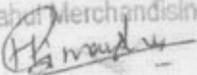


## FORM A

## COVERING LETTER OF THE ANNUAL AUDIT REPORT

1	Name of the Company	Rahul Merchandising Limited
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2014
3	Type of Audit Observation	Un-qualified
4	Frequency of observation whether	NA
5	To be signed by:-	For Rahul Merchandising Limited
	Executive Director	 Director
	Auditor of the Company	
	Audit Committee Chairman	For Rahul Merchandising Limited  Director

**Rahul  
Merchandising Limited**

**21<sup>st</sup>  
Annual Report 2013-2014**

**BOARD OF DIRECTORS**

Mr. Suresh Mansharamani	Chairman
Mr. Pardeep Kumar	Director & Compliance Officer
Mr. Himanshu Chandani	Director
Mr. Sneh Iata Kaim	Director

**AUDITORS**

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

**REGISTERED OFFICE**

No 18, Basement, NRI Complex Greater Kailash, Part IV, New Delhi-110019.

**REGISTRAR AND TRANSFER AGENT**

Skyline Financial Services Pvt. Ltd.  
D-153A, First Floor, Okhla Industrial Area, Phase-1, New Delhi- 110020  
Ph.: 91-11-26812682, 26812683  
E-mail: admin@skylinerta.com

**Listed at:**

BSE Limited  
Jaipur Stock Exchange

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**NOTICE**

Notice is hereby given that the **21st Annual General Meeting** of the Members of **RAHUL MERCHANDISING LIMITED** will be held on **Saturday, 13th day of September, 2014** at Registered Office of the Company at No. 18, Basement, NRI Complex, Greater Kailash, Part-IV, Delhi-110019 at 3.30 P.M. to transact the following business:-

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit and Loss Account for the period ended on that date together with Auditors' and Directors' Report thereon.
2. To consider and to appoint a Director in place of Mr. Suresh Mansharamani 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 retire 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 pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under read with schedule IV to the said Act, consent of the company be and is hereby accorded to re-appoint Mr. Himanshu Chandani as Non-Executive Independent Director of the Company to hold office from 13th September, 2014 to 12th September, 2019, not liable to retire by rotation."

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

"Resolved that pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under read with schedule IV to the said Act, consent of the company be and is hereby accorded to re-appoint Ms. Shehlata Kaim as Non-Executive Independent Director of the Company to hold office from 13th September, 2014 to 12th September, 2019, not liable to retire by rotation."

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

**Date : 07/08/14**  
**Place : New Delhi**

**Sd/-**  
**Suresh Mansharamani**  
**(Chairman)**

**NOTES :**

1. The relevant Explanatory Statement and reasons in respect of proposed Special Resolution pursuant to Section 102 of the Companies Act, 2013 are annexed hereto.
2. 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. 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. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members desirous of obtaining any information as regards accounts of the Company are requested to write to the Company at least one week before the Meeting, so that the information required will be made available at the Annual General Meeting.
5. Documents referred to in the accompany Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during normal business hours (10:00 AM to 06:00 PM) on all working days except Saturdays and Sundays (including Public Holidays) up to the date of the Annual General Meeting.
6. The Register of Member and Share Transfer Books of the company will remain closed from 12th day of September, 2014 to 13th day of September, 2014 (both days inclusive) for the purpose of Annual Closing and AGM.
7. Members holding Shares in physical form are requested to immediately notify change in their address, if any, to the Registrar and Transfer Agent of the Company, viz., Skyline Financial Services Private Limited, D-153, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, quoting their Folio Numbers(s).
8. Physical copies of the Notice and Annual Report for 2014 are being sent to all the members in the permitted mode along with Attendance Slip and Proxy Form interalia indicating the process of E-voting. Electronic copy of the Notice and Annual Report for 2014 is also being sent to all the members who's Email IDs are registered with the Company/ Depository Participants(s) for communication purposes. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circular, etc. from the Company in electronic mode.
9. Members/ Proxies are requested to bring the Attendance Slip(s) duly filled in.
10. As a measure of austerity, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
11. Pursuant to the requirements of Corporate Governance under Clause 49 of Listing Agreement entered into with the Stock Exchange(s), the brief particulars of all the Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold Directorships and memberships/ chairmanships of Board/ Committees, Shareholding and relationships between Directors inter-se, are provided in the Directors' Report forming part of the Annual Report. Their details are also provided in the explanatory statement to the notice annexed herewith.
12. Members may also note that the Notice of 21th Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website [www.rahulmerchandising.com](http://www.rahulmerchandising.com) 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 on working days. For any communication, the Shareholders may also send requests to the Company's designated email id: [rahulmerchandising@gmail.com](mailto:rahulmerchandising@gmail.com).
13. 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.
14. As per Section 118 (10) of the Companies Act, 2013 read with the Secretarial Standards for General Meeting issued by Institute of Company Secretaries of India "No gifts, gift coupons or cash in lieu of gifts shall be distributed to members at or in connection with the meeting."

15. Voting through electronic means:

I. In Compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014 and Listing Agreement with Stock Exchanges, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the items of business as detailed in this Notice may be transacted through evoting services provided by National Security Depositories Limited (NSDL).

The instructions for e-voting are as under:

A. In case a member receives an e-mail from NSDL [for Members whose email addresses are registered with the Company]:

(i) Open the email and also open the attached pdf file namely 'Rahul e-voting.pdf' with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in Physical Mode) as password. The said Pdf File contains your "User ID" and "Password" for e-voting. Please note that password is an initial Password.

(ii) Launch internet browser by typing the URL <http://www.evoting.nsd.com/>

(iii) Click on "Shareholder - Login".

(iv) If you are logging in for the first time, please enter the User ID and Password as initial password noted in step (i) above and click Login.

(v) Password change Menu appears. Change the password with a new password of your choice with the minimum 8 digits/characters or combination thereof. Please keep a note of new password. It is strongly recommended not to share your password with any other person and take utmost care of keep it confidential.

(vi) Home page of "e-voting" opens. Click on e-voting- Active voting cycles.

(vii) Select EVEN (Electronic Voting Event Number) of Rahul Merchandising Limited.

(viii) Now you are ready for e-voting as "cast vote" page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Open confirmation the message "vote caste successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to change / modify your vote.

(xii) Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized Signatory(ies) who are authorized to vote, to the scrutinizer through email to [csanujgupta@gmail.com](mailto:csanujgupta@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

B. In case Member receives physical copy of notice of AGM [for Members whose email addresses are not registered with the Company]:

(i) Initial password is provided in the enclosed 'instruction for e-voting' form for the AGM

**EVEN USER ID** **PASSWORD / PIN**

(ii) Please follow all steps from sl.no. (ii) to (xiii) above, to cast vote.

II. In case of any queries, you may refer to Frequently Asked Questions (FAQ) for Share holders and e-voting user manual for shareholders, available at the Download Section of <http://www.evoting.nsd.com>.

III. The e-voting period will commence on 04/09/2014 (9:00 A.M.) and end on 06/09/2014 (6:00 P.M.). During this period Shareholders of the Company holding shares in physical form or in dematerialized form, as on the relevant date (cut off) of 08/08/2014 may cast their vote electronically. The e-voting module shall be disabled by NSDL for the voting thereafter. Once the vote on a resolution is cast by the Shareholders, the Shareholders shall not be allowed to change it subsequently.

IV. The voting rights of the shareholders shall be in proportion to their shares of paid up equity share capital of the company as on the relevant date of

V. Mr. Anuj Gupta, Practicing Company Secretary (Membership No. ACS- 13025) has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VI. The Scrutinizer shall, at least 3 working days from the conclusion of the e-voting period, unblock the votes in the presence of at least 2 witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

VII. The Result shall be declared on or after the AGM. The result declared alongwith the Scrutinizer's Report shall be place on Company's website [www.rahulmerchandising.com](http://www.rahulmerchandising.com) and on the website of NSDL within 2 days of the passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges, Where the Shares of the Company is listed.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**ITEM NO. 4,5**

In terms of Section 149 (10), (11), (13) and Section 152 (6), (7) of Companies Act, 2013 read with schedule IV of the said Act, an Independent Director shall hold office for not more than two consecutive terms of five years and the tenure of an independent director, on the date of commencement of this act, shall not be counted as a term under above mentioned sub sections. Furthermore the provisions relating to retirement by rotation shall not be applicable to Independent Directors.

So to comply with relevant provisions of Companies Act, 2013, all Independent Directors needs to be re-appointed on non- rotational basis and up to five year at a time.

In the opinion of the Board, all Independent Directors of the Company fulfills the conditions for their appointment as an Independent Director as specified in the Act and the Listing Agreement. The Board also opined that they all possess appropriate skill, experience and knowledge as required to occupy the position of an Independent Director.

The Board has also received declaration from all the Independent Directors that they meet the Criteria of Independence as prescribed under section 149(6) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Board recommends the re-appointment of both independent directors from 13th day of September 2014 to 12th of September 2019.

**NOTICE OF INTEREST**

None of the Executive Directors/Key Managerial Personnel of the Company / their relatives are in any way concerned or interested in the said resolution. All independent directors are interested in their respective resolution(s).

Additional Information required to be furnished under clause 49 of the Listing Agreement for Directors seeking appointment/reappointment

Name	Mr. Himanshu Chandani
Age	23 year
Qualification	Commerce Graduate
Expertise	Secretarial work
Other Directorship	NO

Name	Ms. Snehlata Kaim
Age	24 years
Qualification	Commerce Graduate
Expertise	Administration & Secretarial work
Other Directorship	NO

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

Date : 07/08/14  
Place : New Delhi

Sd/  
Suresh Mansharamani  
(Chairman)

<b>DIRECTOR'S REPORT</b>
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Dear Member,

On behalf of the Board of Directors of your Company, we share with you the Annual Report along with the audited financial statements of your Company for the financial year ended March 31, 2014.

### FINANCIAL PERFORMANCE

PARTICULARS	In (Rs.) lacs	
	2013-2014	2012-2013
Total Income	34.75	2.01
Total Expenditure	33.97	12.99
Profits/(Loss) before interest, Depreciation and Tax	0.77	(10.97)
Interest and Financial Charges	0.00	0.00
Profits/(Loss) before Depreciation and Tax	0.77	(10.97)
Depreciation	0.00	0.00
Net Profits/(Loss) before Tax	0.77	(10.97)
Tax Provision	0.00	0.00
Net Profits/(Loss)	0.77	(10.97)

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required by Clause 49 of the Listing Agreement with Stock Exchange, a detailed Management Discussion and Analysis Report is presented in a separate section forming part of the annual report.

### DIRECTORS

As per provisions of the Companies Act, 2013, Mr. Himanshu Chandani and Ms. Snehlata Kaim, Independent Directors, are proposed to be reappointed at the ensuing AGM for a term of five years.

Mr. Suresh Mansharamani, Executive-Non-Independent Director, retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

None of the Directors are disqualified under section 164 (2) of the Companies Act, 2013.

### DIVIDEND

Due to accumulated losses of the previous years, your Directors are unable to recommend any dividend for the year under review.

### AUDITORS

M/S. JAGDISH SAPRA & CO. CHARTERED ACCOUNTANTS, New Delhi, retire at the ensuing Annual General Meeting of the company and are eligible for reappointment.

### AUDIT REPORT & ACCOUNTS

The comments on statement of accounts referred to in the report of the auditors are self-explanatory.

### PARTICULARS OF EMPLOYEES

Particulars of employees required to be furnished under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended in 2011 to this report are- NIL.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Companies' (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 regarding Conservation of Energy And Technology Absorption are not applicable to the Company.

### FOREIGN EXCHANGE EARNINGS & OUTGO

The Company mainly deals in domestic market and has NIL sales on account of exports, thereby resulting NIL foreign exchange earnings and outgo during the accounting Year 2013-14.

### DIRECTOR S RESPONSIBILITY STATEMENT

Pursuance to section 217(2AA) we state -

- i) That in the preparation of the annual accounts the applicable accounting standards had been followed and there is no material departure;
- ii) that your directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the accounting year and of the profit or loss of the company for that year;
- iii) that your directors had 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 and
- iv) that your directors had prepared the annual accounts on a going concern basis.

### MATERIAL CHANGE

There was no material change affecting the financial position of the Company between the date of Balance Sheet and the date of this Report.

### CORPORATE GOVERNANCE REPORT

Your Company always places major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organization's corporate governance philosophy is directly linked to high performance.

The Company understands and respects its fiduciary role and responsibility towards its stakeholders and Society at large, and strives to serve their interests, resulting in creation of value and wealth for all stakeholders.

The Compliance report on corporate governance and a certificate from M/s Jagdish Sapra & Co., Chartered Accountants, Statutory Auditors of the Company, regarding compliance of the conditions of corporate governance, as stipulated under clause 49 of the listing agreement with the stock exchanges, is attached herewith to this report.

### ACKNOWLEDGEMENT

Your directors wish to convey their thanks to their Employees, Shareholders, Bankers and auditors for continuance of their support.

For and on behalf of the Board of Directors

Date : 07/08/14  
Place : New Delhi

Sd/-  
Suresh Mansharamani  
CHAIRMAN

## REPORT ON CORPORATE GOVERNANCE

Corporate Governance Policies recognize the importance of the transparency to all its constituents including employees, customers, investors and the regulatory authorities and of demonstrating that the shareholders are the ultimate beneficiaries of the Company's economic activities.

Rahul Merchandising Limited's corporate governance philosophy encompasses not only regulatory and legal requirements, including the SEBI Regulations in respect of corporate governance, but also other practices aimed at a business ethics, effective supervision and enhancement of value for all shareholders. Rahul Merchandising's role, function, responsibility and accountability are clearly defined. In addition to its primary role of monitoring corporate performance, the function of the Board includes approving a business plan, reviewing and approving annual budgets and borrowing limits, fixing exposure limits and ensuring that our shareholders are kept informed about our plans, strategies and performance. To enable the Board of Directors to discharge these responsibilities effectively, the management provides detailed reports on performance to the board on a quarterly basis.

The Board of Directors also functions through various committees such as the Audit Committee, and the Shareholders'/Investors Grievance Committee. These committees meet on regular basis. Your Company understands that the customer is the purpose of our business and every customer is an important stakeholder of your Company, performing ethically and efficiently to generate long term value and wealth for all its stakeholders. The Report on Corporate Governance, as per the applicable provisions of Clause 49 of the Listing Agreement is as under:

### COMPANY S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance refers to a set of policies, principles, laws, rules, regulations and procedures that enable the Company to attract best financial and human resources and to perform efficiently to create and maximize the wealth of the stakeholders. Your Company is committed to uphold these concepts and practices.

The Company further believes that the good and effective Corporate Governance lies in managing the business in a transparent manner, sharing the information with the shareholders and keeping overheads restricted.

The Company is fully compliant with all the requirements of the listing agreement.

### BOARD OF DIRECTORS

#### (i) Composition of the Board

The Board of Directors consists of one Promoter Director and three Executive/Independent Directors. None of the Directors on the board are member on more than 10 committees and chairman of more than 5 committees (as specified in clause 49 of the Listing agreement), across all the company in which they are Directors. The Directors have made the necessary disclosures regarding committee memberships. The composition of the Board and other relevant details relating of Directors as on 31<sup>st</sup> March, 2014 are given below:

Name of the Director	Designation	Category	Directorship of other Companies	Membership/ Chairmanship in Board Committees
Mr. Suresh Mansharamani	Chairman	Non Executive	5	Nil
Mr. Pradeep Kumar	Director	Executive	5	Nil
Mr. Amarendra Kumar Singh	Director	Non Executive Independent	3	Nil
Mr. HimanshuChandani	Additional Director	Non Executive Independent	Nil	Nil

#### (ii) Number of Board Meetings held and attended by Directors

- During the year under review six meetings of the Board of Directors were held and gap between two meetings did not exceed four months. The date of which the Board Meetings were held are as follows: 25/05/2013, 03/09/2013, 09/08/2013, 23/10/2013, 08/02/2014, 14/03/2014.
- The attendance record of each of the Directors at the Board Meeting during the year ended on 31<sup>st</sup> March, 2014 and of the last Annual General Meeting are as under:

Name of the Director	No. of Board Meeting Attended	Attendance at the last AGM held on September 26, 2013
Mr. Suresh Mansharamani	6	Yes
Mr. Pradeep Kumar	6	Yes
Mr. Amarendra Kumar Singh	6	Yes
Mr. Naveen Asarani	3	No
Mr. Brij Mohan Ravi	3	No
Mr. HimanshuChandani	3	No

#### (iii) Code of Conduct

The Board of Directors of the Company has approved and adopted a Code of Conduct for the members of the Board of the Company.

#### AUDIT COMMITTEE:

Constitution of Audit committee by listed public company pursuant to the listing agreement is mandatory.

The Composition of Audit Committee is as follows:

Name of the Director	Designation	Category
Mrs.Himanshu Chandani	Chairman	Independent Director
Mr. Amarendra Singh	Member	Independent Director
Mr. Suresh Mansharamani	Member	Non-Executive Director

During the year under review, four Audit Committee Meetings were held on 25/05/2013, 09/08/2013, 23/10/2013, and 08/02/2014.

Details of attendance of each director and attended Meetings of the company are as follows:

Name of the Director	Designation	No. of Meeting held	No. of Meetings attended
Mrs.HimanshuChandani	Chairman	4	2
Mr. Amarendra Singh	Member	4	4
Mr. Suresh Mansharamani	Member	4	4

Quarterly results of the company are reviewed & duly approved by the committee.

**REMUNERATION COMMITTEE:**

Constitution of remuneration committee by listed public company pursuant to the listing agreement is voluntary. Presently the Company has not constituted any remuneration committee.

**SHAREHOLDERS /INVESTORS GRIEVANCES COMMITTEE:**

The Shareholders/Investors Grievances Committee is constituted for good corporate governance. The Composition of Shareholders/ Investors Grievances Committee is as follows:

Name of the Director	Designation	Category
Mrs.HimanshuChandani	Chairman	Independent Director
Mr. Amarendra Singh	Member	Independent Director
Mr. Suresh Mansharamani	Member	Non-Executive Director

Details of attendance of each member of Shareholders/ Investors Grievances Committee Meetings of the company are as follows:

Name of the Director	Designation	No. of Meeting held	No. of Meetings attended
Mrs.HimanshuChandani	Chairman	4	2
Mr. Amarendra Singh	Member	4	4
Mr. Suresh Mansharamani	Member	4	2

Share Transfers are processed and duly approved by the committee. The roles and responsibilities of Shareholders/ Investors Grievances Committee are as follows:

**ROLE AND RESPONSIBILITIES:**

The role of Shareholders/ Investors Grievances Committee includes the review of following:

To monitor the process of expeditious transfer of shares or debentures. To monitor and review the shareholders complaints related to transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend etc.

To monitor and review from time to time the systems/ procedures relating to processing of transfer of shares, dematerialization/ re-materialization of share certificates, re- issued of share certificates against split, cancellation, consolidation and lost share certificates etc.

To investigate any activity and seek information from any employee of the company, in discharging its duties.To obtain outside legal or professional services, if consider necessary.

To fix the record date for the purposes as required under the Companies act and/or listing agreement. To consider and approve issue of duplicate share certificate in lieu of those reported lost, misplaced, torn, mutilated etc.Any other powers which are specifically delegated by the board from time to time.

**GENERAL BODY MEETINGS**

Details of last three Annual General Meetings are given below:

Financial Year	Date	Time	Address
2010-2011	30.09.2011	10:30 A.M	138-A Taimoor Nagar, New Friends Colony New Delhi-110065
2011-2012	29.09.2012	10:30 A.M	No. 18, Basement, NRI Complex, Greater Kailash, Part-IV, Delhi-110019
2012-2013	26.09.2013	10:00 A.M	No. 18, Basement, NRI Complex, Greater Kailash, Part-IV, Delhi-110019

All resolutions proposed for the above said meetings were duly passed by show of hands.

**STATUTORY DISCLOSURES:**

Transactions of material nature have been entered into by the company with the promoters, directors, their related companies, firms, subsidiaries or relatives etc. in relation to this the disclosure as per accounting standard 18 has been annexed with the balance sheet.

**DISCLOSURES:**

The Board of Directors receives from time to time disclosures relating to financial and commercial transactions from key managerial personnel of the company where they and /or their relatives have personal interest. There are no materially significant related party transactions, which have potential conflict with the interest of the Company at large. The details of the Related Party Transactions are placed before and reviewed by the Company's Audit Committee.

The Company has complied with the requirements of the Stock Exchanges/ Securities and Exchange Board of India/ Statutory Authorities on all matters relating to capital markets, during the last three years.

**RISK MANAGEMENT:**

The Company has in place a Risk Management policy, which lays down a robust and dynamic process for identification and mitigation of risks. This policy has been adopted by the Audit Committee as well as the Board of Directors of the Company. The Audit Committee reviews the risk management and mitigation plan from time to time.

**ANNUAL GENERAL MEETING**

Date	:	13 <sup>th</sup> September, 2014
Time	:	03:30 p.m.
Venue	:	No. 18, NRI Complex, Basement, Greater Kailash, New Delhi- 110019

**FINANCIAL CALENDER (tentative)**

Accounting Year	-	April 1 to March 31 of the following year.
Financial Reporting for the First Quarter ending	-	on or before 15 <sup>th</sup> of August, 2014
Financial Reporting for the Second Quarter ending	-	on or before 15 <sup>th</sup> of November, 2014
Financial Reporting for the Three Quarter ending	-	on or before 15 <sup>th</sup> of Feb., 2015
Financial Reporting for the Third Quarter ending	-	Mid/Last week of May, 2015

**DATE OF BOOK CLOSURE**

The Register of Member and Share Transfer Books of the Company will remain closed from 12.09.2013 to 13.09.2014.

**LISTING ON STOCK EXCHANGE:**

- Bombay Stock Exchange, Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.
- The Jaipur Stock Exchange, JSEL Building, J.L.N Marg, Malviya Nagar Jaipur, Rajasthan - 302001.

**MARKET PRICE DATA**

<b>Stock Code</b>	:	<b>BSE : 531887</b>	
High on	:	April, 2013	Rs. 06.84
Low on	:	October, 2013	Rs. 5.88

**REGISTRAR & TRANSFER AGENT**

Skyline Financial Services Private Limited  
D-153, 1<sup>st</sup> Floor, Okhla Indl. Area, Phase-I, New Delhi-110020,  
Tel.: 011 - 26812682/3, Fax:011 – 30857562,  
Email id: [admin@skylinerta.com](mailto:admin@skylinerta.com), website:[www.skylinerta.com](http://www.skylinerta.com)

**SECRETARIAL AUDIT**

Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, Certificates on half yearly basis have been issued by the Company Secretary in practice for due Compliance of Share Transfer formalities of the Company.

To reconcile the total admitted capital, total issue and listed capital a secretarial audit is carried out by a Practicing Company Secretary on quarterly basis.

**STATUS FOR SHAREHOLDERS COMPLAINTS FOR THE PERIOD 01.04.2013 TO 31.03.2014**

Complaint received from the shareholders of the company during the year was duly resolved up to the satisfaction of our shareholders & no complaint was pending at the end of financial year.

**SHAREHOLDING PATTERN OF THE COMPANY AS ON 31/03/2014**

Category		No.of Shares held	%of shareholding
<b>(A)</b>	<b>Promoter and Promoter Group:</b>		
a.	Individuals/Hindu Undivided Family	724200	20.62
b.	Bodies Corporate	289600	8.25
	<b>Total Shareholding of Promoter and Promoter Group A = (A)(1)+ (A)(2)</b>	<b>1013800</b>	<b>28.86</b>
<b>(B)</b>	<b>Public Shareholding</b>		
(1)	Institutions	300	0.01
a.	Mutual Funds/UTI	400	0.01
(2)	Non- Institutions		
	Bodies Corporate	1195548	34.04
a.	Individuals		
	i). Individual Shareholders holding Nominal Share Capital uptoRs. 1 Lakh	436102	12.42
	ii). Individual Shareholders holding Nominal Share Capital in excess of Rs. 1 Lakh	824900	23.49
	Any other(Non Resident Indian)	41200	1.17
	<b>Total Public Shareholding B = (B)(1) (B)(2)</b>	<b>2498450</b>	<b>71.14</b>
	<b>TOTAL ( A+B)</b>	<b>3512250</b>	<b>100.00</b>
	<b>Shares held by Custodians and against Depositories Receipts have been issued</b>	<b>0</b>	<b>0</b>
	<b>GRAND TOTAL (A+B+C)</b>	<b>3512250</b>	<b>100.00</b>

**ADDRESS FOR CORRESPONDENCE**

Mr. Pardeep Kumar  
Director & Compliance Officer  
No 18, Basement, NRI Complex, Greater Kailash, Part IV, New Delhi - 110019  
E-mail ID – [rahulmerchandising@gmail.com](mailto:rahulmerchandising@gmail.com)

**DECLARATION**

None of the Director of the Company is a Director of more than 15 Companies and member of more than 10 committees or Chairman of more than 5 committees across all companies in which he is a Director.

## COMPLIANCE CERTIFICATE

CIN : L74899DL1993PLC052461

Nominal Capital : Rs. 100,000,000.00

To,  
The Members  
Rahul Merchandising limited  
No 18, Basement, NRI Complex,  
Greater Kailash, Part IV,  
New Delhi-110019

We have examined the registers, records, books and papers of **Rahul Merchandising limited** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Accounting Year ended on **March 31, 2014**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, and its officers, we certify that in respect of the aforesaid accounting Year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies/Regional Director/Central Government/CLB or other authorities as required under the Act and the rules made there under.
3. The Company is a public limited Company.
4. The Board of Directors duly met 6 (Six) times on 25/05/2013, 03/09/2013, 09/08/2013, 23/10/2013, 08/02/2014, 14/03/2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company had closed its Register of Members from 24/09/2013 to 26/09/2013 for the purpose of Annual General Meeting held on 26<sup>th</sup> of September, 2013. There are no Debenture holders in the Company.
6. The Annual General meeting for the Accounting Year ended on 31.3.2013 was held on September 26, 2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the Accounting Year.
8. Company has not given any loan to Directors as the provisions u/s 295 of the Act during the Accounting Year.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act during the Accounting Year.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government, as the case may be.
12. The Company has not issued any duplicate certificates during the Financial Year.
13. The Company has:
  - (i) delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the financial year;
  - (ii) declared no dividend including interim dividend, hence no amount is required to be deposited in a separate bank a/c;
  - (iii) no liability to pay/post warrant for dividend to all the members within 30 days from the date of declaration as it has not declared any dividend that it has no unclaimed/unpaid dividend which are required to be transferred to Unpaid Dividend Account of the Company with its bank;
  - (iv) no amount is outstanding in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of 7 years, hence nothing is required to be transferred to Investor Education and Protection Fund;
  - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. No change in the directorship has been taken place during the financial year under review.
15. The Company has not appointed any managing Director/ Whole time Director during the current Accounting Year.
16. The Company has not appointed any sole selling agent during the Accounting Year.
17. The Company has not obtained any approvals of the Central Government, CLB, Regional Director, ROC and/or such other authorities as may be prescribed under the various provisions of the Act during the Accounting Year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act, and Rules made there under.
19. The Company has not issued any equity shares during the Accounting Year.
20. The Company has not bought back any shares during the Accounting Year.
21. There was no redemption of preference shares or debentures during the Accounting Year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits under Section 58A of the Companies Act, 1956 during the accounting Year.
24. The amount borrowed by the Company from Directors, members, Banks, Financial Institutions and other during the Accounting Year ending on March 31, 2014 is within the borrowing limits of the Company as per the provisions of section 293 (1)(d) of the Company Act, 1956.
25. As per Information & explanations provided to us the Company has not made any loans or advances or given guarantees or provided securities to other body corporate in contravention of provisions of Section 372A of the Act.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to the share capital of the capital.
30. The Company has not altered its articles of association during the Financial Year.
31. There was no prosecution initiated against or show cause notices received by the Company, during the Financial Year, for offences under the Act.
32. The Company has not received any money as security from its employees during the Accounting Year.
33. The Company has not constituted provident fund for its employees and as such provisions of Section 418 of the Act are not applicable.

Place : Delhi  
Date : 07/08/2014

Sd/  
(Anuj Gupta)  
Company Secretary in Practice  
C.P. No. 13025

**ANNEXURE ~ A****REGISTERS AS MAINTAINED BY THE COMPANY**

(Attached with and forming part of our Compliance Certificate issued under Rule 3 of the Companies (Compliance Certificate) Rules, 2001 in the matter RAHUL MERCHANDISING LIMITED for the year ended on 31.03.2014)

- Register of Members u/s 150 (1)
- Minute Books of Board of Directors u/s 193 (1).
- Minute Books of proceedings of General Meetings u/s 193(1) &196(1).
- Register of Directors u/s 303(1) of the Act.
- Books of Accounts u/s 209(1)
- Register of Returns and register under section 163
- Register of Charge under section 143.
- Share Transfer Register.
- Register of Share Application & Allotment.

**ANNEXURE ~ B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the Financial Year ending on **31<sup>st</sup> March 2014**.

Sl. No.	Forms filed	Under Section of Companies Act, 1956	Date of Filing	Whether filed within prescribed time	If Delay in filing whether requisite Additional fee paid
1.	Form 23B	Section 224	30/10/2013	Yes	No
2.	Form 32	Section 303(2)	21/11/2013	Yes	No
3.	Form 66	Section 383A	12/10/2013	Yes	No
4.	Form 23AC&ACA(xbrl)	Section 220	24/10/2013	Yes	No

Place : Delhi  
Date : 07/08/2014

Sd/  
(Anuj Gupta)  
Company Secretary in Practice  
C.P. No. 13025

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

We submit herewith the Management discussion and analysis report on the business of the Company as applicable to the extent relevant.

**INDUSTRY OUTLOOK**

Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand. Abundant availability of raw materials such as cotton, wool, silk and jute and skilled workforce has made India a sourcing hub. The most significant change in the Indian textile industry has been the advent of man-made fibers (MMF). MMF account for 68% of all fibres produced worldwide, and for 82% in Europe. India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe.

**OPPORTUNITY**

Textile manufacturing and trading is emerging as a efficiency ridden sector as the competition is very steep in this sector. The Company is now exploring other opportunities in export like other related consumer product and creating a world class supply chain with adequate expertise and efficiency. By creating such a highly efficient supply chain, the wants to create its own brand of product worldwide and it also wants to elevate the efficient and innovative manufacturers to global level.

**DISSCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial statements have been prepared in accordance with the requirements of the Companies Act, 2013 and applicable accounting standards issued by the Institute of Chartered Accountants of India. The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Accounts and other financial statements forming part of this annual report.

**HUMAN RESOURCE DEVELOPMENT**

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation.

Your Company believes in trust, transparency & teamwork to improve employees productivity at all levels.

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

Date : 07/08/2014

Place : New Delhi

Sd/-

**Suresh Mansharamani**  
**CHAIRMAN**

**AUDITOR'S CERTIFICATE**

The Members,

**RAHUL MERCHANDISING LIMITED**

We have examined the compliance of conditions of corporate governance **RAHUL MERCHANDISING LIMITED** for the year ended on 31<sup>st</sup> March 2014 as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above-mentioned listing agreement as required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievance relating to the shares is pending for a period exceeding one month against the company as per the records made available to us.

For Jagdish Sapra & Co.  
Chartered Accountants  
(Firm Registration No. 001378N)

Sd/-

CA Vipal Kalra

Partner

Membership No. 084583

Place : New Delhi

Dated : 28/05/2014

To the Members of,  
Rahul Merchandising Ltd

#### Report on the Financial Statements

We have audited the accompanying financial statements of Asahi India Glass Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Managements Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b. In the case of the Statement of Profit and Loss, of the profit for the year ended on that date;
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227 (3) of the Act, we report that :
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
  - e) On the basis of written representations received from the directors, as on March 31, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the company.

For Jagdish Sapra & Co.  
Chartered Accountants  
(Firm Registration No. 001378N)

Sd/-

CA Vipal Kalra  
Partner

Membership No. 084583

Place : New Delhi  
Dated : 28/05/2014

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**  
**(Referred to in Paragraph (1) of our Report of even date)**

1. In view of the fact that premises, records, fixed assets and stocks remained sealed by the official liquidator during the year. there is no comment to offer in respect of sub-paragraph (ia), (ib), (ic), (iia), (iib), (iic), (iv), (vii) and (viii) of paragraph (4) of the Companies (Auditor's Report) Order, 2003.
2. a) The company has not granted any loans, secured or unsecured, during the year to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 as per information and explanations given to us Consequently paras 4(iii)(b), (iii)(c) and (iii)(d) of the order are not applicable to the company.
2. b) i) The company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 except interest free loans from two directors and six relatives of directors. The maximum amount involved during the year was Rs. 597.33lakhs and Rs 597.33 lakhs was outstanding at the year end.  
ii) In our opinion the term and conditions of the above loans taken are not prima-facie prejudicial to the interest of the company.  
iii) As informed to us, there is no stipulation for re-payment of loans, Hence we are unable to offer our comments on the same.
3. a) In our opinion, and according to the information and explanations given to us, the transactions that needed to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.  
b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered into the register in pursuance of Section 301 of the Companies Act 1956 and aggregating during the year to Rupees five lacs or more in respect of any party.
4. The company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act 1956 and Rules framed there under.
5. a) According to the information and explanations given to us and the records of the company examined by us, the provision of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess & Service Tax are not applicable to the company.  
b) There are no dues in respect of sale tax, wealth tax, service tax custom duty, Excise duty and cess that have not been deposited with the appropriate authorities on account of any dispute.
6. The company has accumulated losses of more than fifty percent of its networth as at 31st March 2014. The company has not incurred cash losses during the current financial year but in the immediately preceding financial year.
7. According to the records of the Company examined by us and the information and explanations given to us, the company has neither taken loan or credit facility from any financial institution or bank nor issued any Debentures.
8. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
9. The provisions of special statutes applicable to Chit fund, Nidhi or mutual benefit fund/ Society are not applicable to the company.
10. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4 (xiv) of the order is not applicable.
11. As informed to us, the company has not given any guarantee during the year for loans taken by others from banks or financial institutions.
12. The Company has not taken any term loan during the year.
13. According to the information and explanations given to us, no funds raised on short-term basis have been used for long-term investments.
14. According to the information and explanations given to us, no preferential allotment of shares has been made by the Company to companies, firms or other parties listed in the Register maintained under section 301 of the companies Act, 1956
15. The company has not issued any debentures. Hence the requirements of clause (xix) of paragraph 4 of the Order is not applicable to the company.
16. The company has not raised any money by way of public issue.
17. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have not come across any instance of fraud on or by the company nor have we been informed by the management of any such instance being noticed or reported during the year.

**FOR JAGDISH SAPRA & CO.**  
**Firm Registration No. 001378N**  
**CHARTERED ACCOUNTANTS**

**PLACE : NEW DELHI**  
**DATED : 28/05/2014**

**Sd/-**  
**(CA VIPAL KALRA)**  
**PARTNER**  
**Membership No. 084583**

## BALANCE SHEET AS AT 31.03.2014

(All amounts are in Rupees)

Particulars	Notes	As at 31 March, 2014	As at 31 March, 2013
<b>I EQUITY AND LIABILITIES</b>	-	-	-
<b>SHAREHOLDERS FUNDS</b>			
(a) Share capital	2	35,122,500	35122500
(b) Reserves and surplus	3	(14874904)	(14952896)
		<b>20,247,596</b>	<b>20,169,604</b>
<b>CURRENT LIABILITIES</b>			
(a) Short-term borrowings	4	59733361	59638361
(b) Trade payables	5	3342900	54356
(c) Other current liabilities	6	105500	80000
(d) Short-term provisions	7	14861	0
		<b>63196622</b>	<b>59772717</b>
<b>TOTAL</b>		<b>83,444,218</b>	<b>79,942,321</b>
<b>II ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Fixed assets</b>			
Tangible assets	8	0	0
		<b>0</b>	<b>0</b>
<b>CURRENT ASSETS</b>			
(a) Trade receivables	9	83380831	79905056
(b) Cash and cash equivalents	10	48526	37265
(c) Short-term loans and advances	11	14861	0
		<b>83,444,218</b>	<b>79,942,321</b>
<b>TOTAL</b>		<b>83,444,218</b>	<b>79,942,321</b>

**SIGNIFICANT ACCOUNTING POLICIES** 1  
**NOTES TO ACCOUNTS FORM AN INTEGRAL PART OF FINANCIAL STATEMENTS**

In terms of our report attached

For JAGDISH SAPRA & CO  
Chartered Accountants  
(Firm Registration No. 001378N)  
Sd/-  
(CA VIPAL KALRA).  
Partner

Sd/-  
Suresh Mansharamani  
Chairman cum Managing Director

Sd/-  
Pardeep Kumar  
Director

Place: Meerut  
Dated:28/05/2014

## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31.03.2014

(All amounts are in Rupees)

Particulars	Notes	As at 31 March, 2014	As at 31 March, 2013
I Income from operations	11	3475775	201093
II other Income	12	0	0
III <b>Total Revenue</b>		<u>3475775</u>	<u>201093</u>
IV <b>EXPENSES:</b>			
Purchase of stock in trade	13	3291550	0
Employees benefits expense	14	25500	132199
Other expenses	15	80733	1166888
<b>Total expenses</b>		<u>3397783</u>	<u>1299087</u>
V <b>Profit before tax(III-IV)</b>		<u>77992</u>	<u>(1097994)</u>
VI <b>Tax expense:</b>			
Current tax		14861	0
Earlier Years tax		0	3091937
Mat credit entitlement		(14861)	0
VII <b>Profit for the Year (V-VI)</b>		<u>77992</u>	<u>(4189931)</u>
Earning per equity share:			
Basic 15(iii)		0.02	(1.19)
Diluted 15(iii)		0.02	(1.19)

## SIGNIFICANT ACCOUNTING POLICIES

1

## NOTES TO ACCOUNTS FORM AN INTEGRAL PART OF FINANCIAL STATEMENTS

In terms of our report attached

For JAGDISH SAPRA & CO  
Chartered Accountants  
(Firm Registration No. 001378N)  
Sd/-  
(CA VIPAL KALRA),  
Partner

Sd/-  
Suresh Mansharamani  
Chairman cum Managing Director

Sd/-  
Pardeep Kumar  
Director

Place: Meerut  
Dated:28/05/2014

**2 SHARE CAPITAL:**

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>AUTHORISED:</b>		
80,00,000 Equity Shares of Rs. 10/- each	80000000	80000000
2,00,000 Preference Shares of Rs. 100/- each	20000000	20000000
	<u>100,00,000</u>	<u>100000000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
35,12,250 Equity Shares of Rs. 10/- each fully paid up (including 100000 equity shares of Rs.10/- each allotted for consideration other than cash).	35122500	35122500
	<u>35,12,250</u>	<u>35,12,250</u>

The Company has issued one class of Equity Shares having a par value of Rs. 10/- each.

Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian Rupees. The Dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

The details of Shareholders holding more than 5% Equity Shares are given below:-

Name of the Shareholder	As at 31st March, 2014		As at 31st March, 2013	
	No. of shares	% held	No. of shares	% held
SURESH MANSHARAMANI	492600	14.00	492600	14.00
UMA MANSHARAMANI	224100	6.00	224100	6.00
RELIABLE ENGINEERING PVT LTD	289600	8.00	289600	8.00
CARNATION COMMODITIES PVT LTD	633350	18.00	633350	18.00

end of thereporting period is given below:

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	No. of shares	Amount	No. of shares	Amount
<b>EQUITY SHARES</b>				
Number of shares at the beginning	3,512,250	35122500	3512250	35122500
Changes during the year	0	0	0	0
Number of shares at the end	3512250	35122500	3512250	35122500

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>AUTHORISED:</b>		
<b>3 RESERVES &amp; SURPLUS:</b>		
<b>Debit Balance in Statement of Profit and Loss:</b>		
As per last Balance Sheet	(14,952,896)	(10,762,965)
Add: Net loss after tax transferred from Statement of Profit & Loss	77992	(4,189,931)
	<u>(14,874,904)</u>	<u>(14,952,896)</u>
<b>4 SHORT TERM BORROWINGS:</b>		
Loans from related parties-Unsecured	59733361	59638361
	<u>59,733,361</u>	<u>59,638,361</u>
<b>5 TRADE PAYABLES:</b>		
Sundry creditors:		
- Micro, Small and Medium Enterprises (Refer Note 15(v))	-	-
- Others	3342900	54,356
	<u>3342900</u>	<u>54,356</u>
<b>6 OTHER CURRENT LIABILITIES</b>		
<b>Other payables:</b>		
Accrued salaries and benefits	105500	80000
	<u>105500</u>	<u>80000</u>
<b>7 SHORT TERM PROVISIONS</b>		
PROVISION FOR TAXATION	14861	0
	<u>14861</u>	<u>0</u>

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>8 TRADE RECEIVABLES:</b>		
<b>Unsecured, Considered good:</b>		
Over Six months	83380831	79745216
Others	0	159840
Total	83380831	79905056
<b>9 CASH AND CASH EQUIVALENTS :</b>		
Balances with Banks:		
In Current accounts	36779	35668
Cash on hand (as certified)	11747	1,597
	<b>48,526</b>	<b>37,265</b>
<b>10 SHORT TERM LOANS AND ADVANCES</b>		
Mat credit entitlement	14861	0
	14861	0
<b>11 INCOME FROM OPERATIONS</b>		
Sale of traded goods	3475775	0
Commission Received	0	201093
	<b>3475775</b>	<b>201093</b>
<b>12 Purchase of Stock in trade</b>		
Fabrics	3291550	0
	<b>3291550</b>	<b>0</b>
<b>13 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries	25500	131609
Staff Welfare Expenses	0	590
	<b>25,500</b>	<b>1,32,199</b>
<b>14 OTHER EXPENSES:</b>		
<b>Payment to the auditors:</b>		
As Auditor	22,472	22472
Legal & Professional Expenses	0	61000
Membership & Subscription	33708	801022
Fixed assets Discarded	0	227260
Miscellaneous expenses:	24553	55134
	<b>80,733</b>	<b>1,166,888</b>

## CASH FLOW STATEMENT

(All amounts are in Rupees)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net (Loss) before tax Adjustment for :	77992	(1097994)
Taxes paid	0	3091937
(Profit)/Loss on sale or write off of fixed assets	0	22720
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>77992</b>	<b>(3962671)</b>
(Increase)/Decrease in Sundry Debtors	(3475775)	(159840)
Decrease/( Increase) in other Receivables	(14861)	3091937
Decrease/( Increase) in Payables	3328905	(15427)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(83739)</b>	<b>(1046001)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	0	0
Proceeds from sale of fixed assets	0	0
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>0</b>	<b>0</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>95000</b>	<b>998000</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>11261</b>	<b>(48001)</b>
CASH AND CASH EQUIVALENTS AS AT OPENING	37265	85266
CASH AND CASH EQUIVALENTS AS AT CLOSING	48526	37265

## NOTES TO ACCOUNTS

15). Deferred Tax asset is not recognized on the basis of prudence.

16). **Earnings per share**

		As on 31.03.14 (Rs.)	As on 31.03.13 (Rs.)
Profit/(Loss) attributable to Equity Shareholder	A	77992	(4189931)
Basic/Weighted average of Equity share	B	35,12,250	35,12,250
Nominal Value (Rs.) 10/- each 10/- each Basic/Diluted EPS	(A/B)	0.02	(1.19)

17). Some of the debtors, current liabilities and advances are subject to confirmation/reconciliation.

18). There are no dues to micro, small and medium enterprises.

19). In the opinion of the Board, all the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amounts at which those are stated in the Balance Sheet.

20). Exchange fluctuations against export debtors are not accounted as the company has filed claims with ECGC for recovery of debtors and the payment against the export debtors will be recovered in India.

21). **Particulars of Sales, purchase, opening & closing stock: (Rupees)**

Sales	Purchase	Opening Stock	Closing Stock
3475775	3291550	Nil	Nil
(Nil)	(Nil)	(Nil)	(Nil)

22). Information pursuant to provisions of Part II of Schedule VI of the Companies Act, 1956.

	Rs.	Rs.
a). CIF value of imports	Nil	(NIL)
b). Expenditure in foreign currency	Nil	(NIL)
c) Earnings in foreign exchange	Nil	(201093)

Note: figures in brackets above are in respect of previous year.

23). Previous year figures have been re-grouped and rearranged wherever necessary to make them comparable with those of the current year.

## In terms of our report attached

For **JAGDISH SAPRA & CO**

Chartered Accountants

(Firm Registration No. 001378N)

Sd/-

(CA VIPAL KALRA).

Partner

Sd/-

Suresh Mansharamani

Chairman cum Managing Director

Sd/-

Pardeep Kumar

Director

ABSTRACT OF THE BALANCE SHEET AND COMPANY S GENERAL BUSINESS PROFILE :

Registration Details :

Registration Code	:	52461
State Code	:	55
Balance Sheet Date	:	31.03.2014

Capital Raised During the Year (Amt. in Rs.)

Public Issue	:	Nil
Rights Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil

Position of Mobilisation and Development of Funds (Amount in Rs.)

Total Equity and Liabilities	83444218
Total Assets	83444218
Equity and Liabilities	
Paid up capital	35122500
Reserve & Surplus	-14874904
Non Current Liabilities	
Current Liabilities	0.00
Assets	63196622
Non Current Assts	
Current Assets	83444218

Perfomance of Company (Amount in Rs.)

Turnover/Income	3475755
Total Expenditure	3397783
Profit/(Loss) before tax and Exceptional Item	77992
Exceptional Item	0.00
Profit/(Loss) before tax	77992
Tax Expense	14861
Profit/(Loss) after tax	77992
Earning per share	0.02
Dividend rate	Nil

For JAGDISH SAPRA & CO.

**CHARTERED ACCOUNTANTS**

**PARTNER**

Place : New Delhi  
Dated : 28/05/2014

For and on behalf of the Board of Directors

Sd/-

Pardeep Kumar  
DIRECTOR

Sd/-

Suresh Mansharamani  
CHAIRMAN

<b>PROXY FORM</b>
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[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**Rahul Merchandising Limited****(CIN : L74899DL1993PLC052461)****Regd. Off.:** No 18, Basement, NRI Complex, Greater Kailash, Part IV, New Delhi-110019,**email id :** rahulmerchandising@gmail.com,

Name of the member (s):.....
Registered address:.....
E-mail Id: .....
Folio No/ Client Id:.....
DP ID:.....

I/We being a member(s) of.....shares of Rahul Merchandising Ltd., hereby appoint

1. Name : ..... E-mail Id:.....

Address : ..... Signature:.....

2. Name : ..... E-mail Id:.....

Address : ..... Signature:.....

3. Name : ..... E-mail Id:.....

Address : ..... Signature:.....

as my/our proxy to attend and vote(on a poll) for me/us on my/our behalf at the 21st Annual General Meeting of the company to be held on Saturday, the 13<sup>th</sup> day of September, 2014 at 03:30 P.M at No 18, Basement, NRI Complex, Greater Kailash, Part IV, New Delhi-110019 and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	Resolution	For	Against
1.	Adoption of Annual Accounts and Reports thereon for the financial year ended March 31, 2014		
2.	Re-appointment of Mr. Suresh Mansharamani who retires by rotation		
3.	Appointment of Auditors and fixing their remuneration		
4.	Appointment of Mr. Himanshu Chandani as Independent Director		
5.	Appointment of Ms. Snehlata Kaim as Independent Director		

Signed this..... day of \_\_\_\_\_ 2014.

Affix Revenue Stamp
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.....  
Signature of shareholder

.....  
Signature of Proxy holder(s)

**NOTES:**

- This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company not less than 48 hours before commencement of the meeting.
- A proxy need not be a member of the Company. Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as proxy, who shall not act as proxy for any other member.

<b>ATTENDANCE SLIP</b>
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**Rahul Merchandising Limited****(CIN : L74899DL1993PLC052461)****Regd. Off.:** No 18, Basement, NRI Complex, Greater Kailash, Part IV, New Delhi-110019,**email id :** rahulmerchandising@gmail.com,

I/we hereby confirm and record my/our presence at the Annual General Meeting of Rahul Merchandising Limited to be held on Saturday, September 13, 2014 at 3:30 P.M. at No 18, Basement, NRI Complex, Greater Kailash, Part IV, New Delhi-110019.

Folio No.:	DP ID*	Client ID*
Full name and address of the Shareholder/Proxy Holder (in block letters)		
Joint Holder 1		
Joint Holder 2		
No. of Shares Held		
	Signature of Shareholder/Proxy	

**NOTES:**

Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the premise.

\*Applicable for shareholders holding shares in electronic form.

**E-VOTING PARTICULARS****Note:**

Please read instructions given out at Note no. 15 of the Notice of 21st Annual General Meeting of the Company before casting your vote through e-voting.

**Book Post**

If undelivered, please return to:

**RAHUL MERCHANDISING LIMITED**  
No 18, Basement, NRI Complex,  
Greater Kailash, Part IV,  
New Delhi-110019