

RAHUL MERCHANDISING LIMITED

Reg. office: 138A, First Floor, Taimoor Nagar, New Friends Colony,
New Delhi-110065

Email: rahulmerchandising@gmail.com

Website: www.rahulmerchandising.com

ANNUAL REPORT 2010-2011

BOARD OF DIRECTORS

Mr. Suresh Mansharamani	Chairman & Managing Director
Mr. Pardeep Kumar	Director
Mr. Rahul Mansharamani	Director
Mr. Naveen Asrani	Director
Mr. Brij Mohan	Director
Mr. Amrendra Kumar Singh	Director

AUDITORS

JAGDISH SAPRA & CO., Chartered Accountants
23, Prakash Appartments,
5, Ansari Road, Darya Ganj,
New Delhi- 110002

REGISTERED OFFICE

138A, First Floor,
Taimoor Nagar,
New Friends Colony,
New Delhi-110065.

REGISTERED AND TRANSFER AGENT

Alankit Assignments Limited,
RTA Division, Alankit House,
2E/21, Jhandewalan Extension,
New Delhi – 110055(India)
Ph.: 91-11-42541234, 23541234,
Fax: 91-11-23552001.
e-mail: rta@alankit.com
Website: www.alankit.com

NOTICE OF AGM

Notice is hereby given that the Annual General Meeting of the Members of **M/s. RAHUL MERCHANDISING LIMITED** is scheduled to be held on Friday, 30th day of September, 2011 at Registered office of the Company at 138A, Taimoor Nagar, New Friends Colony, New Delhi-110065 at 10:30 A.M. to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2011 and Profit and Loss Account for the period ended on that date together with Schedules and Notes to Accounts, Auditors' and Directors' Report thereon.
2. To consider and to appoint a Director in place of Mr. Amrendra Kumar Singh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and appoint Auditors **M/s. JAGDISH SAPRA & CO., Chartered Accountants, New Delhi**, who retires at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for re-appointment and will hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of next AGM of the Company and to fix their remuneration.

SPECIAL BUSINESS:-

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

“RESOLVED THAT Mr. Rahul Mansharamani, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 by the Board of Directors at its meeting held on 30.05.2011, and whose term expires at the ensuing Annual General Meeting of the company, and who has given a notice to the company along with a cash of Rs. 500/- towards deposit, signifying his intention to offer his candidature for the appointment as Director of the company at the ensuing Annual General Meeting, be and is hereby appointed as Director of the Company.”

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

“RESOLVED THAT Mr. Naveen Asrani, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 by the Board of Directors at its meeting held on 30.05.2011, and whose term expires at the ensuing Annual General Meeting of the company, and who has given a notice to the company along with a cash of Rs. 500/- towards deposit signifying his intention to offer his candidature for the appointment as Director of the company at the ensuing Annual General Meeting, be and is hereby appointed as Director of the Company.”

“FURTHER RESOLVED THAT Mr. Suresh Mansharamani, Chairman & Managing Director and Mr. Pardeep Kumar, Director & Compliance Officer of the Company be and are hereby authorized jointly or severally to execute all necessary documents, file Form No. 32 and other

necessary forms relating to the appointment of Mr. Rahul Mansharamani & Mr. Naveen Asrani as Directors of the Company with the Registrar of Companies, NCT of Delhi & Haryana.”

FURTHER RESOLVED THAT CS. K. K. Singh, Managing Partner of M/s. K. K. Singh & Associates, Company Secretaries, be and is hereby authorised to do all the acts, to prepare any sort of documents, filling, filing and pre-certification of the relevant forms to be filed with the Registrar of Companies, NCT of Delhi & Haryana to ensure the compliance of the same.”

For and on behalf of the Board of Directors

Date: 02.09.2011
Place: New Delhi

**Sd/-
Managing Director**

NOTES:

- 1. A MEMBER WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ONLY AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2. IN ORDER TO BE EFFECTIVE, PROXY FORMS DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.**
3. The register of the members and share transfer books of the Company will remain closed from September 27, 2011 to September 30, 2011 (both days inclusive).
4. Corporate member intending to send their authorized representative to attend the meeting are requested to send certified copy of the board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
5. Queries on accounts and operations may please be sent to the company 7 days in advance of the Annual general meeting so that the answer may be made available at the meeting.
6. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are request to write their folio number in the attendance slip for attending the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
8. Pursuant to the recommendation of SEBI committee on corporate governance for reappointment of the retiring director, a statement of the details of the concerned director is attached thereto.
9. All documents referred to in the accompanying notice are open for inspection at the registered office of the company during office hours on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the annual general meeting.
- 10. All members are requested to make their correspondence relating to the shares in physical and demat to our Share Transfer Agent i.e. Alankit Assignments Limited at its office at **RTA Division, Alankit House, 2E/21, Jhandewalan Extension, New Delhi – 110055 (India). Ph.: 91-11-42541234, 23541234, e-mail: rta@alankit.com, Website: KINDLY FILL IF ANY OTHER****
DIRECTORSHIP AL GENERAL MEETING

<i>Names of Directors</i>	<i>Mr. A. K. Singh</i>
<i>Date of Birth</i>	<i>14th April, 1966</i>
<i>Date of Appointment</i>	<i>23rd September, 2000</i>
<i>Qualifications</i>	<i>B.Com(Economics)</i>
<i>Expertise in functional area</i>	<i>He has a vast experience of business in field of garments and trading(More than 20 years)</i>
<i>Other Directorship excluding Alternate Directorship, Private Companies and Foreign Companies</i>	<i>NIL</i>
<i>Chairman/Member of the Committee of the Board of Directors of the Company</i>	<i>YES</i>
<i>Chairman/Member of the Committee of the Board of Directors of other companies in which he is a Director</i>	<i>NIL</i>
<i>a. Audit Committee</i>	<i>NIL</i>
<i>b. Investor Grievances Committee</i>	<i>NIL</i>
<i>No. of Shares held in the Company</i>	<i>NIL</i>

11. The explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of item no. 4 & 5 are annexed herewith.

Item No. 4.

Mr. Rahul Mansharamani was appointed as Additional Directors of the company pursuant to Section 260 of the Companies Act, 1956 and whose terms of office will be only up to the date of ensuing AGM. He is a under graduate, and is eligible to be re-appointed as Director of the company. He has signified his intention under section 257 of the Companies Act, 1956 for his re-appointment as Director of the Company with a cash of Rs. 500/-. He is young and dynamic person, with five years of experience in marketing, his association and continuation as Director of the company would be worthwhile for the organization.

ADDITIONAL INFORMATION REQUIRED UNDER CLAUSE 49 IV(G) OF THE LISTING AGREEMENT ON DIRECTORS SEEKING FOR APPOINTMENT OR RE- APPOINTMENT AT ANNUAL GENERAL MEETING

<i>Names of Directors</i>	<i>Mr. Rahul Mansharmani</i>
<i>Date of Birth</i>	<i>27th June, 1985</i>
<i>Date of Appointment</i>	<i>30th May, 2011</i>
<i>Qualifications</i>	<i>Undergraduate</i>

<i>Expertise in functional area</i>	<i>He has wide experience in various fields and specialized experience in marketing .</i>
<i>Other Directorship excluding Alternate Directorship, Private Companies and Foreign Companies</i>	2(Two)
<i>Chairman/Member of the Committee of the Board of Directors of the Company</i>	NIL
<i>Chairman/Member of the Committee of the Board of Directors of other companies in which he is a Director</i>	NIL
<i>a. Audit Committee</i>	NIL
<i>b. Investor Grievances Committee</i>	NIL
<i>No. of Shares held in the Company</i>	NIL

Therefore, keeping in view of his qualifications, experience and expertise, your Board of Directors has decided to recommend his name for re-appointment as Director of the Company at ensuing Annual General Meeting for your approval.

None of the Directors of your Company is interested in the proposed appointment.

Item No. 5.

Mr. Naveen Asrani was appointed as Additional Directors of the company pursuant to Section 260 of the Companies Act, 1956 and whose terms of office will be only up to the date of ensuing AGM. He is a under graduate and is eligible to be re-appointed as Director of the company. He has signified his intention under section 257 of the Companies Act, 1956 for his re-appointment as Director of the Company with a cash of Rs. 500. He is having about 10 years of vast experience in the field of trading and marketing, his association and continuation as Director of the company would be worthwhile for the organization.

ADDITIONAL INFORMATION REQUIRED UNDER CLAUSE 49 IV(G) OF THE LISTING AGREEMENT ON DIRECTORS SEEKING FOR APPOINTMENT OR RE- APPOINTMENT AT ANNUAL GENERAL MEETING

<i>Names of Directors</i>	<i>Mr. Naveen Asrani</i>
<i>Date of Birth</i>	<i>6th September, 1981</i>
<i>Date of Appointment</i>	<i>30th May, 2011</i>
<i>Qualifications</i>	<i>Undergraduate</i>
<i>Expertise in functional area</i>	<i>He has wide experience and long (more than 10 years) experience in he functional aspects of Production.</i>
<i>Other Directorship excluding Alternate Directorship, Private Companies and Foreign Companies</i>	<i>NIL</i>
<i>Chairman/Member of the Committee of the Board of Directors of the Company</i>	<i>NIL</i>
<i>Chairman/Member of the Committee of the Board of Directors of other companies in which he is a Director</i>	<i>NIL</i>
<i>a. Audit Committee</i>	<i>NIL</i>
<i>b. Investor Grievances Committee</i>	<i>NIL</i>
<i>No. of Shares held in the Company</i>	<i>NIL</i>

Therefore, keeping in view of his qualifications, experience and expertise, your Board of Directors has decided to recommend his name for re-appointment as Director of the Company at ensuing Annual General Meeting for your approval.

None of the Directors of your Company is interested in the proposed appointment.

For and on behalf of the Board of Directors

Date: 02.09.2011
Place: New Delhi

Sd/-

Managing Director

DIRECTOR'S REPORT

The Members,

The Board of Directors of M/s. **RAHUL MERCHANDISING LIMITED** has the pleasure in presenting the Directors' Report on the Audited Annual Accounts for the year ended on 31st March, 2011.

FINANCIAL HIGHLIGHTS

Particulars	2010-11	2009-10
Total Income	445005.00	Nil
Total Expenditure	511466.50	21450
Profits (Loss) before interest, Depreciation and Tax	(66461.50)	(21450.00)
Interest and Financial Charges	Nil	Nil
Profits (Loss) before Depreciation and Tax	(66461.50)	(21450.00)
Depreciation	Nil	Nil
Net Profits (Loss) before Tax	(66461.50)	(21450.00)
Tax Provision	Nil	Nil
Net Profits (Loss)	(66461.50)	(21450.00)

FUTURE PROSPECT

Your Board of Directors foresees better future in the years to come and has been striving hard to bring the company into operation to achieve the positive performance. Despite the tough path ahead, your Board is very much optimistic about the better future with positive results. Your Management is putting their best to resume its operation and return back its glorious period with effective and efficient utilization of its resources.

DIVIDEND

Since there are no profit during the year under review, your Directors are unable to recommend any dividend for the financial year ended 2010-2011.

DEPOSITS

During the year of Report, your company has not accepted any public deposit falling within the provisions of Section 58A of the Companies Act, 1956.

CORPORATE GOVERNANCE

The company has not been in business operation. The Board of Director has been ensuring the statutory compliance like Board meeting and so on with its best efforts and initiative to revive its operation. Your Board feels that there is nothing to report on the matter of corporate governance except statutory compliance. Still your Board has decided to give brief of the compliance in form of the Corporate Governance Report and the same is attached herewith.

AUDITORS

The Statutory Auditors **M/S. JAGDISH SAPRA & CO., CHARTERED ACCOUNTANTS**, New Delhi who retire at the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a letter from them that if their appointment be made, that would be within the limit as specified under Section 224 (1B) and they are qualified as per Section 226 of the Companies Act, 1956. The Board of Directors recommends their name for approval by the members of the company for appointment as Auditor of the company to hold the office from the conclusion of ensuing Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

DIRECTORS

Mr. Rahul Mansharamani and **Mr. Naveen Asrani** were appointed as Additional Director of the Company pursuant to section 260 of the Company Act 1956 by the Board of Directors at its meeting held on 30.05.2011 and whose term expires at the ensuing AGM of the Company. Being eligible, have offered themselves to be re-appointed. Their association and continuation as Director of the company would be worthwhile for the organization.

Pursuant to the provisions of the Companies Act, 1956, **Mr. Amrendra Kumar Singh**, Director of your company, retire by rotation at the ensuing Annual General Meeting of your company , and being eligible, have offered himself for re-appointment. **Mr. A. K. Singh** being eligible, has offered himself to be re-appointed. His association and continuation as Director of the company would be worthwhile for the organization.

COMMENT ON AUDITOR'S REPORT

Auditor's Report and Notes to the accounts on the annual account of the Company for the year ended 31st March, 2011 are self explanatory and do not require any further comment under section 217(3) of the Companies Act, 1956.

LISTING:

At present the Company's Equity Shares are listed at **Bombay Stock Exchange Limited (BSE)** and **Jaipur Stock Exchange Association Ltd. (JSE)** and the Company has paid the Listing fees to the above exchanges for the financial year ended 2011-12.

PARTICULARS OF THE EMPLOYEES AS REQUIRED U/S 217(2A)

The company has no employee who has been drawing remuneration beyond the prescribed limit in terms of Section 217 (2A) of the Companies Act-1956 read with the Companies (Particulars of Employees) Rules, 1975.

COMPLIANCE CERTIFICATE

The company has obtained the Compliance Certificate from Mr. Ravishankar Chauhan & Co., Company Secretary, Gurgaon as required under Section 383A of the Companies Act, 1956 which is self explanatory and does not need any comments from Board.

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

The information required under section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars) in the Report of Board of Directors, Rules, 1988, with regard to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are as follows:

I. CONSERVATION OF ENERGY

There is no operation in the company. Your company has installed all energy saving devices in order to save energy to the maximum extent possible at its office.

II. TECHNOLOGY ABSORPTION:

The company has not entered into any contract involving any technical know-how during the financial year since there was no operation in the company.

III. FOREIGN EXCHANGE EARNING AND OUTGOING

1. Foreign Exchange Earning : Rs.445,005/-

2. Foreign Exchange Outflow: Rs. NIL

(During the year the foreign currency debt has not valued in light of the current situation and state of the company).

MANAGEMENT DISCUSSION AND ANALYSIS

Your management has examined the overall situation and reviewed the current scenario and has observed that in light of current situation and financial strength of the company, future of the company is bright and better days are ahead.

Hence at this juncture, overall analysis of the situation of the company is prompting the management to do better and move ahead. Your management is very much enthusiastic to achieve the positive performance with its dedication.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement of section 217 (2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement it is hereby confirmed:

1. That in the preparation of the accounts for the financial year ended on 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of profit or loss of the company for the year under review;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the accounts for the financial year ended on 31st March, 2011 on a going concern basis.

ACKNOWLEDGEMENT

The Board of Directors wish to place on record their sincere appreciation for wholehearted contribution and co-operation extended by the Banks and Financial Institutions, customers, employees, Shareholders, Government, Semi Government Authorities etc. during the financial year ending on 31.03.2011 to our company.

For and on behalf of the Board of Directors

Date: 02.09.2011
Place: New Delhi

Sd/-
Managing Director.

REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below for the financial year 2010-11.

1) Company's Philosophy on code of Corporate Governance :-

Corporate Governance refer to a combination of regulations, procedures and voluntary practices that enable companies to maximize shareholder's value by attracting financial & human capital and efficient performance.

As a responsible corporate citizen, it is the earnest endeavor of the company to improve its focus on Corporate Governance by increasing accountability & transparency to shareholders, bankers, customers etc.

The Company has complied with the guidelines on Corporate Governance laid down by the Stock Exchanges to the extent of its applicability and its business operation.

2) Board of Directors:-

Board of Directors:-

The Board consists of an optimum combination of executive and non-executive Directors, who have an in dept knowledge of the business, in addition to expertise in their areas of specialization.

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management. The Board of Directors of the Company consists of six directors, Four of whom are non-executive independent directors thus making the more than 50% of the Board members as independent.

Board thinks that the shareholders should know the details of Board Meeting as well as details of participation by the Company's Directors to understand fully the contributions made by their Directors. The Company has, therefore, decided to make full disclosure on the Board Meetings as well as attendance record of all Directors on the Board.

The details of the Board of Directors, their Designation, Category, other directorship and committee memberships, their attendance at the board meetings/last annual general meeting, are given below: (as per separate Chart):

The composition and category of Directors as on 31.03.2011 is as follows:

Name of the Director	Category of Directorship	No. of Shares held in Company (As on 31.03.2011)	Directorship in other companies* (Nos.)	Committees of other companies**		Attendance at the Board Meeting		Attendance in last AGM
				Member	Chairman	No. of Meeting held	No. of Meeting attended	
Mr. Suresh Mansharamani (Managing Director)	Executive, Non-Independent	466,600/-	3(Three)	NIL	NIL	5(Five)	5(Five)	Yes
Mr. Pardeep Kumar	Non-Executive & Independent	NIL	5(Five)	NIL	NIL	5(Five)	5(Five)	Yes
Mr. Amrendra Kumar Singh	Non-Executive & Independent	NIL	NIL	NIL	NIL	5(Five)	5(Five)	Yes
Mr. Brij mohan	Non-Executive & Independent	NIL	NIL	NIL	NIL	5(Five)	5(Five)	Yes
Mr. Gulshan Kumar	Non-Executive & Independent	NIL	2(Two)	NIL	NIL	5(Five)	4(Four)	Yes

All the Independent Directors of the Company have furnished a declaration at the time of their appointment as also annually that they qualify the tests of independence as laid down under Clause 49. All such declaration is placed before the Board for information.

NOTES:

- Excludes directorship in Rahul Merchandising Limited. Also excludes directorship in Indian Private Limited Companies, Foreign Companies, Section 25 Companies and Alternate Directorships. As per the disclosure(s) received from the Directors, the Directors do not hold directorship in more than 15 Companies.
- For the purpose of considering the limit of the Committee Memberships and Chairmanships of a Director, the Audit Committee and the Shareholders' Grievances Committee of public listed committees alone has been considered. As per disclosure(s) received from the Directors, the Director does not hold memberships in more than 10 Committees and Chairmanships in more than 5 Committees.

Meetings & Attendance

During the last financial year, the Board of Directors of your Company met at five times on **20th April, 2010, 24th July, 2010, 1st September, 2010, 26th October, 2010, 25th January, 2011.** Agenda papers along with explanatory notes were circulated to the Directors well in advance for each of these meetings. All relevant information, as per Clause 49 of the Listing Agreement was placed before the Board from time to time. No sitting fees has been paid to any director of the company during the financial year

3) Committees of the Board

Audit Committee

The Audit Committee of the Board of Directors has been constituted in conformity with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Committee comprises of three directors, three all are non-executive directors. Four Audit Committee Meetings were held during the year on **20th April, 2010, 24th July, 2010, 26th October, 2010, 25th January, 2011.** Composition of the Audit Committee is as follows:

Name of the Director	Position held in Committee	Category
Mr. Pardeep Kumar	Chairman	Non Executive –Independent
Mr. Amrendra Kumar Singh	Member	Non Executive –Independent
Mr. Brij Mohan	Member	Non Executive –Independent

The Audit Committee of Rahul Merchandising Limited performs the following functions:

1. Oversee the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Reviewing with management the annual financial statement before submission to the Board focusing primarily on:
3. Any change in accounting policies and practices.
4. Major accounting entries based on exercise of Judgment by management.
5. Qualification in draft audit report
6. Significant adjustments arising out of audit.
7. The going concern assumption.
8. Compliance with accounting standards.
9. Any related party transaction i.e. transactions with promoters/management their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.
10. Reviewing the adequacy of internal control systems with management, external and internal auditors.
11. Reviewing the adequacy of internal audit function and reporting the matter of the Board.
12. Reviewing the Company's financial risk management policies.
13. Reviewing the findings of internal investigation on suspected fraud or irregularities of failure of internal control systems.

Shareholders' / Investors' Grievance Committee

The composition of Shareholders' / Investors' Grievance Committee is as follows:-

Name of the Director	Position held in Committee	Category
Mr. Pardeep Kumar	Chairman	Non Executive –Independent
Mr. Amrendra Kumar Singh	Member	Non Executive –Independent
Mr. Suresh Manasharamani	Member	Executive- Non Independent

Share transfer requests received by the Company or by its Registrar and Share Transfer Agents are registered within a period of 30 days from the receipt, if the transfer documents are complete in all respects. The demat requests are normally confirmed within 15 days from the date of receipt.

Remuneration Committee

The Committee determines Company's Policy on specific remuneration package for executive directors. The Composition of the Committee is as follows:-

Name of the Director	Position held in Committee	Category
Mr. Pardeep Kumar	Chairman	Non Executive –Independent
Mr. Amrendra Kumar Singh	Member	Non Executive –Independent
Mr. Brij Mohan	Member	Non Executive –Independent

Remuneration Policy

The Remuneration Policy of the Company for managerial personal is primarily based on the following criteria:

1. Performance of the Company
2. Track record, potential and performance of individual managerial personnel.
3. External competitive environment.

Remuneration of Directors

Remuneration of Executive Directors is decided by the Board, based on the recommendation of the Remuneration Committee as per the remuneration policy of the Company, within the ceilings fixed by the Shareholders.

Remuneration of the Executive Directors for the year ended 31st March, 2011, was as follows:

Name of the Director	Sitting fee (Rs.)	Commission on profit (Rs.)	Salary & allowances (Rs.)	Contribution to PF (Rs.)	Perquisites (Rs.)	Total (Rs.)
Mr. Suresh Mansharamani (Managing Director)	Nil	Nil	220000	Nil	Nil	Nil

The Company has not introduced any stock option scheme for any of its Director

No payment in the form of Director's Remuneration was made to any other Director for the year ended 31st March 2011.

Remuneration to Non Executive Directors

During the year ended 31st March 2011, the Company has not paid any remuneration either in the form of commission or sitting fee to its non- executive Directors.

4) Management discussion and analysis

The Annual Report contains matter on management discussion and analysis.

5) Compliance Officer

The Board has designated one of its Director, Mr. Pardeep Kumar, as a Compliance Officer of the Company.

6) Details of shareholders' complaints received & attended during the year

There is not shareholders complaints pending and the same is being shown as per table given below:-

Subject	Complaints		
	Received	Attended	Pending
Investor's Complaints	NIL	NIL	NIL
TOTAL	NIL	NIL	NIL

7) General Body Meetings

Financial Year	Date	Time	Venue	Special Resolution passed
Annual General Meeting 2009-2010	28.09.2010	10.30 a.m.	138A, Taimoor Nagar, New Friends Colony, New Delhi-110065	No Special Resolution Passed
Annual General Meeting 2008-2009	30.09.2009	11.30 a.m.	S-17/18, Chankya Place, opposite-Janak Puri, C-1, New Delhi-110059	No Special Resolution Passed
Annual General Meeting 2007-2008	30.09.2009	01.30 p.m.	S-17/18, Chankya Place, opposite-Janak Puri, C-1, New Delhi-110059	No Special Resolution Passed

8) **Disclosures**

a) Details of material financial and commercial transactions with related parties

During the financial Year 2010-2011, no material financial /commercial transactions were made with any related party.

b) Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There is no material non-compliance or penalties or strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

c) Disclosures regarding appointment or re-appointment of directors

According to the Articles of Association of Rahul Merchandising Limited, one third of the rotational directors retire by rotation at every annual general meeting of the company. Mr. Amrendra Kumar Singh retires by rotation and being eligible to offers himself for re-appointment at the forthcoming Annual General Meeting of the Company.

Brief particulars of the directors seeking re-appointment are given below:-

Mr. Rahul Mansharamani and Mr. Naveen Asrani were appointed as Additional Director of the Company pursuant to section 260 of the Company Act 1956 by the Board of Directors at its meeting held on 30.05.2011 and whose term expires at the ensuing AGM of the Company. Being eligible, have offered themselves to be re-appointed.

Pursuant to the provisions of the Companies Act, 1956, Mr. Amrendra Kumar Singh, Director of your company, retire by rotation at the ensuing Annual General Meeting of your company, and being eligible, have offered himself for re-appointment.

Brief information has already been given in respect of above said directors in Notice and Directors Reports.

All the details relating to financial and commercial transactions where directors may have a potential interest are provided to the Board and the interested directors neither participate in the discussions nor do they voted on such matters.

9) **Means of Communication:-**

Financial Results

All financial results of the Company are forthwith communicated to all stock exchanges after they are approved and taken on record by the Board of Directors of the Company. Further, the results are published in leading English Dailies like Pioneer and in the regional newspapers.

10) Insider Trading Rules:-

In terms of the provisions of SEBI (Prevention of Insider Trading Regulations) 2002, as amended, the Company has formulated a 'Code of Internal Procedure & Conduct' for prevention of insider trading in shares of the Company. The Code lays down guidelines and advises the designated employees on procedures to be followed and disclosures to be made, while dealing in the shares of Rahul Merchandising Limited.

11) General Shareholders Information

Annual General Meeting

Date and Time	:	30 th September, 2011 at 10.30 AM.
Venue	:	138A, First Floor, Taimoor Nagar New Friends Colony, New Delhi- 110065

Financial Calendar (tentative)

Financial Year	:	April – March, 2010-11
Results for the First Quarter	:	30 th July, 2011
Results for the Second Quarter	:	10 th November, 2011
Results for the Third Quarter	:	5 th February, 2012
Annual Results	:	15 th May, 2012
Date of Book Closure	:	From September 27, 2011 To September 30, 2011 (both days inclusive)
Dividend on equity shares	:	NIL

Share Details:-

Listed at	:	BSE & JSE.
Stock Code	:	531887 (Mumbai)
International Security Identification No.	:	INE149D01011.

Stock Market Data

Trading of the shares has been suspended due to some unavoidable circumstances. The process for revocation of suspension has been going on with the BSE on the base of submission of our documents as required by the BSE time to time.

Registrar and Share Transfer Agents:

M/s Alankit Assignments Ltd.

RTA Division, Alankit House,

2E/21, Jhandewalan Extension,

NewDelhi – 110055(India)

Ph.: 91-11-42541234, 23541234,

Fax: 91-11-23552001.

e-mail: rta@alankit.com

Website: www.alankit.com

Distribution of shareholding as on 31st March, 2011

Categories	No. of Shares held	Percentage of Shareholding
A. Promoter's Holding		
1. Indian Promoters, Directors & Relatives :	2347150	66.83
Foreign Promoters :	00	00
2. Persons acting in concert	00	00
Sub-Total	2347150	66.83
B. Non-Promoters Holding		
3. Institutional Investors	00	00
a. Mutual Funds and UTI	350	.01
b. Banking, Financial Institutions/Insurance, Companies (Central/State Govt. Institutions Non-government Institutions).	00 00	
c. FIIs	NIL	NIL
Sub-Total	2347500	66.84
4. Others		
a. Private Corporate	94600	2.69

b. Indian Public	1044950	29.75
c. NRIs/OCBs	25200	.73
Sub-Total	1164750	33.16
Grand-Total	3512250	100.00

Shareholders/Investors : **M/s Alankit Assignments Ltd.**

Correspondence E/21, Jhandewalan Extension,

New Delhi – 110055(India)

