

ROSE MERC. LIMITED

BOARD OF DIRECTORS

**SHRI VIREN VORA
SHRI CHETAN DOGRA
SHRI KIRTI SAVLA**

BANKERS

**PROGRESSIVE CO-OP. BANK LTD., MUMBAI
HDFC BANK LTD. MUMBAI**

AUDITORS

**M/S. J. K. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS**

REGISTERED & CORPORATE OFFICE

**903, Tower-1, NRI Complex, Seawood Estate,
Palm Beach Road, Nerul, Navi Mumbai - 400 706**

NOTICE

NOTICE is hereby given that, the **Twenty Seventh Annual General Meeting** of the members of **Rose Merc. Limited**, will be held on **Thursday, 29th September, 2011** at 11.00 A.M. at the registered office of the Company at 903, Tower-1, NRI Complex, Seawood Estate, Palm Beach Road, Nerul, Navi Mumbai - 400 706, to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of **Mr. Chetan R. Dogra**, who retires by rotation and is eligible for re-appointment.
4. To consider and, if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution :

"RESOLVED THAT **M/s J.K. Shah & Associates**, Chartered Accountants, Mumbai be and are hereby appointed as a Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the Conclusion of the next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors of the Company".

For and On behalf of The Board of Directors

s/d

Place : Mumbai

Date : 13th September, 2011.

VIREN VORA

DIRECTOR

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll on his behalf and such proxy need not be a member of the Company. A proxy may be sent in the form enclosed and in order to be effective must reach the Registered Office of the Company atleast 48 hours before the commencement of the Meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from **Tuesday 27th September, 2011 to Thursday 29th September, 2011 (Both Days inclusive)**.
3. The Company's shares are available for De-materialisation with National Securities Depository Limited (**NSDL**) and Central Depository Services (India) Limited (**CDSIL**). The members are requested to avail the facility of de-materialisation. The ISIN allotted to the scrip is **INE649C01012**.

DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure to present their **Twenty Seventh Annual Report** and the Audited Annual Accounts for the year ended **31st March, 2011**.

FINANCIAL RESULTS

PARTICULARS	2010 - 2011	2009 -2010
Gross Income	2,021,427	2,125,948
Profit Before Tax	399,283	1,106,554
Less : Provision for Taxation	150,000	400,000
Excess Prov. written back	19,577	-
Short Prov. written back	-	327,414
Net Profit (After Tax)	268,860	379,140
Add : Balance B/d from Prev. Year	13,324,059	12,944,919
Surplus Carried to Balance Sheet	13,592,920	13,324,059

Your Directors are hopeful of achieving better results during the current year.

DIRECTORS :

In accordance with the requirements of the Companies Act, 1956 and Articles of Association of the Company Mr. Viren Vora will retire by rotation in the Annual General Meeting and being eligible offer himself for re-appointment.

DIVIDEND :

The Directors of your Company have not recommended any Dividend for the financial year ended 31st March, 2011.

PERSONNEL :

There was no employee drawing salary in excess of the limits set out under Section 217 (2A) of the Companies Act, 1956 and the rules made thereunder.

DEPOSITS :

The Company has not accepted any deposit under Section 58A of the Companies Act, 1956 during the financial year ended on 31st March, 2011.

AUDITORS :

M/s. J. K. SHAH & ASSOCIATES, Chartered Accountants, Statutory Auditors of your Company, hold office until conclusion of the ensuing Annual General Meeting. The Company has received necessary certificate under section 224(1B) of the Companies Act, 1956 from the Auditors. The re-appointment of auditors is recommended to the members.

LISTING FEES :

The shares of the Company are listed at Mumbai & Ahmedabad Stock Exchange and the Company has paid the necessary listing fees upto the year 2011 - 2012.

The Company has communicate with the Regional Stock Exchange i.e. The Stock Exchange of Mumbai for revocation of the suspension of the script of the Company.

DIRECTOR'S RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement it is hereby confirmed that :

- (i) in the preparation of the Annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures.
- (ii) the accounting policies are consistently applied and reasonable, prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit for the year ended on that date.
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company & for preventing and detecting fraud and other irregularities.
- (iv) that the directors had prepared the annual accounts on going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :

- (a) The Particulars required by the Companies (disclosure of particulars in report of the Board of Directors) pursuant to section 217(1) with regards to Conservation of Energy and Technological Absorption was not given, since the Company is not engaged in any manufacturing activity.
- (b) There was no earnings or outgoings in foreign exchange during the year.

COMPLIANCE CERTIFICATE :

A compliance certificate received from a practising Company Secretary certifying the compliance unde the Companies Act, 1956 is attached hereto.

ACKNOWLEDGEMENT :

Your Directors wish to place on record their appreciation of the support and co-operation received from Government, Banks, Financial Institutions, other Business Associates, Shareholders and employees of the Company.

Place : Mumbai
Date : 13.09.2011.

For and on Behalf of the
Board of Directors
s/d

VIREN VORA
Chairman of the Meeting

SECRETARIAL COMPLIANCE CERTIFICATE

To,

The Members of **ROSE MERC. LTD.**

We have examined the registers, records, books and papers of **Rose Merc. Ltd.** Mumbai, the Company 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 financial year ended on 31st March 2011 (Financial Year). 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, its officers and agents, we clarify that in respect of the aforesaid financial 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 there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Regional Director, Central Government. Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder as specified in Annexure-B.
3. The Company being a public limited company has the minimum prescribed paid-up capital and having the minimum number of members during the said financial year.
4. The Board of Directors duly met **5** (Five) times on 29.04.2010, 26.07.2010, 01.09.2010, 25.10.2010 & 24.01.2011 during the year under report in respect of these meetings proper notices were given & the proceedings were properly recorded & signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members and Share Transfer Books from 23.09.2010 to 25.09.2010 (both days inclusive) during the financial year under review.
6. The Annual General Meeting for the financial year ended on 31.03.2010 was held on 25.09.2010 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting(s) was held during the financial year under review.
8. The Company being a private company, section 295 of the Act is not applicable.
9. The company has not entered into any contracts falling with the purview section 297 of the Act during the financial year under review.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling under the preview of section 314 of the Act, the Company has not obtained any approvals from its Directors, members or Central Government, as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year under review.
13. The Company has :
 - (i) not allotted/transferred/transmitted any securities during the year.
 - (ii) not deposited any amount in seperate bank account as no dividend was declared during the financial year under report.
 - (iii) not posted warrants to any member of the Company as no dividend was declared during the financial year under report.
 - (iv) the company is not required to transfer amounts in respect of unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for the period of seven years to the Investor Education and Protection Fund as the Company do not have any of

(v) the amount lying in any of the above referred five accounts.
duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the Company is duly constituted.
15. Company has duly complied with the provisions of Section 269 read with Schedule XIII to the Act .
16. The Company has not appointed any Sole-Selling Agents during the financial year under report.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms & companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares or other securities during the financial year under report.
20. The Company has not bought back any shares during the financial year ended 31st March'11.
21. The Company has not issued preference shares or debentures and hence there was no redemption of preference shares or debentures during the financial year under report.
22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, Rights Shares and Bonus Shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within purview of Section 58A during the financial year under review.
24. The Company has not made any borrowing during the financial year under scrutiny.
25. The Company has not made any loan, investment and giving guarantee and securities and services to any other body corporate in which directors are interested.
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 financial year under scrutiny.
27. The Company has not altered the Provisions of the Memorandum with respect to the objects of the company during the financial year under scrutiny.
28. The Company has not altered the Provisions of the Memorandum with respect to name of the Company during the financial year under scrutiny.
29. The Company has not altered the Provisions of the Memorandum with respect to share capital of the Company during the financial year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year under scrutiny.
31. There was no prosecution initiated against or show cause notices received by the Company during the financial year under report for offences under the Act.
32. The Company has not received any amount as security deposit from its employees during the financial year under certification.
33. In respect of employee's and employer's Provident Fund contribution, the provisions of Employees Provident Fund Act, 1952 are applicable to Company. Hence, the provisions of Section 418 of the Act, need not be complied by the Company.

Place : Mumbai
Date : 13.09.2011

For Ashish Agrawal & Associates
Company Secretary
Ashish Agrawal (Proprietor)
C.P. No. 6872

ANNEXURE "A"

Registers maintained by the Company

1. Register of Investment u/s 49
2. Register of Charges u/s 143
3. Register of Members u/s 150
4. Minutes Book u/s 193
5. Register & Returns u/s 163
6. Books of Accounts & other Records u/s 209
7. Register of Directors u/s 303
8. Register of Director's shareholding u/s 307

ANNEXURE "B"

Forms and Returns as filed by the Company with the Register of Companies, Maharashtra, Mumbai during the financial year ending 31st March, 2011.

i) Registrar of Companies

Sr. No.	Form No./Return	Date of Filing
01.	Form 66	18/10/2010
02.	Form 23AC/ACA	18/10/2010
03.	Form 20B	16/11/2010

- ii) With Regional Director of other authorities : NIL
- iii) With Central Government : NIL
- IV) With Company Law Board : NIL

for Ashish Agrawal & Associates
Company Secretary
s/d

Ashish Agrawal
Proprietor

C.P.No. 6872

Date : 13.09.2011

Place : Mumbai

AUDITOR'S REPORT

To,
The Members of
ROSE MERC. LIMITED

We have audited the attached Balance Sheet of **ROSE MERC. LIMITED** as at 31st March, 2011, and the Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation.

As required by the Manufacturing and Others Companies (Auditors Report) Order, 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 & 5 of the said order. We further 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 accounts have been kept by the company as required by law so far as appears from our examinations of the books.
- c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with books of account.
- d) In our opinion, the Profit & Loss Account and the Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- e) In our opinion, and based on information and explanations given to us, none of the directors are disqualified as on 31st March, 2010 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956;
- f) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together with notes thereon, give the information required by the Companies Act, 1956 and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - i) in the case of the Balance Sheet of the State of the Affairs of the Company as at 31st March, 2011, and
 - ii) in the case of the Profit and Loss Account of the Profit for the year ended on that date.
 - iii) in the case of Cash Flow Statement of the cash flows for the year ended on date.

PLACE : MUMBAI
DATED : 13th September, 2011.

FOR J. K. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
J. K. SHAH
PROPRIETOR

ANNEXURE TO THE AUDITORS REPORT
REFERRED TO IN PARAGRAPH (1) OF OUR REPORT OF EVEN DATE

- i. The Company has maintained proper records showing full particulars, including quantitative details & situation of the fixed assets. The management at reasonable intervals has physically verified the fixed assets. No material discrepancies between the book records and the physical inventory have been noticed in respect of the assets physically verified. None of the Fixed Assets were disposed off during the year.
- ii. The Company does not have any stock of raw materials stores & spares & finished goods. Therefore Para 4(ii) of the Auditor's Report Order 2003 is not applicable.
- iii. We are informed that the Company has not taken/granted any loans, secured or unsecured from/to companies, firms, or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Other parties to whom interest free Loans and Advances in the nature of loans have been given by the Company, have no stipulations as to the repayment. However the loans are considered good by the management.
- iv. In our opinion, and according to information & explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business.
- v. According to information & explanations given to us, there are no transactions and arrangements, the particulars of which need to be entered into the Register maintained under Section 301 of the Companies Act, 1956.
- vi. The Company has not accepted any deposits from the public within the meaning of Section 58A and Section 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
- vii. The Company does not have an internal audit system commensurate with the size and nature of its business.
- viii. The maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 are not applicable to the Company.
- ix. The Company is generally regular in depositing statutory dues with the appropriate authorities. According to the records of the Company there are no material undisputed amounts payable in respect of Sales Tax, Income Tax, Custom Duty and Excise Duty, outstanding as on 31st March, 2011, for more than 6 months from the date on which they became payable except for the Demand for Rs. 460,270/- for A.Y. 2007-2008 towards Income Tax vide order passed u/s 143(3) against which Rs. 150,000/- have been paid and the appeal with relevant authorities has been preferred.
- x. The Company is registered for a period for not less than 5 years and it does not have any accumulated losses at the end of the financial year. The company has not incurred any cash losses during the financial year as well as during the immediately preceding financial year.
- xi. The Company has not borrowed funds from financial institutions or from banks, therefore no comments regarding defaults need be furnished.
- xii. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities; the question of reporting on the same does not arise.
- xiii. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies; are not applicable to the Company.
- xiv. The Company is not dealing or trading in shares, securities, debentures and other investments, accordingly clause 4(xiv) of the order is not applicable.
- xv. According to information and explanations given to us the company has not given any guarantee for loans taken by other bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
- xvi. The Company has not raised any Term Loans during the year.
- xvii. According to information and explanations given to us and on overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investments and vice versa;
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956, during the year.
- xix. The Company has not issued any debentures during the year and hence the question of creating securities for the debentures issued does not arise.
- xx. The company has not made any Public issue during the year and such, reporting under clause 4(xx) of the Order does not arise.
- xxi. During the course of our examinations 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 & explanations given to us we have neither come across any instance of fraud on or by the Company, noticed and reported during the year, nor have we been informed of such case by the management.

Place : Mumbai
Date : 13th September, 2011

FOR J. K. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
J. K. SHAH
PROPRIETOR

BALANCE SHEET AS ON 31ST MARCH, 2011

PARTICULARS	SCH.	31.03.2011	31.03.2010
I. SOURCES OF FUNDS			
SHAREHOLDER'S FUNDS			
Share Capital	1	9,960,000	9,960,000
Reserve and Surplus	2	13,592,920	13,324,059
		23,552,920	23,284,059
UNSECURED LOANS	3	9,300,000	5,575,958
TOTAL FUNDS EMPLOYED		32,852,920	28,860,017
II. APPLICATION OF FUNDS			
FIXED ASSETS	4		
Gross Block		158,350	158,350
Less : Depreciation		149,099	147,392
Net Block		9,251	10,958
INVESTMENT IN SHARES	5	2,711,600	2,711,600
DEFERRED TAX ASSETS		54,662	54,662
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors	6	1,525,385	2,224,000
Cash and Bank Balance	7	154,781	59,106,178
Loans & Advances	8	39,532,698	39,133,979
		41,212,865	100,464,157
Less : CURRENT LIABILITIES & PROVISIONS			
Liabilities	9	10,985,458	73,981,359
Provisions for Taxation	10	150,000	400,000
		11,135,458	74,381,359
NET CURRENT ASSETS		30,077,407	26,082,797
TOTAL FUNDS APPLIED		32,852,920	28,860,017

NOTES TO ACCOUNT

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AS PER OUR REPORT OF EVEN DATE

FOR J. K. SHAH & ASSOCIATES

CHARTERED ACCOUNTANTS

J. K. SHAH (PROPRIETOR)

PLACE : MUMBAI

DATED : 13th September, 2011.

FOR ROSE MERC. LIMITED

s/d s/d

VIREN VORA KIRTI SAVLA

DIRECTOR DIRECTOR

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	SCH.	31.03.2011	31.03.2010
I. INCOME			
Other Income	11	2,021,427	2,125,948
TOTAL		2,021,427	2,125,948
II. EXPENDITURE			
Administrative & Other Expenses	12	888,060	1,015,638
Interest & Financial Expenses	13	732,377	1,638
Depreciation		1,707	2,128
TOTAL		1,622,144	1,019,394
Profit for the year (I-II)		399,283	1,106,554
Provision for Taxation		150,000	400,000
Short Provision Written Back		-	327,414
Excess Provision Written Back		19,577	-
Profit after tax		268,860	379,140
Balance b/f from previous year		13,324,059	12,944,919
Earning per share (Equity Shares, Par Value Rs. 10/-)		0.31 996,000	0.38 996,000
Weighted average numebr of shares used in computing Earning per share-Basic & Diluted			
Surplus carried over to Balance Sheet		13,592,920	13,324,059
Note To Accounts	14		

AS PER OUR REPORT OF EVEN DATE

FOR J. K. SHAH & ASSOCIATES
 CHARTERED ACCOUNTANTS
J. K. SHAH (PROPRIETOR)
 PLACE : MUMBAI
 DATED : 13th September, 2011.

FOR ROSE MERC. LIMITED
 s/d s/d
VIREN VORA KIRTI SAVLA
 DIRECTOR DIRECTOR

ROSE MERC. LIMITED**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	SCH.	31.03.2011	31.03.2010
<u>SHARE CAPITAL</u>	1		
Authorised : 50,00,000 Equity Shares of Rs. 10/- each		50,000,000	50,000,000
Issued, Subscribed and Paid-Up : 996000 Equity Shares of Rs.10 each at par fully paid up.		9,960,000	9,960,000
<u>RESERVES AND SURPLUS</u>	2		
Profit and Loss Account Balance as per last Balance Sheet Add: Transfer from Profit & Loss A/c		13,324,059 268,860	12,944,919 379,140
		13,592,820	13,324,059
<u>UNSECURED LOANS</u>	3		
		9,300,000	5,575,958
		9,300,000	5,575,958
<u>FIXED ASSETS</u>	4		
Gross Block		158,350	158,350
Less: Depreciation		149,099	147,392
		9,251	10,958
<u>INVESTMENTS</u>	5	2,711,600	2,711,600
<u>SUNDRY ADVANCES</u>	6	1,500,000	2,224,000
<u>Cash & Balances with Banks</u>	7		
Cash Balance		49,331	21,905
Balance with Bank		105,451	59,084,272
		154,782	59,106,178
<u>Loans & Advances</u>	8		
(Unsecured, considered good as certified by Management) Advances recoverable in Cash or in kind for value to be received		39,532,698	39,133,979
		39,532,698	39,133,979
<u>Current Liabilities</u>	9		
Sundry Creditors		17,500	81,359
For Expenses		10,967,958	73,900,000
For Suppliers			
		10,985,458	73,981,359

ROSE MERC. LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

	SCH.	31.03.2011	31.03.2010
Provisions	10		
Provisions For Taxation		150,000	400,000
Provision for F.B.T.		-	-
		150,000	400,000
Miscellaneous Expenditure			
Expenditure incurred for increasing authorised share capital		-	-
Less : Written Off during the year		-	-
		-	-

SCHEDULE - 4

SCHEDULE OF FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost At 01.04.10	Add.	Deduct.	Cost At 31.03.11	Upto 01.04.10	For the Year	Adj. of Depn.	Upto 31.03.11	As At 31.03.10	As At 31.03.11
Air Conditioner	11,000	-	-	11,000	8,569	338	-	8,907	2,431	2,093
Fax Modem	14,500	-	-	14,500	11,955	354	-	12,309	2,545	2,191
Television	8,240	-	-	8,240	6,661	219	-	6,880	1,579	1,360
Telephone	1,060	-	-	1,060	879	25	-	904	181	156
Mobile Phone	21,300	-	-	21,300	17,786	488	-	18,274	3,514	3,026
Computer	102,250	-	-	102,250	101,542	283	-	101,825	708	425
TOTAL	158,350	-	-	158,350	147,392	1,707	-	149,099	10,958	9,251
Previous Year	158,350	-	-	158,350	145,264	2,128	-	147,392	13,086	10,958

ROSE MERC. LIMITED**SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT**

	SCH.	31.03.2011	31.03.2010
<u>OTHER INCOME</u>	11		
Interest Received		2,020,876	2,125,948
Bank Interest		551	-
Dividend		-	-
		2,021,427	2,125,948
<u>ADMINISTRATIVE & OTHER EXPENSES</u>	12		
Advertising Expenses		30,759	26,069
Conveyance Expenses		9,808	9,600
Directors Remuneration		384,000	600,000
Filing Fees		1,680	2,240
Auditors Remuneration		17,500	17,500
Legal & Prof. Charges		92,931	105,482
Lisiting Fees		16,545	16,133
Office Rent Expenses		36,000	24,000
Salary		274,500	196,600
Postage & Telegrams		3,945	5,230
Printing Charges		6,900	5,997
Profession Tax		2,500	2,500
Staff Welfare Exp.		5,742	4,286
Software Exp.		5,250	-
		888,060	10,15,638
<u>FINANCIAL EXPENSES</u>	13		
Bank Charges		529	1,628
Interest Paid		731,848	-
		732,377	1,628

ROSE MERC. LIMITED**NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011 AND
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE****SCHEDULE : 14****SIGNIFICANT ACCOUNTING POLICIES****Basis of Accounting :**

The accounts have been prepared under the historical cost convention.

The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis.

Fixed Assets :

Fixed Assets are stated at cost less accumulated depreciation.

Depreciation :

Depreciation on all assets is provided on Written Down Value manner and at the rates prescribed in Schedule XIV to the Companies Act, 1956.

Inventories :

Stocks are valued at cost or market value, whichever is lower. However, the Company was holding no stock at the year end.

Revenue Recognition :

All revenues are generally recognised on accrual basis.

Retirement Benefits :

No provisions for the retirement benefits have been made by the Company.

Taxes on Income :

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognised on timing difference, being the difference between taxable income and accounting income that originate between in one period and are capable of being reversed in one or more subsequent periods.

Deferred tax assets are recognized on unabsorbed depreciation and carry forward losses unless there is virtual uncertainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets and deferred tax liabilities are recognized only if either of them are in excess of Rs. 1.00 Lakh.

Earning Per Share (EPS)

<u>Particulars</u>	<u>2010-2011</u>	<u>2009-2010</u>
a) Weighted Average No. of Equity Shares outstanding during the year	9,96,000	9,96,000
b) Net Profit/(Loss) after tax available for Equity Share Holders (Rs.)	268,860	379,140
c) Basic & Diluted (Rs.)	0.27	0.38
d) Nominal Value per Share (Rs.)	10/-	10/-

Prior Period, Extra Ordinary Items & Changes in Accounting Policies.

The item relating to Prior period or extra ordinary in nature has not been shown since not being material.

ROSE MERC. LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

(Rupees in Lakhs)

A. CASH FLOW FROM OPERATING ACTIVITIES

Net Profit before tax and extraordinary items		3.99	
Adjustment for :			
Depreciation	0.02		
Profit on Sale of Fixed Assets	-		
Interest	7.32		
Other Income	(20.21)		
			(12.87)
Operating profit before working capital changes			(8.88)
Adjustment for :			
Investments	-		
Sundry Debtors	6.99		
Loans & Advances	(3.99)		
Current liabilities	(632.46)		
			(629.46)
Cash generated form operations			(638.34)
Interest paid	(7.32)		
Income tax paid	(1.30)		
			(8.63)
Net cash from operating activities - (A)			(646.97)

B. CASH FLOW FROM INVESTING ACTIVITIES

Sale of fixed assets	-		
Other Income	20.21		
Decrease in Investments	-		
Net cash used in investing activities - (B)			20.21

C. CASH FLOW FROM FINANCING ACTIVITIES

Proceeds/ (Repayment) of Long term borrowing	37.24		
Net cash from financing activities - (C)			37.24

D. NET DECREASE IN CASH AND CASH EQUIVALENT (A+B+C) (589.51)

Closing cash and cash equivalent as at 31.03.10	591.06
Closing cash and cash equivalent as at 31.03.11	1.55
Increase in Cash Balance	(589.51)

NOTES :

1. The above statements have been prepared in indirect method except in case of interest and dividend, which have been considered on the basis of actual movement of cash.
2. Cash and cash equivalent represents cash and bank balances.

AS PER OUR REPORT OF EVEN DATE

FOR J.K. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
J. K. SHAH
PROPRIETOR

PLACE : MUMBAI
 DATED : 13th September, 2011.

FOR ROSE MERC. LIMITED
 s/d s/d
VIREN VORA KIRTI SAVLA
 DIRECTOR DIRECTOR

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of **Rose Merc. Limited** for the year ended 31st March, 2011. The Statement has been prepared by the Company in accordance with the requirements of listing agreement Clause 32 with Mumbai Stock Exchange and in based on and in agreement with the corresponding Profit & Loss account and Balance Sheet of the Company covered by our report to the members of the Company.

for **J.K. SHAH & ASSOCIATES**
Chartered Accountants

Place : MUMBAI

Dated : 13th September, 2011.

J.K. SHAH
PROPRIETOR

Balance Sheet Abstract and Company's General Business Profile as per Schedule VI, Part-(IV) of the Companies Act, 1956.

(Amount in Thousand)

I. Registration Details	
Registration No.	11-35078
State Code	11
Balance Sheet Date	31.03.2011
II. Capital Raised during the year	
Public Issue	NIL
Right Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
III. Position of Mobilisation and Deployment of Funds	
Total Liabilities	32,853
Total Assets	32,853
Source of Funds	
Paid-up Capital	9,960
Reserves & Surplus	13,593
Secured Loans	Nil
Unsecured Loans	9,300
Application of Funds	
Net Fixed Assets	9
Investments	2,712
Net Current Assets	30,132
IV. Performance of the Company	
Total Income	2,021
Total Expenditure	1,622
Profit before tax	399
Profit after tax	269
Earnings Per share (Rs.)	0.27
Dividend rate (%)	Nil
V. Generic names of three principal products of the Company (as per monetary terms)	
Product Description	Iron & Steel
Product Description	Brokerage & Finance
Product Description	Export of Computer Software

AS PER OUR REPORT OF EVEN DATE

FOR J.K. SHAH & ASSOCIATES

CHARTERED ACCOUNTANT

PLACE : MUMBAI

DATED : 13th September, 2011

FOR ROSE MERC. LIMITED

s/d s/d

VIREN VORA KIRTI SAVLA

DIRECTOR DIRECTOR

● **ROSE MERC. LIMITED** ●

ROSE MERC. LIMITED

Regd. Off. : 903, Tower-1, NRI Complex, Seawood Estate, Palm Beach Road, Nerul, Navi Mumbai - 400 706

FORM OF PROXY

I/We _____ of _____

_____ being a Member(s) of Rose Merc. Limited _____

_____ of _____ or failing him/

her _____ as my/our proxy to attend and vote for me/us & on

my/our behalf at the 27th Annual General Meeting of the Company to be held on Thursday, 29th September,

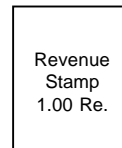
2011 at 11.00 a.m. at 903, Tower-1, NRI Complex, Seawood Estate, Palm Beach Road, Nerul, Navi Mumbai

- 400 706, and at any adjournment meeting thereof.

Signed this _____ day of _____ 2011

Folio No./Client ID _____

No. of shares : _____



Signature of the Member

Note : Revenue Stamp of 1 Re. must be affixed on this form. The form should be signed across the stamp as per specimen signature registered with the Company. The Companies Act. 1956, provides that the instrument appointing a proxy shall be deposited at the Registered Office of the Company as mentioned above, not less than 48 hours before the time fixed for holding the meeting. The proxy need not be a member of the Company.

ROSE MERC. LIMITED

Regd. Off. : 903, Tower-1, NRI Complex, Seawood Estate, Palm Beach Road, Nerul, Navi Mumbai - 400 706

ATTENDANCE SLIP

I/We hereby record my/our presence at the 27th Annual General Meeting of the Company to be held on Thursday, 29th September, 2011 at 11.00 a.m. at Regd. Office : 903, Tower-1, NRI Complex, Seawood Estate, Palm Beach Road, Nerul, Navi Mumbai - 400 706.

Full Name of the Shareholder _____

(In Block Letters)

Signature :

Folio No. / Client ID _____

Full Name of the Proxy _____

(In Block Letters)

Signature :

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

**TWENTY-SEVENTH
ANNUAL REPORT
2010 - 2011**

ROSE MERC. LIMITED

Registered Office :
**903, Tower-1, NRI Complex, Seawood Estate, Palm Beach Road,
Nerul, Navi Mumbai - 400 706**

BOOK - POST

if undelivered, please return to,

Rose Merc. Limited

Regd. Office : 903, Tower-1, NRI Complex, Seawood Estate, Palm Beach Road,
Nerul, Navi Mumbai - 400 706.