

**RSC INTERNATIONAL LIMITED**  
**(CIN – L17124RJ1993PLC007136)**  
66, Gangwal Park, M.D. Road, Jaipur – 302004.

**ANNUAL REPORT 2017-2018**

**25<sup>th</sup> Annual Report**  
Board of Directors

**2017-2018**

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**

Kamal Agrawal  
Chartered Accountant  
307 Fort Foundation  
Bake House Lane  
Kalaghoda, Fort  
Mumbai - 400 023

**Registered Office**

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

**Registrar of Share Transfers**

Alankit Assignments Ltd.  
Alankit House, 2E/21, Jhandelwalan  
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)

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## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF RSC INTERNATIONAL LIMITED WILL BE HELD ON SATURDAY, 29<sup>TH</sup> SEPTEMBER 2018 AT 2.00 P.M. AT: HOTEL SHIVA'S ROYAL, SINDHI CAMP, JAIPUR, TO TRANSACT THE FOLLOWING BUSINESS.**

### **ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2018 together with the Report of the Board of Directors and the Auditors thereon.
- 2) To appoint a Director in place of Mr. Gyanchand Jain (**DIN – 00498094**), who retires by rotation and is eligible for re-appointment.
- 3) To appoint Statutory Auditor and fix their remuneration:  
“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s R. K. Mehta & Associates, Chartered Accountants, (Firm Registration No. 106291W) be appointed as the Statutory Auditors of the company, in place of retiring auditor, Kamal Agrawal, Chartered Accountant (Membership No. 043529), to hold office from the conclusion of this 25<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 30<sup>th</sup> AGM, subject to ratification by members every year as applicable, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the company.

“FURTHER RESOLVED THAT any of the Board of Directors, be and is, hereby empowered and authorized to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary E-Forms with Registrar of Companies”.

**By order of the Board**

**(Gyanchand Jain)  
Managing Director**

Place: Jaipur  
Dated: 7<sup>th</sup> September 2018

**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting (AGM”) is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy need not be a member of the Company.
2. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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 a proxy for any other person or shareholder.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. Proxy in the prescribed form No. MGT-11 as enclosed herewith, in order to be effective, should be deposited with the registered office of the company and stamped not less than 48 hours before the commencement of the meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, will be available for inspection by the members at the meeting.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. **Book Closure:** The Company has notified closure of Register of Members and Share Transfer Books from 23<sup>rd</sup> September 2018 to 29<sup>th</sup> September 2018 (both days inclusive).
9. **National Electronic Clearing Service (NECS):**
  - a) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.
  - b) Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease

of portfolio management. Members can contact the Company or Registrar and Share Transfer for assistance in this regard.

- c) Members holding shares in physical form are advised to submit their PAN to the Company / M/s. Alankit Assignment Ltd.
10. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
  11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to M/s. Alankit Assignments Ltd., for consolidation into a single folio.
  12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
  13. Members are requested to send their queries to the Company, if any on Accounts at least 10 days before the Meeting.
  14. **Nomination Facility:** As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Both forms are appended at the end of the Annual Report. Members holding shares in physical form are requested to submit the forms to the Company's Share Registrar and Transfer Agents. Members holding shares in Electronic form may obtain the nomination forms from their respective depository participants.
  15. **Updation of Members' Details:** The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/ Registrar and Share Transfer Agents to record additional details of members, including their PAN details, email address, bank details for payment of dividend etc. A form for capturing the additional details is appended to the notice, Members holding shares in physical form are requested to submit the filled in form to the Company or its Registrar and Share Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective depository participants.
  16. Electronic copy of the Annual Report for 2017-18 is being sent to all the members whose email IDs are registered with the Company /

Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode. Members may also note that the notice of the AGM and the annual report for the financial year 2017-2018 will also be available on the company's website [www.rscltd.in](http://www.rscltd.in) for their download. The physical copies of the aforesaid documents will also be available at the company's registered office for inspection during normal business hours (9.00 am to 5.00 pm) on all working days upto and including the day of the AGM of the company.

17. To support the 'Green Initiative', the members who have not registered their email address are requested to register the same with the Company's Registrar and Share Transfer Agents/ Depositories.
18. Members desiring any information relating to Accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
19. Process and manner for voting through electronic means:
  - i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI (LODR), 2015 (Listing Regulations), the members are provided facility to exercise their right to vote electronically, through e-voting services provided by CDSL on all the resolutions set forth in this Notice. In order to enable its members who do not have the access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this notice, the Company is enclosing a Ballot Form are given at the back of the said form and instructions for e-voting are given herein below. Resolution(s) passed by members through Ballot Forms or e-voting is/ are deemed to have been passed as if they have been passed at the AGM.
  - ii. The facility for voting, either through electronic voting system or ballot/ polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.
  - iii. The members who have cast their vote by remote e-voting or by Ballot Form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
  - iv. Members can opt for only one mode of voting, i.e. either by Ballot Form or e-voting. In case members cast their votes

through both the modes, voting done by e-voting shall prevail and votes cast through Ballot form shall be treated as invalid.

- v. In case a member is desirous of obtaining a duplicate Ballot Form, he/ she/ they may send an email to [rsccompliance@gmail.com](mailto:rsccompliance@gmail.com) by mentioning their Folio / DP ID and Client ID number. However, the duly completed Ballot Form should reach the Scrutinizer, **Advocate Vivek Khemka**, not later than 28<sup>th</sup> September 2018, 5.00 p.m. Ballot Form received after this date will be treated as invalid.

**20. The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **26<sup>th</sup> September 2018 at 9.00 AM IST** and ends on **28<sup>th</sup> September 2018 at 5.00 PM IST**. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **22<sup>nd</sup> September 2018**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders / Members.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in</li> </ul>

	<p>the PAN field.</p> <ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>DOB</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details</b>	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **RSC International Ltd.** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



- (xiv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

21. Members are requested to send all communications relating to shares to our R&T Agent at the following address:

**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)

22. The information to be provided as per the provisions of the Companies Act, 2013, pertaining to the Director proposed to be re-appointed at the Annual General Meeting is given as under:

**Re-appointment of Mr. Gyanchand Jain**

Mr. Gyanchand Jain, Managing Director of the Company, retires by rotation and being eligible, offers himself for re-appointment.

Mr. Gyanchand Jain, is currently the Managing Director of the Company. He is a commerce graduate and having more than 25 years of experience in textile business. He holds 471230 equity shares of the company and is related to two directors, namely; Mrs. Alka Jain and Mr. Ankur Jain.

Your Directors recommend Resolution No. 2 as an Ordinary Resolution for approval of its Members. Apart from Mr. Gyanchand Jain, two directors, namely; Mrs. Alka Jain and Mr. Ankur Jain, none of the directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in this resolution.

23. **Appointment of the Statutory Auditor in place of Mr. Kamal Agrawal:**

Kamal Agrawal, Chartered Accountant (M. No. 43529) was appointed as the Statutory Auditor of the Company at the AGM dated 30<sup>th</sup> September 2015 from the conclusion of 22<sup>nd</sup> AGM till the conclusion of 26<sup>th</sup> AGM of the company to be held in 2020. However, by a letter dated 8<sup>th</sup> August 2018, Mr. Kamal Agrawal has expressed his inability to continue as the Statutory Auditor of the Company as he is in the process of surrendering his Certificate of Practice as a Chartered Accountant and thereafter would not be eligible to conduct audit work.

In view of the above, the Board of Directors recommend the name of M/s R. K. Mehta & Associates, Chartered Accountants, (Firm Registration No. 106291W) to be appointed as the Statutory Auditor of the Company to hold office till the conclusion of the 26<sup>th</sup> Annual General Meeting and to fix the remuneration payable to them for the financial year 2018-19, as mentioned at Item No. 3 of the Notice.

Your Directors recommend Resolution No. 3 as a Special Resolution for approval of its Members. None of the directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in this resolution.

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s R. K. Mehta & Associates, Chartered Accountants, (Firm Registration No. 106291W) be appointed as the Statutory Auditors of the company, in place of retiring auditor, Kamal Agrawal, Chartered Accountant (Membership No. 043529), to hold office from the conclusion of this 25<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 30<sup>th</sup> AGM, subject to ratification by members every year as applicable, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the company.

**“FURTHER RESOLVED THAT** any of the Board of Directors, be and is, hereby empowered and authorized to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary E-Forms with Registrar of Companies”.

24. All documents referred to in the accompanying notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days between Monday and Friday of every week, upto the date of the 25<sup>th</sup> Annual General Meeting of the Company.

Place: Jaipur  
Date: 7<sup>th</sup> September 2018

**By order of the Board of Directors**

Registered Office: 66 Gangwal Park  
M. D. Road, Jaipur - 302 004

**Gyanchand Jain**  
**Managing Director**

## DIRECTORS' REPORT

Dear Members,

Your directors have pleasure in presenting the 25<sup>th</sup> Annual Report of the company together with the audited statements of accounts for the year ended 31<sup>st</sup> March 2018.

### FINANCIAL RESULTS

Particulars	31.03.2018	31.03.2017
Sales & Other Income	22,39,505.00	895574.00
Profit before interest & depreciation	-3,16,999.00	78234.00
Less: Interest	0.00	0.00
Profit before depreciation	-3,16,999.00	78234.00
Less: Depreciation	0.00	0.00
Profit after depreciation	-3,16,999.00	78234.00
Provision for Income Tax	0.00	14,473.00
Profit After Tax	-3,16,999.00	63,761.00

### FINANCE

During the year under review the Company has made efforts to explore more opportunities in the fields of export business and some other business related to warehousing and investment in real estate and in the process of seeking shareholders' approval for starting new business line.

### BUSINESS OUTLOOK

The Management is planning to enter into new line of business like export of clothes and other items to improve the profitability and ultimately value of shareholders' funds. The Company has been in communication with number of prospective buyers of products in various countries. It is supplying on commission basis and also making an attempt to add to its portfolio. The 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.

### ISSUE OF EQUITY SHARES

The Company has not issued any shares during the year under review.

### DIVIDEND

Due to insufficient profit and carried forward losses, the Board of Directors have decided to not to propose any dividend during the year.

### LOANS, GUARANTEES AND INVESTMENTS

During the year under review the company has not given any loan and /or guarantee and not made any investment in any venture.

**PUBLIC DEPOSITS**

The Company has not accepted any deposit from the public and as such, no amount on account of principal or interest on deposits from public was outstanding as at 31<sup>st</sup> March 2018.

**CORPORATE GOVERNANCE**

A Report on Corporate Governance alongwith certificate from the Statutory Auditor of the Company regarding the compliance with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 of the SEBI (LODR) 2015, forms part of the Annual Report.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis as required under Regulation 34(2) of the SEBI (LODR) Regulations, 2015, forms part of the Annual Report.

**DISCLOSURE REQUIREMENTS**

Details of programme for familiarization of Independent Directors with the Company are available on the website of the Company.

The Company has no subsidiary and hence no policy is required.

Policy on dealing with related party transactions is available on the website of the Company.

The Company has formulated a Whistle Blower Policy and same is in compliance with the provisions of the Act and Listing Agreement and is available on the website of the Company.

Policy for archival of documents of the company is available on the website of the company.

The code of conduct for the Board of Directors of the company is available on the website of the company.

**NUMBER OF MEETINGS OF THE BOARD**

During the year under review, 5 meetings of the Board were held, details of which are given in the Corporate Governance Report that forms part of the Annual Report.

**SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES**

The Company has no subsidiary, joint venture and/ or associate company and hence no details are provided.

**PERFORMANCE EVALUATION OF BOARD**

Pursuant to the provisions of the Companies Act, 2013 and provisions of the SEBI (LODR) Regulations, 2015, the Board has carried out an annual evaluation of performance of its own and the Committees thereof.

### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Company's has formulated a policy for appointment and remuneration in compliance with provisions of Section 178(3) of the Companies Act, 2013 and same is forming part of Corporate Governance Report.

### **AUDIT COMMITTEE**

The Audit Committee of the Company comprises of three independent directors. There are no instances where the board did not accept the recommendations of the Audit Committee. Other details about the Audit Committee are disclosed in the Corporate Governance Report, which forms part of the Annual Report.

### **PARTICULARS OF EMPLOYEES**

The Company is not paying salary to any employee more than as stipulated under the provisions of Section 197(12) of the Companies Act, 2013 and hence no disclosure is required.

### **RELATED PARTY TRANSACTIONS**

During the year, the Company has not entered into any transactions with related party as defined under the Companies Act, 2013 and under Clause Regulation 23 of the SEBI (LODR) Regulations, 2015.

The policy on materiality of Related Party Transactions and dealing with related party transactions as approved by the Board has been adopted by the Company and uploaded on the Company's website. There are no transactions to be reported in Form AOC-2.

### **RISK MANAGEMENT POLICY**

The Company has adopted a Risk Management Policy on the basis of business and size of the Company and has set-up a Committee. The risk assessment update is provided to the Risk Management Committee (RMC) on periodical basis. RMC is appointed by the Board and comprises of Directors of the Company and is chaired by an Independent Director. RMC assists the Board of Directors in overseeing the Company's risk management processes and controls.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Since the company is not having sufficient earnings and there are carried forward losses, the Company is not in a position to spend any money on CSR.

### **VIGIL MECHANISM/ WHISTLEBLOWER POLICY**

The Company has adopted a Whistleblower Policy, to provide a formal mechanism to the Directors, employees and its stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

### **PREVENTION OF SEXUAL HARASSMENT (POSH)**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and the Rules framed thereunder.

There was no complaint of any nature during the year 2017-18.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The Company has neither given any loans nor provided any guarantee during the year.

### **INTERNAL FINANCIAL CONTROLS**

Internal financial control systems of the Company are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable accounting standards and relevant statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies.

The Audit Committee deliberated with the members of the management, considered the systems as laid down and met the statutory auditors to ascertain, *inter alia*, their views on the internal financial control systems. The Audit Committee satisfied itself on the adequacy and effectiveness of the internal financial control system as laid down and kept the Board of Directors informed.

Details of internal control system are given in the Management Discussion and Analysis Report, which forms part of the Report.

### **DIRECTORS**

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Gyanchand Jain, Director of the Company, retires by rotation at the ensuing Annual General Meeting, and being eligible, has offered himself for re-appointment.

At the Annual General Meeting of the Company held on 30<sup>th</sup> September 2014, the members of the Company had approved the appointment of Mr. Kailash Chand, Mr. Jitendra Bansal and Mr. R. P. Agarwal as Independent Directors of the Company for a term of five years or until their completing 75 years of age, whichever is earlier.

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulation 25 of the SEBI (LODR) Regulations, 2015. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules framed there under and are independent of the management.

## **Annual Evaluation of Board Performance and Performance of its Committees and of Individual Directors**

Pursuant to the provisions of the Act and Regulation 27(2) of the SEBI (LODR), Regulations, 2015 Listing Agreement, the Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of Board processes, participation in the long term strategic planning, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of committees, effectiveness of Committee meetings, etc.

The Board and the NRC reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and committee meetings, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of the Independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman were evaluated, taking into account the views of executive directors and non-executive directors. This was followed by a Board meeting that discussed on the performance of the Board, its Committees and Individual Directors.

### **REMUNERATION POLICY**

The Company has not paid any remuneration to any director or key managerial person and hence there was no need to review the same. However, in order to comply with the provisions of the Act and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Company has formulated the Remuneration Policy and same is uploaded on the website of the Company.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs



of the Company at the end of the financial year and of the profit of the Company for that period;

- (c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) They have prepared the annual accounts on a going concern basis;
- (e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **AUDITOR AND AUDITOR'S REPORT**

### **STATUTORY AUDITOR**

The appointment of Mr. Kamal Agrawal, Chartered Accountant (Membership No. 43529), the Statutory Auditor of the company was ratified by the shareholders at the AGM held on 30<sup>th</sup> September 2017. His appointment is valid till the conclusion of this 25<sup>th</sup> AGM.

However, the Auditor's Report on the financial statements for the financial year ended 31<sup>st</sup> March 2018 does not contain any qualification, reservation or adverse remark. We also wish to state that there is no pending audit work required to be audited by Mr. Kamal Agrawal, who is retiring as Auditor from this AGM.

### **SECRETARIAL AUDITOR**

Kavita Joshi, Practicing Company Secretary was appointed as the Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2017-2018, as required under Section 204 of the Companies Act, 2013 and the Rules made thereunder.

The Secretarial Audit Report for the financial year 2017-2018 is appended as Annexure A which forms part of this report.

The said Secretarial Auditor's Report contained some qualifications in respect of non-appointment of the Company Secretary, non-appointment of CFO, publication of the quarterly results and filing one form with the Registrar of Companies. The management of the Company has given explanation to all the objections raised by the Secretarial Auditor and same were incorporated by the Company Secretary in her report therefore no separate explanation is required.

#### **EXTRACT OF ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of annual return in the prescribed Form MGT-9 is appended as Annexure B which forms part of this report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to the provisions of Section 134 of the Act read with Rule 8 of the Companies (Accounts Rules), 2014.

- A. **Conservation of Energy:** The operations of the Company are not energy intensive, however adequate measures have been taken to reduce energy consumption and all efforts are made to use more natural light in the office.
- B. **Technology Absorption:** Not applicable.
- C. **Foreign Exchange Earnings and Outgo:** Not applicable.

#### **ACKNOWLEDGEMENTS**

The Directors wish to place on record their appreciation for the continued support and co-operation by financial institutions, banks, government authorities and other stakeholders. Your Directors also acknowledge the support extended by the Company's unions and all the employees for their dedicated service.

**On behalf of the Board of Directors**

**Gyanchand Jain**  
**Managing Director**

**Jaipur, 7<sup>th</sup> September 2018**

**Annexure A**  
**SECRETARIAL AUDIT REPORT**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of  
the Companies (Appointment and Remuneration Personnel) Rules, 2014]  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup>MARCH, 2018**

To,  
**The Members,**  
**RSC International Limited**  
66, Gangwal Park, Moti Doongri Road,  
Jaipur-302004

Dear Sir's,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **M/s. RSC International Limited**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minutes 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, I hereby report that, in my opinion, the Company has, during the financial year ended **31<sup>st</sup> March, 2018** 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup>March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and Sections and Rules notified as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (**Not applicable to the Company during the Audit Period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Not applicable**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable as the Company did not issue any security during the financial year under review;**
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the Audit period) -**Not applicable as the Company as not granted any Option to its employees during the financial year under review;**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period); - **Not Applicable as the Company has not issued any debt securities during the financial year under review;**
  - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable as the Company has not delisted its equity shares from any stock Exchange during the financial year under review;**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit period);**
- 3 I have also examined compliance with the applicable clause of the following:
- a. Secretarial Standards issued by The Institute of Company Secretaries of India. (not notified hence not applicable the Company during the Audit Period); and
  - b. The listing Agreements entered into by the Company with the Stock Exchange(s), if applicable: The Company has complied with the various provisions of the Listing Agreements with the BSE and DSE, where securities of the company are listed.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

***During the financial year under report, the Company has complied with the provisions of the Act, Old Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:***

1. ***The Company has not yet appointed Whole Time Company Secretary pursuant to Section 203 of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.***

**Management Explanation on Point No. (1):** Though the size of company and the income doesn't allow the company to retain CS on full time basis as it would affect the shareholders by way of additional financial burden, still Company has made search of Company Secretary, but due to shortage of company secretaries and size of our company, the Company could not appoint. However, the Company has outsourced all legal compliance and secretarial compliance work to one professional consultancy company and all the compliances were done properly and in a timely manner.

2. ***The Company has not filed E-Form relating to change in Designation of Mr. Gyan Chand Jain as Managing Director, so appointment of Key Managerial Personnel is not there as per Section 203 of Companies Act, 2013 and Company also has not appointed CFO in the Company.***

**Management Explanation on Point No. (2):** The size of business is small and there is neither the need of CFO nor the company can afford the salary of CFO.

3. ***the Company has not Filed E Form MGT-14 For Approval of Accounts as on 31/03/2017.***

**Management Explanation on Point No. (3):** The Company has filed financials with the BSE Ltd. and also uploaded on the website of the Company. BSE has also displayed the financials on the exchange website.

4. ***Financial Result was not published in newspaper.***

**Management Explanation on Point No. (4):** The Company has not published quarterly financial results in newspapers as the cost of publication is high and it is not viable for the shareholders to spend such amount when the company is not making sufficient profits. However, quarterly results were submitted to BSE and DSE within the time provided under Listing Agreement and uploaded on the Company's website and hence the shareholders and public at large have access to the financials through the Company's website and website of BSE and DSE.

5. ***The Company has not yet appointed Internal Auditor pursuant to Section 138 of Companies Act, 2013 read with Rule 13 Companies (Accounts) Rules, 2014.***

**Management Explanation on Point No. (5):** The size of the Company is very small and there is hardly any business till 31<sup>st</sup> March 2017. During the year, some activity has started and the company proposes to appoint an Internal Auditor during the current financial year.

I further report that:

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31<sup>st</sup> March, 2018. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and agenda were sent at least seven days in advance.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**I further report that subject to above observations,** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with my letter of even date which is annexed and form an integral part of this report.

**Date:** - 14.08.2018

**Place:** - Mumbai

**Kavita Joshi**  
**(Membership No: 9074)**  
**Practising Company Secretary**

**Annexure B**  
**Extract of Annual Return as on the financial year ended**  
**on 31<sup>st</sup> March 2018**

<b>Form No. MGT-9</b>		
<b>[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]</b>		
<b>I</b>	<b>REGISTRATION AND OTHER DETAILS</b>	
<b>1</b>	CIN	L17124RJ1993PLC007136
<b>2</b>	Registration Date	6 <sup>th</sup> January 1993
<b>3</b>	Name of the Company	<b>RSC International Ltd.</b>
<b>4</b>	Category / Sub-Category of the Company	Public Company / Limited by shares
<b>5</b>	Address of the Registered Office and Contact Details	66, Gangwal Park M.D. Road Jaipur – 302004 Tel: 09324541587 Email: gyanrl@hotmail.com
<b>6</b>	Whether listed company	YES
<b>7</b>	Name, Address and Contact details of Registrar and Transfer Agent (RTA), if any	Alankit Assignments Ltd. Alankit House, 2E/21, Jhandelwala Extn., New Delhi – 110 055 Tel: (011) 42541234/ 23541234 Fax: (011) 23552001 Email: info@alankit.com Website: www.alankit.com
<b>II</b>	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
	All the business activities contributing 10 % or more of the total turnover of the company shall be stated:	Agency business for synthetic cloth material
<b>III</b>	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	
		N A
<b>IV</b>	<b>SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>	
		Page 22 to 28
<b>V</b>	<b>INDEBTEDNESS</b>	
	Indebtedness of the Company including interest outstanding/ accrued but not due for payment	N A
<b>VI</b>	<b>REMUNERATION OF DIRECTORS &amp; KEY MANAGERIAL PERSONNEL</b>	
		N A
<b>VII</b>	<b>PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES</b>	
		N A

IV. Shareholding pattern

(i) Category-wise Shareholding

Category	Category of Shareholders	No. of Shares held at the beginning of the year (1 <sup>st</sup> April 2017)				No. of Shares held at the end of the year (31 <sup>st</sup> March 2018)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
1	Indian									
(a)	Individuals/ Hindu Undivided Family/ Nominee of Promoter	1488460	10000	1498460	26.06	1498460	0	1498460	26.06	0.000
(b)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0.00	0.000
(c)	Bodies Corporate	628360	0	628360	10.93	628234	0	628234	10.93	-0.002
(d)	Financial Institutions/ Banks	0	0	0	0	0	0	0	0.00	0.000
(e)	Any Others (Specify)	0	0	0	0	0	0	0	0.00	0.000
(e-i)	Directors & Relatives	0	36100	36100	0.63	0	36100	36100	0.63	0.000
	<b>Sub Total(A)(1)</b>	<b>2116820</b>	<b>46100</b>	<b>2162920</b>	<b>37.62</b>	<b>2126694</b>	<b>36100</b>	<b>2162794</b>	<b>37.62</b>	<b>-0.002</b>
2	Foreign									
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0.00	0.000



b	Bodies Corporate	0	0	0	0	0	0	0	0.00	0.000
c	Institutions	0	0	0	0	0	0	0	0.00	0.000
d	Qualified Foreign Investor	0	0	0	0	0	0	0	0.00	0.000
e	Any Others (Specify)	0	0	0	0	0	0	0	0.00	0.000
	<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.000</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>2116820</b>	<b>46100</b>	<b>2162920</b>	<b>37.62</b>	<b>2126694</b>	<b>36100</b>	<b>2162794</b>	<b>37.62</b>	<b>-0.002</b>
<b>(B)</b>	<b>Public shareholding</b>									
<b>1</b>	<b>Institutions</b>									
(a)	Mutual Funds/ UTI	0	0	0	0	0	0	0	0.00	0.000
(b)	Financial Institutions / Banks	0	0	0	0	0	0	0	0.00	0.000
(c)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0.00	0.000
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.000
(e)	Insurance Companies	0	0	0	0	0	0	0	0.00	0.000
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	0.00	0.000
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0.00	0.000
(h)	Qualified Foreign Investor	0	0	0	0	0	0	0	0.00	0.000
(i)	Any Other (specify)	0	0	0	0	0	0	0	0.00	0.000

	<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.000</b>
<b>B 2</b>	<b>Non-institutions</b>									
(a)	Bodies Corporate	90629	11600	102229	1.78	87748	11600	99348	1.73	-0.050
(b)	Individuals									0.000
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs	119871	1964325	2084196	36.25	133077	1936525	2069602	35.99	-0.254
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	0	974155	974155	16.94	0	988755	988755	17.20	0.254
(c)	Qualified Foreign Investor	0	0	0	0	0	0	0	0.00	0.000
(d)	Any Other (specify)	0	0	0	0	0	0	0	0.00	0.000
i	NRI- Repatable	1000	71000	72000	1.25	2500	71000	73500	1.28	0.026
ii.	Directors & Relatives	0	0	0	0	0	0	0	0.00	0.000
iii.	Clearing Member	0	0	0	0	0	0	0	0.00	0.000
iv.	Trust	0	0	0	0	0	0	0	0.00	0.000
v.	Foreign Nationals	0	0	0	0	0	0	0	0.00	0.000
vi.	HUF	354200	0	354200	6.16	354801	900	355701	6.19	0.026
	<b>Sub-Total (B)(2)</b>	<b>565700</b>	<b>3021080</b>	<b>3586780</b>	<b>62.38</b>	<b>578126</b>	<b>3008780</b>	<b>3586906</b>	<b>62.38</b>	<b>0.002</b>
<b>(B)</b>	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>565700</b>	<b>3021080</b>	<b>3586780</b>	<b>62.38</b>	<b>578126</b>	<b>3008780</b>	<b>3586906</b>	<b>62.38</b>	<b>0.002</b>

	<b>TOTAL (A)+(B)</b>	<b>2682520</b>	<b>3067180</b>	<b>5749700</b>	<b>100</b>	<b>2704820</b>	<b>3044880</b>	<b>5749700</b>	<b>100.00</b>	<b>0.000</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>									
1	Promoter and Promoter Group	0	0	0	0	0	0	0	0.00	0.000
2	Public	0	0	0	0	0	0	0	0.00	0.000
	<b>Sub-Total (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.000</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>2682520</b>	<b>3067180</b>	<b>5749700</b>	<b>100</b>	<b>2704820</b>	<b>3044880</b>	<b>5749700</b>	<b>100.00</b>	<b>0.000</b>

**(ii) Shareholding of Promoters and Promoter Group**

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held 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	Alka Jain	491430	8.55	0.000	491430	8.55	0	0
2	Gyan Chand Jain	471230	8.19	0.000	471230	8.19	0	0
3	Ankur Jain	535800	9.32	0.000	535800	9.32	0	0
4	Mascot Fashion Pvt. Ltd.	628360	10.93	-0.002	628234	10.93	0	0
5	Ashok Jain	2500	0.04	0.000	2500	0.04	0	0
6	Avinash Jain	2100	0.04	0.000	2100	0.04	0	0
7	Bansi Lal Jain	3000	0.05	0.000	3000	0.05	0	0
8	Bhag Chand Jain	2500	0.04	0.000	2500	0.04	0	0
9	Chain Raj Meena	2500	0.04	0.000	2500	0.04	0	0
10	G L Sharma	2500	0.04	0.000	2500	0.04	0	0
11	Lal Chand Jain	1000	0.02	0.000	1000	0.02	0	0
12	Mahaveer Prasad	2500	0.04	0.000	2500	0.04	0	0
13	Mahendra Kumar	2500	0.04	0.000	2500	0.04	0	0
14	Manju Devi	2500	0.04	0.000	2500	0.04	0	0
15	Padam Chand	2500	0.04	0.000	2500	0.04	0	0
16	Prem Chand	5000	0.09	0.000	5000	0.09	0	0
17	Sanju Devi	2500	0.04	0.000	2500	0.04	0	0
18	Sushila Devi	2500	0.04	0.000	2500	0.04	0	0
	<b>Total</b>	<b>2162920</b>	<b>37.62</b>	<b>-0.002</b>	<b>2162794</b>	<b>37.62</b>	<b>0</b>	<b>0</b>

(iii) Change in Promoter Group Shareholding (please specify, if there is no change)-

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
1	Mascot Fashion Pvt. Ltd.	628360	10.93	628234	10.93
	At the end of the year				

(iii) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Mascot Fashions Pvt. Ltd.	628360	10.93	628234	10.93
	At the end of the year	628234	10.93		
2	Ankur Jain	535800	9.32	535800	9.32
	At the end of the year	535800	9.32		
3	Alka Jain	491430	8.55	491430	8.55
	At the end of the year	491430	8.55		
4	Gyanchand Jain	471230	8.20	471230	8.2
	At the end of the year	471230	8.20		
5	Triza Jain	613635	10.67	613635	10.67
	At the end of the year	613635	10.67		
6	Alpine Overseas	354200	6.16	354200	6.16
	At the end of the year	354200	6.16		
7	Vipul Dusad	192360	3.35	192360	3.35

	At the end of the year	192630	3.35		
8	Nidhi Dusad	99390	1.73	99390	1.73
	At the end of the year	99390	1.73		
9	Libord Finance Limited	79100	1.38	79100	1.38
	At the end of the year	79100	1.38		
10	Hiro D Uttamchandani	50000	0.87	50000	0.87
	At the end of the year	50000	0.87		

**(iv) Shareholding of Directors and Key Managerial Personnel**

S. No.	Name of the Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Gyan Chand Jain	471230	8.19	471230	8.19
2	Mrs. Alka Jain	491430	8.55	491430	8.55
3	Mr. Ankur Jain	535800	9.32	535800	9.32

**(v) Distribution of Shareholding as on 31<sup>st</sup> March 2018.**

Shareholding of Nominal Value of Rs. 10/-	No. of Shareholders	% to Total	No. of shares	Amount in Rs.	% to Total
UP TO 5000	1854	61.78	568740	5687400	9.89
5001 TO 10000	718	23.92	569846	5698460	9.91
10001 TO 20000	248	8.26	389400	3894000	6.77
20001 TO 30000	82	2.73	207900	2079000	3.62
30001 TO 40000	47	1.57	168580	1685800	2.93
40001 TO 50000	17	0.57	77400	774000	1.35
50001 TO 100000	18	0.6	124385	1243850	2.16
100001 AND ABOVE	17	0.57	3643449	36434490	63.37
<b>TOTAL</b>	<b>3001</b>	<b>100</b>	<b>5749700</b>	<b>57497000</b>	<b>100</b>

## **MANAGEMENT DISCUSSION & ANALYSIS**

The Management Discussion and Analysis as required under Regulation 34 of the SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

### **Business Outlook**

The company is presently engaged in agency business of synthetic fabrics. The Company has started trading of cloth in the export market and is trying to expand its business into export of fabrics and other related material where the company sees a lot of opportunities. The Company hopes to achieve good results in this line looking to the acceptance of Indian products in global market. Presently the company is doing trading and 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 are followed by the company to improve the system. 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 four times during the year ended 31<sup>st</sup> March 2018.

### **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. 5,74,97,000/-. 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) Current Assets**

At the end of the current period, Current Assets of the Company as on 31.03.2018 were Rs. 385,20,510/- and as on 31.03.2017 were Rs. 372,92,112/-.

**(d) Sales**

During the year under review the Company has earned an income of Rs. 22,39,505/- as on 31.03.2018 as compared to Rs. 8,95,574/- as on 31.03.2017.

**Human Resource Management**

Human resources are a valuable asset for any organization. However, due to small business activities, the Company has only one employee and 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.

**On behalf of the Board of Directors**

**Gyanchand Jain  
Managing Director**

Mumbai, 7<sup>th</sup> September 2018



## **CORPORATE GOVERNANCE REPORT**

Your Company consistently followed the principles of good corporate governance and strives to enhance stakeholders' relationship, while upholding core values of integrity, transparency, fairness, responsibility and accountability. Your company, in line with the above, has taken various initiatives to further strengthen the corporate governance practices and adopted various codes / policies, pursuant to Companies Act, 2013 ('the Act') and Schedule V of the SEBI (LODR) Regulations, 2015.

### **CODE OF CONDUCT**

The Company has laid down a Code of Conduct ('Code') for the Board of Directors of the Company. The Company has also adopted a Code of Conduct for Independent Directors as prescribed under Schedule IV of the Act.

The Code aims at ensuring consistent standard of conduct and ethical business practices across the company. All the board members have affirmed compliance with this Code. A declaration signed by the Managing Director to this effect is attached at the end of this report. This Code has also been posted on the website of the Company.

### **ESTABLISHMENT OF WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

The Company has established a Whistle Blower Policy/ Vigil Mechanism. This policy aims to provide an avenue for Directors and employees to raise genuine concerns of any violations of legal regulatory requirements, actual or suspected fraud or violation of the Company's Code of Conduct and ethical business practices. This policy inter-alia provides direct access to a whistle blower to the Chairman of the Audit Committee.

### **COMPOSITION OF THE BOARD**

The composition of the Board of Directors ('the Board') is in conformity with Regulation 17 of the SEBI (LODR) Regulations, 2015, as amended from time to time. At present, the Board consists of six (6) directors including one Woman Director. The number of Independent Directors is more than one-third of the total number of directors. None of the directors on the Board is a member of more than 10 Committees and /or Chairman of more than 5 Committees across all the companies in which he /she is a director.

The information on composition of the Board, category and their directorship /committee membership across all the public limited companies in which they are directors, as on 31<sup>st</sup> March 2018 is as under:

Name of Director	Category	No. of Director-ship	Committees	
			Member-ship	Chairman-ship
Mr. Gyan Chand Jain	Executive (M.D)	1	Nil	Nil
Mr. Ankur Jain	Non-Executive	2	1	Nil
Mrs. Alka Jain	Non-Executive	2	Nil	Nil
Mr. Ram Prakash Agarwal	Independent	1	3	3
Mr. Kailash Chand Dusad	Independent	1	3	Nil
Mr. Jitendra Bansal	Independent	1	2	Nil

\* In accordance with Regulation 26 of the SEBI (LODR) Regulations, 2015, membership and chairmanship of only Audit Committees and Shareholders' Relationship Committees in all public companies are considered.

The details of shares held by the Directors in the Company as on 31<sup>st</sup> March 2018 are as follows:

Name of Director	No. of shares held
Mr. Gyan Chand Jain	471230
Mr. Ankur Jain	535800
Mrs. Alka Jain	491430
Mr. R.P Agarwal	0
Mr. Kailash Chand	0
Mr. Jitendra Bansal	0

#### BOARD MEETINGS

During the year under review, 6 Board meetings were held on 25<sup>th</sup> May 2017, 10<sup>th</sup> August 2017, 1<sup>st</sup> September 2017, 6<sup>th</sup> November 2017 and 12<sup>th</sup> February 2018. The gap between two meetings did not exceed 120 days. The 24<sup>th</sup> Annual General Meeting of the company was held on 28<sup>th</sup> September 2017.

The attendance of Directors at the above Board Meetings and AGM is as under:

Name of Director	No. of Board Meeting		AGM
	Held	Attended	
Mr. Gyan Chand Jain	5	5	YES
Mr. Ankur Jain	5	5	YES
Mrs. Alka Jain	5	5	YES
Mr. R.P Agarwal	5	5	YES
Mr. Kailash Chand	5	5	YES
Mr. Jitendra Bansal	5	5	YES

## AUDIT COMMITTEE

The Audit Committee of the company comprises of the three (3) Directors and all are Independent Directors. Mr. R.P. Agarwal, Chairman of the Committee is an Independent Director. All the Members of the Committee possess accounting and financial management expertise. The Chairman of the Committee was present at the AGM held on 28<sup>th</sup> September 2017. During the year under review, 4 meetings were held on 25<sup>th</sup> May 2017, 10<sup>th</sup> August 2017, 6<sup>th</sup> November 2017 and 11<sup>th</sup> February 2018. The gap between two meetings did not exceed 120 days.

The composition of the Audit Committee and the attendance of the members at the above meetings is as under:

Name of Director	Designation	No. of Board Meeting	
		Held	Attended
Mr. R.P Agarwal	Chairman	4	4
Mr. Kailash Chand	Member	4	4
Mr. Jitendra Bansal	Member	4	4

## TERMS OF REFERENCE

The Terms of Reference as reviewed from time to time by the Board and the Committee has been mandated to comply with the requirements of Regulation 18 of the SEBI (LODR) Regulations, 2015 and the provisions of Section 177 of the Companies Act, 2013.

### Powers of the Audit Committee

- To investigate any activity within its term of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

### Role of Audit Committee *inter-alia* includes the following:

- (1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to;
  - (a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of Clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgements by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with the listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;
  - (g) Modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - (6) Reviewing, with the management, the statement of users/ application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter;
  - (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;
  - (8) Approval of any subsequent modification of transactions of the listed entity with related parties;
  - (9) Scrutiny of inter-corporate loans and investments;
  - (10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
  - (11) Evaluation of internal financial controls and risk management systems;
  - (12) Reviewing, with the management, performance of statutory and internal auditors
  - (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - (14) Discussion with internal auditors of any significant findings and follow up thereon;
  - (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal systems of a material nature and reporting the matter to the board;
  - (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - (17) To look into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - (18) To review the functioning of the whistle blower mechanism;
  - (19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

**Reviewing of following information:**

- Management Discussion and Analysis of financial condition and results of operations.
- Statement of related party transactions submitted by the management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to the review by the audit committee.
- Statement of deviations:  
quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).  
annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

**NOMINATION AND REMUNERATION COMMITTEE**

The Company in order to fulfill the requirement of Section 178 of Companies Act, 2013 has constituted a Nomination and Remuneration Committee consisting of 2 Independent Directors and 1 Non-Executive Director, Mr. Ankur Jain. Since the operations of the Company are very limited therefore the Company may not be appointing any person either as a Director or as senior management personnel, no guidelines are framed. However, as and when there will be a need for appointment of director or senior management personnel, proper guidelines will be framed. Since the company is not paying any remuneration to the directors or senior management staff, there was no need to hold any meeting of the Committee and no information is to be given.

**SHAREHOLDERS' GRIEVANCE COMMITTEE**

The Committee comprises of Mr. R.P. Agarwal, Chairman of the Committee, Mr. Kailash Chand and Mr. Jitendra Bansal, Independent Directors of the Company, being the other members of the Committee.

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

<b>Name of the Director</b>	<b>Designation</b>	<b>Held</b>	<b>Attended</b>
Mr. R. P. Agarwal	Chairman	4	4
Mr. Kailash Chand	Member	4	4
Mr. Jitendra Bansal	Member	4	4

There were 4 meetings held during the year on 20<sup>th</sup> April 2017, 13<sup>th</sup> July 2017, 13<sup>th</sup> October 2017 and 19<sup>th</sup> January 2018.

**Terms of Reference of the Committee:**

- To determine on behalf of Board, the Company’s Policy on serving the stakeholders in the line with best corporate governance norms;
- To periodically review Stakeholder’s Grievance Mechanism of the company;
- To review and redress stakeholders’ grievances regarding allotment of securities, non-receipt of dividend etc. and other allied matters;
- To consider the share transfer request, transmission request, split request, consolidation request and demat request and approve and/or reject the same;
- 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 Committee is also authorised to:
  - i. Investigate any activity within its terms of reference;
  - ii. Seek any information from any employee of the Company;
  - iii. Obtain outside legal or independent professional advice. Such advisors may attend meetings if necessary, and
  - iv. Incur such reasonable expenditure, as it deems fit.

**COMPLIANCE OFFICER**

Mr. Gyan Chand Jain has acted as the Compliance Officer of the Company, during the year under review.

**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

The Company’s Code of Conduct for Prevention of Insider Trading as approved by the Board of Directors, inter-alia, prohibits dealing in the securities of the company by the Directors and certain employees while in possession of unpublished price sensitive information in relation to the company. The same is available on the Company’s Website.

**INDEPENDENT DIRECTORS’ MEETING**

During the year under review, a separate meeting of the Independent Directors was held on 11<sup>th</sup> February 2017 and the attendance of the Independent Directors at the above Meeting is as under:

<b>Name of Director</b>	<b>No. of Meetings Held</b>	<b>No. of Meetings attended</b>
Mr. R.P Agarwal	1	1
Mr. Kailash Chand	1	1
Mr. Jitendra Bansal	1	1

## **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The provisions of Section 135 of Companies Act, 2013 are not applicable to the Company, as the Company neither has a Net worth of Rs. 500 crores nor a turnover of Rs. 1000 crores or a net profit of Rs. 5 crores, therefore no Committee was constituted.

## **RISK MANAGEMENT COMMITTEE**

The Risk Management Committee comprises of Mr. Gyanchand Jain and Mr. Ankur Jain. During the year under review, one meeting of the Committee was held on 11<sup>th</sup> February 2017. The meeting was attended by both the members.

The Committee functions in accordance with the Terms of Reference as specified under the Listing Agreement and as may be specified by the Board from time to time, which *inter alia* includes implementing and monitoring of Risk Management Plan and Policy of the Company. The Committee's constitution meets with the requirement of Regulation 21 of the SEBI (LODR) Regulations, 2015.

## **RISK MANAGEMENT**

The Company has a well-defined risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of all risks associated with the business of the Company. The Audit Committee / Board of Directors periodically review the risk assessment and minimization procedure and ensure that the Executive Management controls risk through means of a properly defined framework. The risk management framework adopted by the Company is discussed in detail in Management Discussion and Analysis forming part of Annual Report.

## **DISCLOSURES**

### **Related party transactions**

During the year under review, there were no related party transactions which require reporting.

### **Disclosure of Accounting Treatment**

During the year under review, the Company followed the Accounting Standards laid down by the Companies (Accounting Standards) Rules, 2006, in the preparation of its financial statements.

### **Management**

A Management Discussion and Analysis (MDA) forms part of the Annual Report.

All the members of the Senior Management have confirmed to the Board that there are no material, financial and /or commercial transactions

between them and the Company, which could have any potential conflict of interest with the Company at large.

#### **CEO/CFO Certification**

As required under Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the Managing Director of the Company has certified to the Board regarding the financial statements for the year ended 31<sup>st</sup> March 2018.

#### **GENERAL BODY MEETINGS**

##### **Annual General Meeting**

The details of Annual General Meetings held in the last 3 years are given below:

<b>Year</b>	<b>Date &amp; Time of AGM</b>	<b>Venue</b>
2014-15	30-9-2015 at 11.00 AM	66, Gangwal Park, M.D. Road, Jaipur
2015-16	30-9-2016 at 12.00 noon	66, Gangwal Park, M.D. Road, Jaipur
2016-17	28-9-2017 2.00 p.m.	HOTEL SHIVA'S ROYAL, SINDHI CAMP, JAIPUR

#### **MEANS OF COMMUNICATION**

The Company informs its unaudited as well as audited Financial Results to the stock exchanges, as soon as these are taken on record/ approved by the Board. The Financial Results are displayed on the company's website [www.rscltd.in](http://www.rscltd.in). The Annual Report, quarterly Results and Shareholding pattern of the company are also posted by the BSE and DSE on their website.

#### **General Shareholder's Information:**

##### **Date, Time and Venue of the 25<sup>th</sup> AGM:**

28<sup>th</sup> September 2017, Thursday at 2.00 p.m. at the Hotel Shiva's Royal, Sindhi Camp, Jaipur.

##### **Financial Year:**

The financial year covers the period from April 1<sup>st</sup> of every year to March 31<sup>st</sup> of the next year.

Financial reporting for the first quarter ending June 30, 2017; 10<sup>th</sup> August 2017.

Financial reporting for the second quarter ending September 30, 2017; 6<sup>th</sup> November 2017.

Financial reporting for the third quarter ending December 31, 2017; 13<sup>th</sup> February 2018.



Financial reporting for the fourth quarter ending March 31, 2018; 31<sup>st</sup> May 2018.

**Dividend**

No dividend being recommended by the Board of Directors during the year.

**Listing of Equity Shares in Stock Exchange**

Bombay and Delhi Stock Exchange.

**Demat ISIN exchange number in NSDL & CDSL for equity shares**

ISIN No. INE015F01019

**Corporate Identification Number (CIN)**

The Company's CIN as allotted by the Ministry of Corporate Affairs is L17124RJ1993PLC007136.

**Stock Exchange Code**

Shares/ Debentures	ISIN No.	Stock Code	
		BSE Ltd.	Delhi Stock Exchange
Equity	INE015F01019	530179	18171

**Listing Fees**

Listing fees, as prescribed, has been paid to both the Stock Exchanges, where the securities of the Company are listed.

**Stock performance**

The Company has no trading during the year under review, therefore no data can be provided.

**Share Transfer System**

Shares sent for transfer in physical form are registered and returned within a period of thirty days from the date of receipt of the documents, provided the documents are valid and complete in all respects.

With a view to expedite the process of share transfers, necessary authority has been delegated to the Share Transfer Committee to approve the transfer of equity shares of the Company. The Share Transfer Committee and Stake Holder's Relationship Committee have met during the year under review, as and when required to consider the transfer proposals and attend to investors' grievances.

**Dematerialization of shares**

46.92% of the Equity Shares of the Company have been dematerialized as on March 31, 2018. The Company has entered into agreements with National Securities Depository Services (India) Limited (NSDL) and Central Depository Services Limited (CDSL) whereby the shareholders have an option to dematerialize their shares with either of the Depositories. Entire

shareholding of the promoters and promoter group is in dematerialised form.

(a)	<b>Dematerialization of shares</b>	
	Number of Shares dematerialized	2697720
	% of Shares dematerialized	46.92%
	Shares held with NSDL	2665339
	Shares held with CDSL	32381
(b)	<b>Shares in physical mode</b>	3051980
	% of shares in physical mode	53.08%

Shareholding Pattern as on 31<sup>st</sup> March 2018.

S. No.	Category	No. of Shareholders	No. of Shares	% of Total
1	Promoter and promoter group	18	2162794	37.62
2	NRI	28	73500	1.28
3	Resident individual & HUF	2932	3058357	53.19
4	Bodies Corporate	4	355701	6.18
		16	99348	1.73
	<b>Total</b>	<b>3000</b>	<b>5749700</b>	<b>100</b>

Distribution of Shareholding as on 31<sup>st</sup> March 2018.

Shareholding of Nominal Value of Rs. 10/-	No. of Shareholders	% to Total	No. of shares	Amount in Rs.	% to Total
UP TO 5000	1854	61.78	568740	5687400	9.89
5001 TO 10000	718	23.92	569846	5698460	9.91
10001 TO 20000	248	8.26	389400	3894000	6.77
20001 TO 30000	82	2.73	207900	2079000	3.62
30001 TO 40000	47	1.57	168580	1685800	2.93
40001 TO 50000	17	0.57	77400	774000	1.35
50001 TO 100000	18	0.6	124385	1243850	2.16
100001 AND ABOVE	17	0.57	3643449	36434490	63.37
<b>TOTAL</b>	<b>3001</b>	<b>100</b>	<b>5749700</b>	<b>57497000</b>	<b>100</b>

**Registered Office**

RSC International Limited  
66, Gangwal Park  
M.D. Road, Jaipur  
Phone: 093245-41587  
E-mail: [gyanrtl@hotmail.com](mailto:gyanrtl@hotmail.com)

**Registrar and Share Transfer Agent**

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

**Compliance Certificate of the Auditors**

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

**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.

## 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 financial year ended 31<sup>st</sup> March 2018 as stipulated by Regulation 34 and Schedule (V) (E) of the SEBI (LODR) Regulations, 2015, with the relevant records and documents maintained by the Company and furnished to me and the report of Corporate Governance as approved by the Board of Directors.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the provisions relating to Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in the above mentioned New Listing Regulations, subject to the following:

1. The management has confirmed that quarterly results were submitted to BSE and DSE immediately after its approval by Board of Directors and same were uploaded to the Company's website. BSE website has also displayed the same. Due to lack of profits, the Company has not published the same in newspapers.
2. The management has informed that inspite of efforts, they were unable to find any Company Secretary for appointment. However, the Company has retained services of qualified professional for assisting the Company to comply with the requirement of Companies Act, 2013 and the Listing Agreement. We have checked the file containing listing compliances and the same in our opinion are satisfactory.
3. The management has informed that due to small business and low profitability, the Company has not appointed CFO and the entire function of funds management is looked after by the Managing Director of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai  
Date: 7<sup>th</sup> September 2018

**Kamal Agrawal**  
**M. No. 43529**

## **DECLARATION ON COMPLIANCE OF CODE OF CONDUCT**

To

The Members of  
RSC International Ltd.

I, hereby declare that the Directors of the Company have affirmed in writing, their compliances with the Company's Code of Conduct, during the year ended 31<sup>st</sup> March 2018.

**Place: Mumbai**  
**Date: 7<sup>th</sup> September 2018**

**For: RSC International Ltd.**

**Gyanchand Jain**  
**Managing Director**

### **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 2018 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: Mumbai**

**Date: 7<sup>th</sup> September 2018**

**Gyanchand Jain.  
Managing Director**

## **INDEPENDENT AUDITORS' REPORT**

### **To the Members of RSC International Limited**

#### **Report on the Financial Statements**

We have audited the accompanying Ind AS financial statements of RSC International Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act and the Rules made thereunder including the Accounting and Auditing Standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under Section 143 (11) of the Act. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit

procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations 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, of the state of affairs of the Company as at March 31, 2018, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), 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 in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- (d) In our opinion, the aforesaid Ind AS 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) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors are disqualified as on March 31,



2018, from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, (refer to our separate Report in “Annexure A”), our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - i. The Company has no pending litigations as at March 31, 2018;
  - ii. The Company has no long-term contracts including derivative contracts as at March 31, 2018;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2018.

As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

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Place: Mumbai  
Date: 30<sup>th</sup> May 2018

**For: Kamal Agrawal  
Chartered Accountant**

**C.A Kamal Agrawal  
M. No 43529**

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## **ANNEXURE “A” TO INDEPENDENT AUDITORS’ REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the Members of RSC International Limited)

Report on the Internal Financial Controls Over Financial Reporting 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 RSC International Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date which includes internal financial controls over financial reporting of the Company.

### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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. 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 respective 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.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 internal financial controls system over financial reporting of the Company.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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, to the best of our information and according to the explanations given to us, 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, 2018, 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.

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Place: Mumbai  
Date: 30<sup>th</sup> May 2018

**For: Kamal Agrawal**  
**Chartered Accountant**

**C.A Kamal Agrawal**  
**M. No 43529**

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## **ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT**

**(Referred in 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of RSC International Limited)**

1. The company does not own any plant, property & equipment during the said reporting year.
2. The physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed by the management.
3. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the said reporting year.
4. The company has no loans, investments, guarantees, and security covered under section 185 and 186 of the Companies Act, 2013 during the said reporting year.
5. The company has not accepted any deposits, as per the provisions of the Companies Act, 2013 and the rules framed thereunder.
6. The responsibility to maintain cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
7.
  - a. The company is regular in depositing undisputed statutory dues including income-tax, sales-tax, service tax, value added tax, cess and any other statutory dues to the appropriate authorities. As on the last day of the said reporting year there are no arrears of outstanding statutory dues concerned for a period of more than six months from the date they became payable.
  - b. No dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have been disputed.
8. The company has not availed any loan or borrowing from any financial institution, bank, Government or debenture holders, hence no default in repayment arises.
9. During the said reporting year, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans.
10. No kind of fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the said reporting year.

11. No managerial remuneration has been paid or provided during the said reporting year.
12. The company is not a Nidhi company.
13. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the said reporting year.
15. The company has not entered into any non-cash transactions with directors or persons connected with him during the said reporting period.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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Place: Mumbai  
Date: 30<sup>th</sup> May 2018

**For: Kamal Agrawal**  
**Chartered Accountant**

**C.A Kamal Agrawal**  
**M. No 43529**

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**NOTES FORMING PART OF FINANCIAL STATEMENTS AS OF AND FOR THE  
YEAR ENDED MARCH 31, 2018  
GENERAL INFORMATION AND STATEMENT OF SIGNIFICANT ACCOUNTING  
POLICIES**

**NOTE 1. COMPANY OVERVIEW**

RSC International Ltd. ('the Company') is engaged in sale supervision services to business houses related to fabrics and trading in fabrics.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Statement of Compliance**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS"). The Company has prepared its financial statements up to the year ended 31<sup>st</sup> March 2017 in accordance with generally accepted accounting principles in India, including accounting standards read with Section 133 of the Companies Act, 2013 notified under Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1<sup>st</sup> April 2016. Refer note 3 below for the details of first time adoption exemptions availed by the Company.

**2.2 Basis of preparation**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, and presentation requirements of Schedule III to the Act under the historical cost convention on the accrual basis. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**2.3 Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgements In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Income taxes: The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

**2.4 Operating Cycle and Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification in accordance with Part-I of Division- II of Schedule III of the Companies Act, 2013.

An asset is treated as current when it (a) Expected to be realised or intended to be sold or consumed in normal operating cycle; (b) Held primarily for the purpose of trading; or (c) Expected to be realised within twelve months after the reporting period, or (d) The asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when (a) It is expected to be settled in normal operating cycle; or (b) It is held primarily for the purpose of trading; or (c) It is due to be settled within twelve months after the reporting period, or (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

**2.5 Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment inclusive of excise duty and net of returns, trade allowances, rebates, taxes and amounts collected on behalf of third parties and government.



**Sale of Goods:** Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Interest income:** Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

**Commission income:** Commission income is accrued on a time basis and company is not exposed to the inventory risks, customer's credit risks and latitude in establishing prices,

## **2.6 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## **2.7 Inventories**

Inventories are valued at lower of cost on FIFO basis and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

## **2.8 Employee Benefits**

Employee benefits consist of salary paid to employees.

## **2.9 Earnings per share (EPS)**

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year.

## 2.10 Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

## 2.11 Related Parties

Related party disclosure as required by Ind AS -24 issued by Ministry of Corporate Affairs (MCA) are as under:

(A) List of related parties and their relationship:

- a) Enterprise on which key management personnel and/or their relatives exercise significant influence with whom transactions have taken place during the year.

Mascot Fashions Private Limited

### b) Key Management Personnel

Shri G C Jain – Director  
Shri Ankur Jain - Director  
Smt. Alka Jain - Director

### (B) Transaction with related parties

	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>Enterprises:</b>		
Sales	19,77,710.00	0
Purchases	44,32,584.00	0

## 2.12 Taxation

Current income tax Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The major components of income tax expense for the year ended March 31, 2018 are indicated below:

a) Statement of profit or loss for the year ended	March 31, 2018	March 31, 2017
Current Tax:		

Current tax on profit for the year	0	14,473
Charge / (credit) in respect of current tax for the earlier years	0	0
<b>Total</b>	<b>0</b>	<b>14,473</b>

### 2.13 Cash Flow

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### NOTE 3. Explanation of transition to Ind AS

As stated in Note 2, the Company's financial statements for the year ended 31<sup>st</sup> March 2018 are the first annual financial statements prepared by the Company in order to comply with Ind AS. The adoption of Ind AS was carried out in accordance with Ind AS 101, using 1<sup>st</sup> April 2016 as the transition date. The transition was carried out from previous GAAP (based on the AS framework) to Ind AS. The effect of adopting Ind AS has been summarized in the reconciliations provided below.

Ind AS 101 generally requires full retrospective application of the Standards in force at the first reporting date.

However, Ind AS 101 allows certain exemptions in the application of particular Standards to prior periods in order to assist companies with the transition process.

**Reconciliations:** The accounting policies as stated above in Note 3 have been applied in preparing the financial statements for the year ended 31<sup>st</sup> March 2018, the financial statements for the year ending 31<sup>st</sup> March 2017 and the preparation of an opening Ind AS statement of financial position as at 1<sup>st</sup> April 2016. In preparing its opening Ind AS Balance Sheet and Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2017, the Company has adjusted amounts reported in financial statements prepared in accordance with Previous GAAP

An explanation of how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables:

#### i. Reconciliation of equity

Particulars	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
Equity as per Previous GAAP	3,68,75,217.00	3,68,75,217.00
Add / (Less) any changes	-	-
Equity as Per IND AS	3,68,75,217.00	3,68,11,456.00

ii. **Reconciliation of Total Comprehensive Income**

<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2017</b>
Profit for the year as per previous GAAP	63,761.00
Net profit for the year as per IND AS	63,761.00
Other Comprehensive Income (net of taxes)	-
<b>Total Comprehensive income as per IND AS</b>	<b>63,761.00</b>

iii. Explanation of material adjustments to Statement of Cash Flows for the year ended 31<sup>st</sup> March 2017:

The transition from Previous GAAP to Ind AS has no material impact on the Statement of Cash Flows except on account of re-classification of certain items of Assets and Liabilities.

iv. Exemptions availed on first time adoption of Ind AS 101:

On first time adoption of Ind AS, Ind AS 101 allows certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

a. The Company has opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for financial instruments on the date of transition to Ind AS.

**Notes to the Reconciliations**

**(a) Non-Current Tax Assets**

Advance Tax Assets not adjustable against the current tax liability have been regrouped and presented as non-current tax assets.

**(b) Trade Receivables**

Trade receivables has been reclassified as per Ind AS and presented under Financial Assets.

For: **KAMAL AGRAWAL**  
**Chartered Accountant**

For and on behalf of Board

**Kamal Agrawal**  
**MRN: 43529**

**Director      Director**

Place: Mumbai

Date: 30<sup>th</sup> May 2018

<b>RSC INTERNATIONAL LIMITED</b>				
<b>BALANCE SHEET AS AT 31st MARCH 2018</b>				(In Rs.)
	<b>Note No.</b>	<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>	<b>As at 1<sup>st</sup> April 2016</b>
<b>I. ASSETS</b>				
<b><u>1) Non-Current Assets</u></b>				
a) Property, Plant & Equipment		-	-	-
b) Capital Work in progress		-	-	-
c) Other Intangible Assets		-	-	-
d) Intangible Assets under development		-	-	-
e) Financial Assets:				
i) Investments	4	1,503,000	1,503,000	1,503,000
ii) Loans		-	-	-
iii) Other Financial Assets		-	-	-
f) Non - Current tax Assets (Net)	5	104,575	120,572	102,661
g) Other Non-Current Assets		-	-	-
		<b>1,607,575</b>	<b>1,623,572</b>	<b>1,605,661</b>
<b><u>2) Current Assets</u></b>				
a) Inventories		2,737,404	-	-
b) Financials Assets		-	-	-
i) Trade Receivables	6	33,963,815	35,543,666	36,731,776
ii) Cash and Cash Equivalents	7	211,716	124,874	58,218
iii) Bank Balance other than (ii)		-	-	-
iv) Other Financials Assets		-	-	-
c) Other Current Assets		-	-	-
		<b>36,912,935</b>	<b>35,668,540</b>	<b>36,789,994</b>
<b>TOTAL ASSETS</b>		<b>38,520,510</b>	<b>37,292,112</b>	<b>38,395,655</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b><u>EQUITY</u></b>				
a) Equity Share Capital	8	52,729,000	52,729,000	52,729,000
b) Other Equity	9	16,170,782	15,853,783	15,917,544
<b>TOTAL EQUITY</b>		<b>36,558,218</b>	<b>36,875,217</b>	<b>36,811,456</b>
<b><u>LIABILITIES</u></b>				
<b><u>1) Non-current liabilities</u></b>				
a) Financial Liabilities				
i) Borrowings		-	-	-
ii) Other Financial liabilities		-	-	-
b) Provisions		-	-	-
c) Deferred Tax Liabilities (Net)		-	-	-

<b>2) Current Liabilities</b>				
a) Financial Liabilities				
i) Borrowings		-	-	-
ii) Trade Payables	10	1,912,975	295,057	1,501,834
iii) Other Financial liabilities		-	-	-
b) Other current liabilities	11	33,182	70,182	45,182
c) Provisions		-	-	-
d) Current tax Liabilities (Net)	12	16,136	51,656	37,183
<b>TOTAL LIABILITIES</b>		<b>1,962,293</b>	<b>416,895</b>	<b>1,584,199</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>38,520,510</b>	<b>37,292,112</b>	<b>38,395,655</b>
The accompanying notes are an integral part of these Ind AS financial statements				
As per our report of even date attached				
<b>For: Kamal Agrawal</b>			For and on behalf of Board	
<b>Chartered Accountant</b>				
<b>Kamal Agrawal</b>				
<b>MRN: 43529</b>			<b>Director</b>	<b>Director</b>
			<b>DIN:</b>	<b>DIN:</b>
Place: Mumbai				
Date: 30th May, 2018				

<b>RSC INTERNATIONAL LIMITED</b>			
<b>STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31st MARCH 2018</b>			(In Rs.)
	<b>Note No.</b>	<b>As at 31<sup>st</sup> March 2018</b>	<b>As at 31<sup>st</sup> March 2017</b>
<b>INCOME</b>			
Revenue from operations	13	2,239,505	895,574
Other Income	14	50	-
<b>TOTAL INCOME</b>		<b>2,239,555</b>	<b>895,574</b>
<b>EXPENSES</b>			
Cost of material consumed	15	4,432,584	-
Changes in inventories of finished goods and work in progress	16	-2,737,404	-
Employee benefit expenses	17	193,625	120,000
Finance Cost		-	-
Depreciation and Amortization Expenses		-	-
Other Expenses	18	667,750	697,340
<b>TOTAL EXPENSES</b>		<b>2,556,554</b>	<b>817,340</b>
<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>-316,999</b>	<b>78,234</b>
Exceptional Items		-	-
<b>PROFIT BEFORE TAX</b>		<b>-316,999</b>	<b>78,234</b>
Tax Expenses		-	14,473
Current Tax	-	-	14,473
Less: MAT Credit entitlement	-	-	-
Deferred Tax	-	-	-
<b>PROFIT AFTER TAX</b>		<b>-316,999</b>	<b>63,761</b>
<b>Other Comprehensive Income</b>			
a) Items that will not be reclassified to profit and loss		-	-
b) Income tax relating to items that will not be reclassified to profit and loss		-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>-316,999</b>	<b>63,761</b>
<b>Earnings per equity share:</b>			
(Face value of Rs 10/- each)			
<b>Basic</b>		(0.06)	0.01
The accompanying notes are an integral part of these Ind AS financial statements			
As per our report of even date attached			
<b>For: Kamal Agrawal</b>		For and on behalf of Board	
<b>Chartered Accountant</b>			
<b>Kamal Agrawal</b>		<b>Director</b>	<b>Director</b>
<b>MRN: 43529</b>		<b>DIN:</b>	<b>DIN:</b>
Place: Mumbai			
Date: 30 <sup>th</sup> May 2018			

**Statement of Cash Flows for the year ended 31<sup>st</sup> March 2018**

(In Rs)

S. No.			For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
	Profit before tax		(316,999)	78,234
	Adjustments:			
	Depreciation Expense		-	-
	Finance Cost		-	-
	Operating profit before working capital changes		<b>(316,999)</b>	<b>78,234</b>
	(Increase) in Trade receivables		1,579,851	1,188,110
	(Increase) in Inventories		(2,737,404)	-
	Increase in Trade Payables		1,617,918	(1,206,777)
	Increase in Current liabilities and Provisions		(72,520)	39,473
	Cash generated from operations		<b>70,845</b>	<b>99,040</b>
	Direct taxes paid		-	14,473
	<b>Net cash from operating activities</b>	<b>"A"</b>	<b>70,845</b>	<b>84,567</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
	Non-Current Investments		15,997	(17,911)
	<b>Net cash from investing activities</b>	<b>"B"</b>	<b>15,997</b>	<b>(17,911)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
	<b>Net cash from financing activities</b>	<b>"C"</b>	-	-
	<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>86,842</b>	<b>66,656</b>
	<b>CASH AND CASH EQUIVALENTS</b>			
	Opening cash & cash equivalents		124,874	58,218
	Closing cash & cash equivalents		211,716	124,874
			<b>86,842</b>	<b>66,656</b>
<p>Note: 1. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.</p>				
<p>As per our report of even date attached</p>				
<p><b>For: Kamal Agrawal</b> <b>Chartered Accountant</b></p>		<p align="right">For and on behalf of Board</p>		
<p><b>Kamal Agrawal</b> <b>MRN: 43529</b> Place: Mumbai Date: 30<sup>th</sup> May 2018</p>		<p><b>Director</b> <b>DIN:</b></p>	<p><b>Director</b> <b>DIN:</b></p>	



<b>Notes of IND AS Financial Statements</b>				
<b>4.</b>	<b>NON-CURRENT INVESTMENTS</b>	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>01/04/2016</b>
	(a) Other Investments - unquoted	-	-	-
	NSC	3,000	3,000	3,000
	1,50,000 equity shares of Rs. 10/- each of Ratnagiri (India) Ltd.	1,500,000	1,500,000	1,500,000
		<b>1,503,000</b>	<b>1,503,000</b>	<b>1,503,000</b>
<b>5.</b>	<b>NON - CURRENT TAX ASSETS (NET)</b>	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>01/04/2016</b>
	Income Tax (TDS)	104,575	120,572	102,661
		<b>104,575</b>	<b>120,572</b>	<b>102,661</b>
<b>6.</b>	<b>TRADE RECEIVABLES</b>	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>01/04/2016</b>
	<b>(unsecured and considered good)</b>			
	Debts overdue for a period exceeding six months	33,243,689	35,543,666	36,731,776
	Debts overdue for a period less than six months	720,126	-	-
		<b>33,963,815</b>	<b>35,543,666</b>	<b>36,731,776</b>
<b>7.</b>	<b>CASH &amp; CASH EQUIVALENTS</b>	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>01/04/2016</b>
	(a) Balance with bank			
	In Current accounts	146,464	27,099	17,842
	(b) Cash-in-hand	65,252	97,775	40,376
		<b>211,716</b>	<b>124,874</b>	<b>58,218</b>
<b>8.</b>	<b>EQUITY SHARE CAPITAL</b>	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>01/04/2016</b>
	<b><u>AUTHORISED</u></b>			
	70,00,000 Equity Shares of Rs. 10/- each	70,000,000	70,000,000	70,000,000
		<b>70,000,000</b>	<b>70,000,000</b>	<b>70,000,000</b>
	<b><u>ISSUED</u></b>			
	57,49,700 Equity Shares of Rs.10/- each	57,497,000	57,497,000	57,497,000
		<b>57,497,000</b>	<b>57,497,000</b>	<b>57,497,000</b>
	<b><u>SUBSCRIBED &amp; FULLY PAID UP</u></b>			
	57,49,700 Equity Shares of Rs.10/- each	57,497,000	57,497,000	57,497,000
	Less: Allotment money in arrear (others)	4,768,000	4,768,000	4,768,000
		<b>52,729,000</b>	<b>52,729,000</b>	<b>52,729,000</b>
a.	Reconciliation of equity shares outstanding at the beginning and at the end if the reporting period	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>01/04/2016</b>
	Equity Shares			
	Balance at the beginning of the year	<b>5,749,700</b>	<b>5,749,700</b>	<b>5,749,700</b>
	Issued during the year	-	-	-
	Balance at the end of the year	<b>5,749,700</b>	<b>5,749,700</b>	<b>5,749,700</b>

b.	Details of shareholders holding more than 5% shares in the company				
	Name of share holder	As on 31.03.2018		As on 31.03.2017	
		Number of Shares	% of holding	Number of Shares	% of holding
	Mascot Fashions P. Ltd.	628,360	10.93	628,360	10.93
	Ankur Jain	535,800	9.32	535,800	9.32
	Alpine Overseas	354,200	6.16	354,200	6.16
	Gyan Chand Jain	471,230	8.19	471,230	8.19
	Alka Jain	491,430	8.54	491,430	8.54
	Triza Jain	613,635	10.67	613,635	10.67

<b>9.</b>	<b>OTHER EQUITY</b>	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>01/04/2016</b>
	<b>A. Reserve and Surplus</b>			
	(a) Capital Reserve (Subsidy)	2,500,000	2,500,000	2,500,000
	<u>(b) Retained Earnings:</u>			
	Opening Balance	- 18,353,783	-18,417,544	-18,489,175
	Add: Profit (Loss) for the year	16,999	63,761	71,631
		<b>-18,670,782</b>	<b>-18,353,783</b>	<b>-18,417,544</b>
	Total Reserves & Surplus	<b>-16,170,782</b>	<b>-15,853,783</b>	<b>-15,917,544</b>
<b>10</b>	<b>TRADE PAYABLES</b>	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>01/04/2016</b>
	Micro, Small & Medium Enterprises	-	-	-
	Others	1,912,975	295,057	1,501,834
		<b>1,912,975</b>	<b>295,057</b>	<b>1,501,834</b>
<b>11</b>	<b>OTHER CURRENT LIABILITIES</b>	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>01/04/2016</b>
	(a) TDS Payable	8,182	182	182
	(b) Audit fees payable	25,000	70,000	45,000
		<b>33,182</b>	<b>70,182</b>	<b>45,182</b>
<b>12</b>	<b>CURRENT TAX LIABILITIES (NET)</b>	<b>31/03/2018</b>	<b>31/03/2017</b>	<b>01/04/2016</b>
	(a) Income Tax - MAT	16,136	51,656	37,183
		<b>16,136</b>	<b>51,656</b>	<b>37,183</b>

Notes of IND AS Financial Statements		As at	As at
<b>13.</b>	<b>REVENUE FROM OPERATIONS</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
	Sale of Products	1,977,710	0
	Commission /Supervision charges	261,795	895,574
		<b>2,239,505</b>	<b>895,574</b>

<b>14.</b>	<b>OTHER INCOME</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
	Interest	50	0
		<b>50</b>	<b>0</b>
<b>15.</b>	<b>COST OF MATERIAL CONSUMED</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
	Purchases	4,432,584	0
		<b>4,432,584</b>	<b>0</b>
<b>16.</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS &amp; WORK IN PROGRESS</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
	Closing Inventories		
	- Finished Goods	2,737,404	0
	Opening Inventories		
	- Finished Goods	0	0
		<b>-2,737,404</b>	<b>0</b>
<b>17.</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
	Salary	193,625	120,000
		<b>193,625</b>	<b>120,000</b>
<b>18.</b>	<b>OTHER EXPENSES</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
	Listing Fees	287,790	229,000
	Legal & Professional Charges	66,000	45,000
	Rent	60,000	60,000
	Goods & Services Tax	59,321	-
	Depository Expense	55,070	58,279
	Travelling Expense	49,596	96,860
	Statutory Audit Fees	30,000	25,000
	Secretarial Audit Fee	20,000	-
	Printing & Stationery	18,410	75,000
	Accounting Fees	12,000	25,000
	General Expense	4,350	1,800
	Advertising	3,600	-
	Bank Charges	1,253	1,677
	Office Expenses	360	52,219
	Registration & Filing Fee	-	27,505
		<b>667,750</b>	<b>697,340</b>