>57,49,700</b>	<b>5,74,97,000</b>	<b>100.00</b>

(k) Dematerialization of shares

Number of Shares dematerialized: 2675120  
 % of Shares dematerialized: 46.53%

Shares held with NSDL: 2665420  
 Shares held with CDSL: 9700

(l) Shares in physical mode: 3074580  
 % of shares in physical mode: 52.47%

(m) **Registered Office:** RSC International limited  
 66, Gangwal Park,  
 M.D. Road, Jaipur  
 Phone: 093245-41587  
 E-mail: [gyanrl@hotmail.com](mailto:gyanrl@hotmail.com)

## 9. CODE OF CONDUCT:

The Board of Directors has adopted the code of conduct for directors and senior management. The said code has been communicated to the directors and members of the senior management.

**10. Compliance Certificate of the Auditors:**

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges and the same is annexed to the Directors' Report.

**11. Non-Mandatory Requirements:**

The Company at present has not adopted the non-mandatory requirements in regard to sending half yearly Financial Results to the shareholders at the residence.

**DECLARATION**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all board members and senior management personnel have affirmed compliance with the code of conduct for the year ended 31<sup>st</sup> March, 2014.

**By the order of the Board**

**Ghyanchand Jain.  
Managing Director**

**Place: Jaipur  
Date: 5<sup>th</sup> Sep, 2014**

## **INDEPENDENT AUDITORS' REPORT**

To the Members of RSC International Ltd.

Report on the financial statements;

We have audited the accompanying financial statements of RSC International Ltd. ("the Company") which comprise the balance sheet as on 31<sup>st</sup> March, 2014, the statement of profit and loss and cash flow statement for the year ended and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for financial statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India including accounting standards referred to in section 211(3C) of the Companies Act 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards in auditing issued by the institute of chartered accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statements give the information required by the act in the manner so required and give a

true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of the Balance Sheet, the state of affairs of the company as at 31<sup>st</sup> March, 2014.
- (b) In the case of Statement of Profit and Loss, the profit or loss of the company for the year ended 31<sup>st</sup> March, 2014.
- (c) In the case of Cash Flow Statement, the cash flows for the year ended 31<sup>st</sup> March, 2014.

#### **REPORT IN OTHER LEGAL REGULATORY REQUIREMENTS**

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("The order") issued by the Central Government of India in terms of Section 27(4A) of the Act, we give in the annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 2. As required by Section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in Section 211(3C) of the Companies Act 1956.
  - (e) On the basis of the written representation received from the directors, as on 31<sup>st</sup> March, 2014 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of Clause (g) of sub section (1) of Section 274 of the Companies Act 1956.

**Associates,**

**For Vimal Agarwal &  
Chartered Accountants,**

**(V. K. Agarwal)  
Partner**

**Place: Jaipur  
Date: 5<sup>th</sup> Sep, 2014**

**ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF  
EVEN DATE**

1. In respect to Fixed Assets:
  - (a) The company has maintained proper records to show full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - (b) The fixed assets have been physically verified by the management during the year in phased periodical manner, which in our opinion is reasonable having regard to size of the company and nature of its assets. No material discrepancy was noticed on such verification.
  - (c) In our opinion, the company has not disposed of any fixed assets during the year and the going concern status of the company is not affected.
2. In respect of Inventories:
  - (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion, the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
  - (c) The company has maintained proper records of inventories. As explained to us, the discrepancies noticed on physical verification of stocks as compared to the books records were not material.
3. The company has not taken unsecured loan from the parties listed in the register maintained u/s 301 of the Companies Act 1956. The company has not granted any loan, secured or unsecured to companies, firms or other parties listed in the registers maintained u/s 301.
4. In our opinion and according to information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business for purchase of inventory, fixed assets and also sale of goods. During the course of our audit no major weakness have been observed in the internal controls.
5. In respect of transactions covered u/s 301 of the Companies Act 1956:
  - (a) In our opinion and according to the information and explanations give to us, the transactions that needed to be entered into the

## RSC INTERNATIONAL LIMITED

register in pursuance of Section 301 of the Act, have been so entered.

- (b) In our opinion the transactions made in pursuance of contracts or arrangements entered into the register maintained u/s. 301 of the Companies Act 1956 have been made at prices which are reasonable having regard to the prevailing market price.
6. According to the information and explanations given to us, the company has not accepted any deposits from public therefore provisions of Section 58-A and 58-AA of the Companies Act 1956 and rules made thereunder are not applicable to the company.
7. The company does not need any type of internal audit system looking to its size and nature of its business.
8. The Central Government has not prescribed maintenance of cost records for products of the company u/s 209(1)(d) of the Companies Act 1956 therefore no such records have been maintained by the company.
9. (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, investor education and protection fund, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, undisputed amounts payable in respect of income tax amounting to Rs. 182/- were outstanding as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date of they became payable.  
  
(b) There are no disputed statutory dues.
10. The company has brought forward accumulated losses of Rs 1,88,64,802/- and has not incurred cash losses during the financial year covered by our audit.
11. According to information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions.
12. In our opinion and according to information and explanations given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or Nidhi/ Mutual Benefit Fund/ Society; therefore Clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 is not applicable to the company.
14. The company is not dealing or trading in shares, securities, debentures and other investments.

RSC INTERNATIONAL LIMITED

15. According to the information and explanations given to us and the records examined by us, the company has not given any guarantee for loan taken by others from banks or financial institutions.
16. No term loan has been raised by the company during the year.
17. On the basis of overall examination of the Balance Sheet and the information and explanations given to us, we report that the company has not utilised any funds raised on short term basis for long term investment.
18. The company has not made any preferential allotment of shares to parties or companies covered in the Register u/s 301 of the Companies Act 1956.
19. The company has not issued any debentures, therefore Clause 4(xix) of the Companies (Auditors' Report) Order, 2003 is not applicable to the company.
20. The company has not raised any money through a public issue during the year.
21. In our opinion and according to information and explanations given to us, no fraud on or by the company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

**For Vimal Agarwal & Associates,  
Chartered Accountants,**

**(V. K. Agarwal)  
Partner**

**Place: Jaipur  
Date: 5<sup>th</sup> Sep, 2014**

**RSC INTERNATIONAL LIMITED**  
**BALANCE SHEET AS ON 31.03.2014**

<b>EQUITY AND LIABILITIES</b>	<u>Note</u>		<u>As at 31.03.2014</u>	<u>As at 31.03.2013</u>
<b>Shareholders' Funds</b>				
Share Capital	1		5,27,29,000	5,27,29,000
Reserves & Surplus	2 (-)		1,60,85,791 (-)	1,63,64,802
			<b>3,66,43,209</b>	<b>3,63,64,198</b>
<b>Current Liabilities</b>				
Trade Payables	3		12,97,264	12,89,608
Other Current Liabilities	4		2,84,182	2,84,881
			15,81,446	15,74,489
<b>TOTAL</b>			<b>3,82,24,655</b>	<b>3,79,38,687</b>
<b>ASSETS</b>				
<b>Non- Current Assets</b>				
<u>Fixed Assets</u>	5			
Tangible Assets	5		14,752	18,430
Non- Current Investments	6		15,03,000	15,03,000
Trade Receivables	7		3,60,37,546	3,59,24,366
Long Term Advances	8		1,92,795	1,16,956
			<b>3,77,48,093</b>	<b>3,75,62,752</b>
<b>Current Assets</b>				
Short Term Loans & Advances	9		1,35,956	1,35,956
Cash & cash equivalents	10		3,40,606	2,39,979
			4,76,562	3,75,935
<b>TOTAL</b>			<b>3,82,24,655</b>	<b>3,79,38,687</b>

For: RSC International Ltd

As per our report of even date  
For Vimal Agrawal & Associates  
Chartered Accountants

(G.C. Jain)  
Mg. Director

(Ankur Jain)  
Director

(V. K. Agrawal)  
Partner

Place: Jaipur  
Date: 26th May, 2014



**RSC INTERNATIONAL LIMITED**  
**Statement of Profit & Loss for the year ended 31.03.2014**

	Note			2013-14		2012-13
<b>INCOME</b>						
Revenue from Operations	11			9,22,987		9,31,164
Other Income (Interest)				910		0
<b>Total Income</b>				<b>9,23,897</b>		<b>9,31,164</b>
<b>EXPENDITURE</b>						
Employee Benefits Exps.	12			2,10,000		1,20,000
Depreciation & Amortisation Exps. 15	5			3,678		4,770
Other Expenses	13			4,31,208		13,72,232
<b>Total Expenses</b>				<b>6,44,886</b>		<b>14,97,002</b>
Profit before tax				2,79,011	(-)	5,65,838
Tax Expenses						
Current Tax			0	0	0	0
<b>Profit for the year</b>				<b>2,79,011</b>	(-)	<b>5,65,838</b>
Earning per equity share of face value of Rs. 10/ each						
Basic & Diluted (in Rs.)				0.05		(-) 0.10
Significant accounting Policies & Notes on Financial Statements						
	1 to 13					

**For: RSC International Ltd**

**As per our report of even date**  
**For Vimal Agrawal & Associates**  
**Chartered Accountants**

**(G.C. Jain)**  
**Mg. Director**

**(Ankur Jain)**  
**Director**

**(V. K. Agrawal)**  
**Partner**

**Place: Jaipur**  
**Date: 26th May, 2014**

## RSC INTERNATIONAL LIMITED

## 1. Share Capital

Particulars	As at 31.03.2014		As at 31.03.2013	
<b>Authorised Share Capital:</b>				
70,00,000 equity shares of Rs. 10/ each		70000000		70000000
<b>Issued, Subscribed &amp; Paid up:</b>				
57,49,700 equity shares of Rs. 10/ each	57497000		57497000	
Less: Allotment money in arrear (others)	47,68,000	5,27,29,000	47,68,000	52729000

1.1 The details of Shareholders holding more than 5% shares: (2013-14) (2012-13)

Name of the Shareholder	No. of shares % held		No. of shares % held	
Mascot Fashions P. Ltd.	628360 10.93%		628360 10.93%	
Ankur Jain	535800 9.32%		484700 8.43%	
Alpine Overseas	354200 6.16%		354200 6.16%	
Gyan Chand Jain	464730 8.08%		371630 6.46%	
Alka Jain	487930 8.48%		487830 8.48%	

1.2 Number of shares outstanding at the beginning and end of the year are same hence no reconciliation is required.

1.3 The company has one class of equity shares having a par value of Rs. 10/ per share. Each shareholder is eligible for one vote per share held.

## 2. Reserves &amp; Surplus

Particulars	As at 31.3.2014		As at 31.3.2013	
Capital Reserve Subsidy		2500000		2500000
Profit & Loss Statement As per last Balance Sheet	(18864802)		(18298964)	
Less: Profit for the year	279011		565838	
Total		16085791		16364802

## 3. Trade Payables

Particulars	As at 31.3.2014		As at 31.3.2013	
Micro, Small & Medium Enterprises	0		0	
Others	1297264		1289608	
Total		1297264		1289608

## 4. Other Current Liabilities

Particulars	As at 31.3.2014		As at 31.3.2013	
Advances from others	280000		280000	

RSC INTERNATIONAL LIMITED

TDS payable	4182		4881	
Total		<b>284182</b>		<b>284881</b>

**5. Fixed Assets (Tangible Assets)**

PARTICULARS	GROSS BLOCK			DEPRECIATION		NET BLOCK		
	Opening Balance	Additional Deduction	Closing Balance	Upto 31.3.2013	For the Year	Upto 31.3.2014	As on 31.3.2014	As on 31.3.2013
Computer	78,327	0	78,327	76,764	625	77,389	938	1,563
Furniture	70,718	0	70,718	53,851	3,053	56,904	13,814	16,867
Total	1,49,045	0	1,49,045	1,30,615	3,678	1,34,293	14,752	18,430
Prev. Year	1,49,045	0	1,49,045	1,25,845	4,770	1,30,615	18,430	0

**6. Non-Current Investments**

Particulars	As at 31.3.13	As at 31.3.2014
Long term investments	0	0
Other Investments-quoted		
NSC	3000	3000
1,50,000 equity shares of Rs. 10/- each of Ratangiri (India) Ltd	<u>15,00,000</u>	<u>15,00,000</u>
	<b>15,03,000</b>	<b>15,03,000</b>

**7. Trade Receivables**

Particulars	As at 31.3.13	As at 31.3.2014
(unsecured & considered good)	36037546	35572623
Over six months	0	351743
Others	0	0
	<b>36037546</b>	<b>35924366</b>

**8. Long Term Advances**

Particulars	As at 31.3.13	As at 31.3.2014
Income Tax (TDS)	192795	116956

**9. Short Term Loans & Advances**

Particulars	As at 31.3.13	As at 31.3.2014
Unsecured & Considered Goods Loans & Advances to related parties	135956	135956

**10. Cash & Cash Equivalent**

RSC INTERNATIONAL LIMITED

Particulars	As at 31.3.13		As at 31.3.2014	
Cash in hand	32274		30609	

**11. Revenue from operations**

Particulars	As at 31.3.13		As at 31.3.2014	
Commission	922987		931164	

**12. Employee Benefit Exps.**

Particulars	As at 31.3.13		As at 31.3.2014	
Salary	210000		120000	
Conveyance allowance	0		0	
		<b>210000</b>		<b>120000</b>

**13. Other Expenses**

Particulars	As at 31.3.13		As at 31.3.2014	
Accounting charges	10000		10000	
Advertisement Exps	81318		66858	
Audit fees	20000		20000	
Bank charges	604		621	
Legal & Professional charges	74500		52000	
Listing Fees	28090		1186844	
Office Exps	1000		0	
Rent	60000		0	
Share Transfer Exps	69841		30759	
Website Exps	5455		0	
Printing & Stationery	4200		0	
Postage	0		600	
Travelling Exps	62700		0	
General Exps	13500		4550	
		<b>431208</b>		<b>1372232</b>

**For: RSC International Ltd**

**As per our report of even date  
For Vimal Agrawal & Associates  
Chartered Accountants**

**(G.C. Jain)**  
Mg. Director

**(Ankur Jain)**  
Director

**(V. K. Agrawal)**  
Partner

**Place: Jaipur  
Date: 26th May, 2014**

**R S C INTERNATIONAL LIMITED**

**ANNUAL REPORT 2013-2014**

RSC INTERNATIONAL LIMITED

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2014**

		<b>2013-14</b>		<b>2012-13</b>
		<b>(Rs. in lacs)</b>		<b>(Rs. in lacs)</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
1. Net profit before tax & extra ordinary items		2.79		(-)5.66
Add: Depreciation	0.04		0.05	
Financial Charges	0		0	
Loss on sale of fixed assets	0		0	
2. Operating profit before working capital				
Changes		2.83		(-)5.61
Trade & Other receivables	(-)1.89		0.07	
Inventories	0		0	
Trade Payables	0.07	(-)1.82	3.86	3.93
3. Cash generated from operations		1.01		(-)1.68
Income tax paid		0		0
4. Net cash flow from operating activities		1.01		(-)1.68
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase/ Sale of fixed assets (Net)	0		0	
Net cash used in investing activities		0		0
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Long term borrowings	0		0	
Bank limit/ short term funds	0		0	
Net cash used in financing activities	0		0	
Net increase in cash & cash equivalents		1.01		(-)1.68
Cash & Cash equivalents as on 01.4.2013				
(01.4.2012)		2.40		4.08
Cash & Cash equivalents as on 31.3.2014				
(31.3.2013)		3.41		2.40

**For: RSC International Ltd**

**As per our report of even date  
For Vimal Agrawal & Associates  
Chartered Accountants**

**(G.C. Jain)**  
Mg. Director

**(Ankur Jain)**  
Director

**(V. K. Agrawal)**  
Partner

**Place: Jaipur  
Date: 26th May, 2014**

Significant accounting policies

**1. Significant Accounting Policies:**

- a. Financial statements have been prepared in accordance with the historical conventions on accrual basis in accordance with the provisions of Companies Act 1956.
  - b. Fixed assets are stated at cost of acquisition including preoperative expenses capitalized less accumulated depreciation.
  - c. Depreciation on plant and machinery is provided on written down value method at the rates prescribed in Schedule XIV of the Companies Act 1956.
  - d. Investments are stated at the cost of acquisition.
  - e. Preliminary expenses are amortized over a period of 5 years.
  - f. Inventories are valued at cost of purchase or production.
2. Previous year figures have been regrouped/ rearranged wherever found necessary.
  3. In view of insignificant amount of deferred tax liability, provision for DTL has not been made by the company during the year, under the provisions of AS-22 issued by ICAI.
  4. Sundry Debtors, Sundry Creditors, Loans and Advances and bank accounts are subject to confirmation reconciliation.
  5. Related Party Disclosures in terms of AS-18 issued ICAI in respect of key management personnel (Sh. G.C. Jain, Mg. Director; Sh. Ankur Jain, Director and Smt. Alka Jain, Director) and Associates Concerns (M/s Alpine Overseas and Mascot Fashions P. Ltd.) is as under:

<b>Particulars</b>	<b>Key Managerial Personnel</b>	<b>Associate Concerns</b>
Amount Payable as on 31.03.2014	Rs. 0.20 Lacs	Rs. 2.60 Lacs
Amount Receivable as on 31.03.2014	Rs. 0.56 Lacs	Rs. 0.80 Lacs

RSC INTERNATIONAL LIMITED

6. Retirement benefits including gratuity and leave encashment are accounted for on cash basis. Provision on accrual as required by AS-15 issued by ICAI has not been made since there is no such liability.

**Place: Jaipur**  
**Date: 5<sup>th</sup> Sep, 2014**

**For and on behalf of board**

**For Vimal Agrawal &  
Associates  
Chartered  
Accountants,**

**Ghyanchand  
Jain  
(Mg. Director)**

**Ankur Jain  
(Director)**

**(V. K. Agrawal)  
Partner**