



# RSC INTERNATIONAL LTD.

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

Email : rscinternational@gmail.com ,Website: www.rscitd.in

CIN - L17124 RJ1993PLC007136

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

Date \_\_\_\_\_

----- 2017

The Manager  
Department of Corporate Services and Listing  
BSE Limited  
PJ Towers, Dalal Street  
Fort, Mumbai – 400 001

**Sub: Regulation 34 of the SEBI (LODR), Regulations 2015**


Dear Sir,

We are submitting herewith the Annual Report of the company for the Financial Year 2016-17 in accordance with Regulation 34 of the SEBI (LODR), Regulations 2015.

You are requested to kindly update the records and oblige.

Thanking you.

Yours faithfully,  
For: RSC International Ltd.

  
Ghyan Chand Jain  
Director

DIN: 00498094



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

**ANNUAL REPORT 2016-2017**

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

**2016-2017**

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

**Auditors**

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

**Registered Office**

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

**Registrar of Share Transfers**

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

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## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE TWENTY FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF RSC INTERNATIONAL LIMITED WILL BE HELD ON THURSDAY, 28<sup>TH</sup> SEPTEMBER 2017 AT 2.00 P.M. AT: HOTEL SHIVA'S ROYAL, SINDHI CAMP, JAIPUR, TO TRANSACT THE FOLLOWING BUSINESS.**

### **ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2017 together with the Report of the Board of Directors and the Auditors thereon.
- 2) To appoint a Director in place of Mrs. Alka Jain (**DIN – 00498124**) who retires by rotation and is eligible for re-appointment.
- 3) To ratify the Appointment of Auditor of the Company and fix their remuneration.

**By order of the Board**

**(Gyanchand Jain)  
Managing Director**

Place: Jaipur

Dated: 1<sup>st</sup> September 2017

## NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (AGM”) is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy need not be a member of the Company.
2. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. Proxy in the prescribed form No. MGT-11 as enclosed herewith, in order to be effective, should be deposited with the registered office of the company and stamped not less than 48 hours before the commencement of the meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, will be available for inspection by the members at the meeting.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. **Book Closure:** The Company has notified closure of Register of Members and Share Transfer Books from 22<sup>nd</sup> September 2017 to 28<sup>th</sup> September 2017 (both days inclusive).
9. **National Electronic Clearing Service (NECS):**
  - a) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.
  - b) Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease

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

- c) Members holding shares in physical form are advised to submit their PAN to the Company / M/s. Alankit Assignment Ltd.
10. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
  11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to M/s. Alankit Assignments Ltd., for consolidation into a single folio.
  12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
  13. Members are requested to send their queries to the Company, if any on Accounts at least 10 days before the Meeting.
  14. **Nomination Facility:** As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Both forms are appended at the end of the Annual Report. Members holding shares in physical form are requested to submit the forms to the Company's Share Registrar and Transfer Agents. Members holding shares in Electronic form may obtain the nomination forms from their respective depository participants.
  15. **Updation of Members' Details:** The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/ Registrar and Share Transfer Agents to record additional details of members, including their PAN details, email address, bank details for payment of dividend etc. A form for capturing the additional details is appended to the notice, Members holding shares in physical form are requested to submit the filled in form to the Company or its Registrar and Share Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective depository participants.
  16. Electronic copy of the Annual Report for 2016-17 is being sent to all the members whose email IDs are registered with the Company /

Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode. Members may also note that the notice of the AGM and the annual report for the financial year 2016-2017 will also be available on the company's website [www.rscltd.in](http://www.rscltd.in) for their download. The physical copies of the aforesaid documents will also be available at the company's registered office for inspection during normal business hours (9.00 am to 5.00 pm) on all working days upto and including the day of the AGM of the company.

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

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

- v. In case a member is desirous of obtaining a duplicate Ballot Form, he/ she/ they may send an email to [rsccompliance@gmail.com](mailto:rsccompliance@gmail.com) by mentioning their Folio / DP ID and Client ID number. However, the duly completed Ballot Form should reach the Scrutinizer, **Advocate Varun Sonawala**, not later than 27<sup>th</sup> September 2017, 5.00 p.m. Ballot Form received after this date will be treated as invalid.

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

- (i) The voting period begins on **25<sup>th</sup> September 2017 at 9.00 AM IST** and ends on **27<sup>th</sup> September 2017 at 5.00 PM IST**. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **21<sup>st</sup> September 2017**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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



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

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

- (xiv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

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

**Alankit Assignments Ltd.**

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

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

**Re-appointment of Mrs. Alka Jain**

Mrs. Alka Jain, Director of the Company, retires by rotation and being eligible, offers herself for re-appointment.

Mrs. Alka Jain, is currently a Director of the Company. She is having more than 10 years of experience in textile business. She holds 4,91,430 equity shares of the company and is related to two directors, namely; Mr. Ankur Jain and Mr. Gyan Chand Jain.

Your Directors recommend Resolution No. 2 as an Ordinary Resolution for approval of its Members.

Apart from Mrs. Alka Jain, two directors, namely; Mr. Ankur Jain and Mr. Gyan Chand Jain, none of the directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in this resolution.

23. **Ratification of Appointment of the Statutory Auditor:**

Kamal Agrawal, Chartered Accountant (M. No. 43529) was appointed as the Statutory Auditor of the Company at the AGM dated 30<sup>th</sup> September 2015 from the conclusion of 22<sup>nd</sup> AGM till the conclusion of 26<sup>th</sup> AGM of the company to be held in 2020. However, as per the provisions of Section 139(1) of the Act, his appointment would be subject to ratification by the members in every annual general meeting during the said term.

In view of the above, the Board of Directors recommend ratification of the appointment of Mr. Kamal Agrawal, Chartered Accountant as the Statutory Auditor of the Company to hold office till the conclusion of the 25<sup>th</sup> Annual General Meeting and to fix the remuneration payable to them for the financial year 2017-18, as mentioned at Item No. 3 of the Notice.

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

Place: Jaipur  
Date: 1<sup>st</sup> September 2017  
Registered Office: 66 Gangwal Park  
M. D. Road, Jaipur - 302 004

**By order of the Board of Directors**

**Ghyanchand Jain**  
**Managing Director**

## DIRECTORS' REPORT

Dear Members,

Your directors have pleasure in presenting the 24<sup>th</sup> Annual Report of the company together with the audited statements of accounts for the year ended 31<sup>st</sup> March 2017.

### FINANCIAL RESULTS

Particulars	31.03.2017	31.03.2016
Sales & Other Income	895574.00	7,66,210.00
Profit before interest & depreciation	78234.00	98,665.00
Less: Interest	0.00	0.00
Profit before depreciation	78234.00	98,665.00
Less: Depreciation	0.00	11,203.00
Profit after depreciation	78234.00	87,462.00
Provision for Income Tax	14,473.00	15,831.00
Profit After Tax	63,761.00	71,631.00

### FINANCE

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

### BUSINESS OUTLOOK

The Management is planning to enter into new line of business like export of clothes and other items to improve the profitability and ultimately value of shareholders' funds. The Company has been in communication with number of prospective buyers of products in various countries. It is supplying on commission basis and also making an attempt to add to its portfolio. The Company hopes to achieve good results in this line looking to the acceptance of Indian products in global market. Presently the Company is doing agency business of fabrics.

### ISSUE OF EQUITY SHARES

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

### DIVIDEND

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

### LOANS, GUARANTEES AND INVESTMENTS

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

### **PUBLIC DEPOSITS**

The Company has not accepted any deposit from the public and as such, no amount on account of principal or interest on deposits from public was outstanding as at 31<sup>st</sup> March 2017.

### **CORPORATE GOVERNANCE**

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

### **MANAGEMENT DISCUSSION AND ANALYSIS**

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

### **DISCLOSURE REQUIREMENTS**

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

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

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

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

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

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

### **NUMBER OF MEETINGS OF THE BOARD**

During the year under review, 6 meetings of the Board were held, details of which are given in the Corporate Governance Report that forms part of the Annual Report.

### **SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES**

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

### **PERFORMANCE EVALUATION OF BOARD**

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

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

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

### **AUDIT COMMITTEE**

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

### **PARTICULARS OF EMPOLYEEES**

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

### **RELATED PARTY TRANSACTIONS**

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

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

### **RISK MANAGEMENT POLICY**

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

### **CORPORTAE SOCIAL RESPONSIBILITY (CSR)**

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

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

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

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

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

There was no complaint of any nature during the year 2016-17.

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

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

### **INTERNAL FINANCIAL CONTROLS**

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

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

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

### **DIRECTORS**

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

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

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

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

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

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

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

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

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

### **REMUNERATION POLICY**

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

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

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



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

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

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

### **STATUTORY AUDITOR**

The appointment of Mr. Kamal Agrawal, Chartered Accountant (Membership No. 43529), the Statutory Auditor of the company was ratified by the shareholders at the AGM held on 30<sup>th</sup> September 2016. His appointment is valid till the conclusion of this 24<sup>th</sup> AGM.

The Company has received a written confirmation from the Auditor that the ratification of his appointment for the next financial year, if made, shall be in accordance with the criteria as provided under Section 141 of the Companies Act, 2013.

The Auditor's Report on the financial statements for the financial year ended 31<sup>st</sup> March 2017 does not contain any qualification, reservation or adverse remark.

### **SECRETARIAL AUDITOR**

Kavita Joshi, Practicing Company Secretary was appointed as the Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2016-2017, as required under Section 204 of the Companies Act, 2013 and the Rules made thereunder.

The Secretarial Audit Report for the financial year 2016-2017 is appended as Annexure A which forms part of this report.

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

### **EXTRACT OF ANNUAL RETURN**

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

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

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

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

### **ACKNOWLEDGEMENTS**

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

**On behalf of the Board of Directors**

**Gyanchand Jain  
Managing Director**

Jaipur, 1<sup>st</sup> September 2017

## Annexure A

### SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

To,  
**The Members,**  
**R S C International Limited**  
66, Gangwal Park, Moti Doongri Road,  
Jaipur 302 004

Dear Sir's,

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

Based on my verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the financial year ended **31<sup>st</sup> March, 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came into effect from 12<sup>th</sup> September, 2013 and sections and Rules notified and came into effect from 1<sup>st</sup> April, 2014; as applicable
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct

Investment and Overseas Direct Investment **(not applicable to the Company during the Audit Period);**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **not applicable**
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **not applicable as the Company did not issue any security during the financial year under review;**
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014(not applicable to the Company during the Audit period) - **Not applicable as the Company as not granted any Option to its employees during the financial year under review;**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period); - **Not Applicable as the Company has not issued any debt securities during the financial year under review;**
- f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable as the Company has not delisted its equity shares from any stock Exchange during the financial year under review;**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit period);-**

3 I have also examined compliance with the applicable clause of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India. (not notified hence not applicable the Company during the Audit Period); and

- b. The listing Agreements entered into by the Company with the Stock Exchange(s), if applicable: The Company has complied with the various provisions of the Listing Agreements with the BSE and DSE, where securities of the company are listed.

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

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

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

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

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

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

3. ***Company has not Filed E Form MGT 14 For Approval of Account as on 31/03/2016.***

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

**Management Explanation on point No. (3):** Company have not published quarterly financial results in news papers as the cost of publication is high and it is not viable for the shareholders to spent such amount when the company is not making sufficient profits. However, quarterly results were submitted to BSE and DSE within the time provided under Listing Agreement and uploaded on the

company's website and hence the shareholders and public at large have access to the financial through company's website and website of BSE and DSE.

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

I further report that:

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31<sup>st</sup> March, 2016. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

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

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

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

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

**Date:** - 01.09.2017

**Place:** - Mumbai

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

**Annexure B**  
**Extract of Annual Return as on the financial year ended**  
**on 31<sup>st</sup> March 2017**

Form No. MGT-9		
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]		
<b>I</b>	<b>REGISTRATION AND OTHER DETAILS</b>	
<b>1</b>	CIN	L17124RJ1993PLC007136
<b>2</b>	Registration Date	6 <sup>th</sup> January 1993
<b>3</b>	Name of the Company	<b>RSC International Ltd.</b>
<b>4</b>	Category / Sub-Category of the Company	Public Company / Limited by shares
<b>5</b>	Address of the Registered Office and Contact Details	66, Gangwal Park M.D. Road Jaipur – 302004 Tel: 09324541587 Email:gyanrl@hotmail.com
<b>6</b>	Whether listed company	YES
<b>7</b>	Name, Address and Contact details of Registrar and Transfer Agent (RTA), if any	Alankit Assignments Ltd. Alankit House, 2E/21, Jhandelwala Extn., New Delhi – 110 055 Tel: (011) 42541234/ 23541234 Fax: (011) 23552001 Email: info@alankit.com Website: www.alankit.com
<b>II</b>	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
	All the business activities contributing 10 % or more of the total turnover of the company shall be stated:	Agency business for synthetic cloth material
<b>III</b>	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	
		N A
<b>IV</b>	<b>SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>	
		Page 21 to 27
<b>V</b>	<b>INDEBTEDNESS</b>	
	Indebtedness of the Company including interest outstanding/ accrued but not due for payment	N A
<b>VI</b>	<b>REMUNERATION OF DIRECTORS &amp; KEY MANAGERIAL PERSONNEL</b>	
		N A
<b>VII</b>	<b>PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES</b>	
		N A

#### IV. Shareholding pattern

##### (i) Category-wise Shareholding

Category	Category of Shareholders	No. of Shares held at the beginning of the year (1 <sup>st</sup> April 2016)				No. of Shares held at the end of the year (31 <sup>st</sup> March 2017)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
-1	Indian									
(a)	Individuals/ Hindu Undivided Family/ Nominee of Promoter	1488460	10000	1498460	26.06	1488460	10000	1498460	26.06	0
(b)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	628360	0	628360	10.93	628360	0	628360	10.93	0
(d)	Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0
(e)	Any Others (Specify)	0	0	0	0	0	0	0	0	0
(e-i)	Directors & Relatives	0	36100	36100	0.63	0	36100	36100	0.63	0
	<b>Sub Total(A)(1)</b>	<b>2116820</b>	<b>46100</b>	<b>2162920</b>	<b>37.62</b>	<b>2116820</b>	<b>46100</b>	<b>2162920</b>	<b>37.62</b>	<b>0</b>
<b>2</b>	<b>Foreign</b>									
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
b	Bodies Corporate	0	0	0	0	0	0	0	0	0
c	Institutions	0	0	0	0	0	0	0	0	0
d	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
e	Any Others(Specify)	0	0	0	0	0	0	0	0	0



	<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>2116820</b>	<b>46100</b>	<b>2162920</b>	<b>37.62</b>	<b>2116820</b>	<b>46100</b>	<b>2162920</b>	<b>37.62</b>	<b>0</b>
<b>(B)</b>	<b>Public shareholding</b>									
<b>1</b>	<b>Institutions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(a)	Mutual Funds/ UTI	0	0	0	0	0	0	0	0	0
(b)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(c)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0	0	0	0	0
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(h)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(i)	Any Other (specify)	0	0	0	0	0	0	0	0	0
	<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>B 2</b>	<b>Non-institutions</b>									
(a)	Bodies Corporate	90700	11600	102300	1.78	90629	11600	102229	1.78	0
(b)	Individuals									
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs	115700	1968625	2084325	36.25	119871	1964325	2084196	36.25	0
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	0	974155	974155	16.94	0	974155	974155	16.94	0
(c)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(d)	Any Other (specify)	0	0	0	0	0	0	0	0	0
i	NRI- Repartable	800	71000	71800	1.25	1000	71000	72000	1.25	0

ii.	Directors & Relatives	0	0	0	0	0	0	0	0	0
iii.	Clearing Member	0	0	0	0	0	0	0	0	0
iv.	Trust	0	0	0	0	0	0	0	0	0
v.	Foreign Nationals	0	0	0	0	0	0	0	0	0
vi.	HUF	354200	0	354200	6.16	354200	0	354200	6.16	0
	<b>Sub-Total (B)(2)</b>	<b>561400</b>	<b>3025380</b>	<b>3586780</b>	<b>62.38</b>	<b>565700</b>	<b>3021080</b>	<b>3586780</b>	<b>62.38</b>	<b>0</b>
<b>(B)</b>	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	561400	3025380	3586780	62.38	565700	3021080	3586780	62.38	0
	<b>TOTAL (A)+(B)</b>	<b>2678220</b>	<b>3071480</b>	<b>5749700</b>	<b>100</b>	<b>2682520</b>	<b>3067180</b>	<b>5749700</b>	<b>100</b>	<b>0</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>									
1	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
2	Public	0	0	0	0	0	0	0	0	0
	<b>Sub-Total (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>2678220</b>	<b>3071480</b>	<b>5749700</b>	<b>100</b>	<b>2682520</b>	<b>3067180</b>	<b>5749700</b>	<b>100</b>	<b>0</b>

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

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	
1	Alka Jain	491430	8.55	0	491430	8.55	0	0
2	Gyan Chand Jain	471230	8.19	0	471230	8.19	0	0
3	Ankur Jain	535800	9.32	0	535800	9.32	0	0
4	Mascot Fashion Pvt. Ltd.	628360	10.93	0	628360	10.93	0	0
5	Ashok Jain	2500	0.04	0	2500	0.04	0	0
6	Avinash Jain	2100	0.04	0	2100	0.04	0	0
7	Bansi Lal Jain	3000	0.05	0	3000	0.05	0	0
8	Bhag Chand Jain	2500	0.04	0	2500	0.04	0	0
9	Chain Raj Meena	2500	0.04	0	2500	0.04	0	0
10	G L Sharma	2500	0.04	0	2500	0.04	0	0
11	Lal Chand Jain	1000	0.02	0	1000	0.02	0	0
12	Mahaveer Prasad	2500	0.04	0	2500	0.04	0	0
13	Mahendra Kumar	2500	0.04	0	2500	0.04	0	0
14	Manju Devi	2500	0.04	0	2500	0.04	0	0
15	Padam Chand	2500	0.04	0	2500	0.04	0	0
16	Prem Chand	5000	0.09	0	5000	0.09	0	0
17	Sanju Devi	2500	0.04	0	2500	0.04	0	0
18	Sushila Devi	2500	0.04	0	2500	0.04	0	0
	Total	2162920	37.62	0	2162920	37.62	0	0

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

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
1					
	At the end of the year				

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

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Mascot Fashions Pvt. Ltd.	628360	10.93	628360	10.93
	At the end of the year	628360	10.93		
2	Ankur Jain	535800	9.32	535800	9.32
	At the end of the year	535800	9.32		
3	Alka Jain	487930	8.49	487930	8.49
	At the end of the year	487930	8.49		
4	Gyanchand Jain	464730	8.08	464730	8.08
	At the end of the year	464730	8.08		
5	Triza Jain	613635	10.67	613635	10.67
	At the end of the year	613635	10.67		
6	Alpine Overseas	354200	6.16	354200	6.16
	At the end of the year	354200	6.16		
7	Vipul Dusad	192360	3.35	192360	3.35
	At the end of the year	192360	3.35		
8	Nidhi Dusad	99390	1.73	99390	1.73
	At the end of the year	99390	1.73		
9	Libord Finance Limited	79100	1.38	79100	1.38
	At the end of the year	79100	1.38		
10	Hiro D Uttamchandani	50000	0.87	50000	0.87
	At the end of the year	50000	0.87		

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

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

## **MANAGEMENT DISCUSSION & ANALYSIS**

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

### **Business Outlook**

The company is presently engaged in agency business of synthetic fabrics. The Company has started trading of cloth in the export market and is trying to expand its business into export of fabrics and other related material where the company sees a lot of opportunities. The Company hopes to achieve good results in this line looking to the acceptance of Indian products in global market. Presently the company is doing trading and agency business of fabrics.

### **Opportunities and Threats**

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

### **Internal Control System**

The company had the internal audit and control system to ensure that all transactions are authorised, recorded and reported correctly. The internal control system consists of comprehensive internal and external audits. The company has an Audit Committee of three directors of the company. The Audit Committee reviews the adequacy of internal control systems and findings of internal audit are followed by the company to improve the system. Moreover, the Annual Financial Results of the company were reviewed and recommended by the Audit Committee for consideration and approval of the Board of Directors. The Audit Committee met six times during the year ended 31<sup>st</sup> March 2017.

### **Financial Review and Analysis**

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

The authorised share capital of the company is Rs. 7,00,00,000/- comprising of 70,00,000 equity shares of Rs. 10/- each. The paid-up capital of the Company is Rs. 5,74,97,000/-. There was no

change in the paid-up share capital and authorized capital of the Company.

**(b) Loan funds**

No secured loan is outstanding at the year end.

**(c) Current Assets**

At the end of the current period, Current Assets of the Company as on 31.03.2017 were Rs. 2,45,446/- and as on 31.03.2016 were Rs. 1,60,879/-.

**(d) Sales**

During the year under review the Company has earned an income of Rs. 8,95,574/- as on 31.03.2017 as compared to Rs. 7,56,781/- as on 31.03.2016.

**Human Resource Management**

Human resources are a valuable asset for any organization. However, due to small business activities, the Company has only one employee and giving emphasis to upgrade the skills of its human resources. This is in keeping with its policy of enhancing the individual's growth potential within the framework of corporate goals.

**Cautionary Statement**

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

**On behalf of the Board of Directors**

**Gyanchand Jain  
Managing Director**

Mumbai, 1<sup>st</sup> September 2017

## **CORPORATE GOVERNANCE REPORT**

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

### **CODE OF CONDUCT**

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

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

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

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

### **COMPOSITION OF THE BOARD**

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

The information on composition of the Board, category and their directorship /committee membership across all the public limited companies in which they are directors, as on 31<sup>st</sup> March 2017 is as under:

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

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

The details of shares held by the Directors in the Company as on 31<sup>st</sup> March 2017 are as follows:

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

## BOARD MEETINGS

During the year under review, 6 Board meetings were held on 16<sup>th</sup> April 2016, 25<sup>th</sup> May 2016, 5<sup>th</sup> August 2016, 30<sup>th</sup> September 2016, 15<sup>th</sup> November 2016 and 11<sup>th</sup> February 2017. The gap between two meetings did not exceed 120 days. The 23<sup>rd</sup> Annual General Meeting of the company was held on 30<sup>th</sup> September 2016.

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

Name of Director	No. of Board Meeting		AGM
	Held	Attended	
Mr. Gyan Chand Jain	6	6	YES
Mr. Ankur Jain	6	6	YES
Mrs. Alka Jain	6	6	YES
Mr. R.P Agarwal	6	6	YES
Mr. Kailash Chand	6	6	YES
Mr. Jitendra Bansal	6	6	YES



## AUDIT COMMITTEE

The Audit Committee of the company comprises of the three (3) Directors and all are Independent Directors. Mr. R.P. Agarwal, Chairman of the Committee is an Independent Director. All the Members of the Committee possess accounting and financial management expertise. The Chairman of the Committee was present at the AGM held on 30<sup>th</sup> September 2016. During the year under review, 6 meetings were held on 16<sup>th</sup> April 2016, 25<sup>th</sup> May 2016, 5<sup>th</sup> August 2016, 30<sup>th</sup> September 2016, 15<sup>th</sup> November 2016 and 11<sup>th</sup> February 2017. The gap between two meetings did not exceed 120 days.

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

Name of Director	Designation	No. of Board Meeting	
		Held	Attended
Mr. R.P Agarwal	Chairman	6	6
Mr. Kailash Chand	Member	6	6
Mr. Jitendra Bansal	Member	6	6

## TERMS OF REFERENCE

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

### Powers of the Audit Committee

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

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

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

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

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

**Reviewing of following information:**

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

**NOMINATION AND REMUNERATION COMMITTEE**

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

**SHAREHOLDERS' GRIEVANCE COMMITTEE**

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

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

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

There were 4 meetings held during the year on 21<sup>st</sup> April 2016, 18<sup>th</sup> July 2016, 17<sup>th</sup> October 2016 and 13<sup>th</sup> January 2017.

**Terms of Reference of the Committee:**

- To determine on behalf of Board, the Company’s Policy on serving the stakeholders in the line with best corporate governance norms;
- To periodically review Stakeholder’s Grievance Mechanism of the company;
- To review and redress stakeholders’ grievances regarding allotment of securities, non-receipt of dividend etc. and other allied matters;
- To consider the share transfer request, transmission request, split request, consolidation request and demat request and approve and/or reject the same;
- The Committee reviewed the shareholders’ grievances, their redressal and the share transfers for the year and expressed satisfaction with the same that there is no pending grievance of any investor against the company.
- The Committee is also authorised to:
  - i. Investigate any activity within its terms of reference;
  - ii. Seek any information from any employee of the Company;
  - iii. Obtain outside legal or independent professional advice. Such advisors may attend meetings if necessary, and
  - iv. Incur such reasonable expenditure, as it deems fit.

**COMPLIANCE OFFICER**

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

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

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

**INDEPENDENT DIRECTORS’ MEETING**

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

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

## **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

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

## **RISK MANAGEMENT COMMITTEE**

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

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

## **RISK MANAGEMENT**

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

## **DISCLOSURES**

### **Related party transactions**

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

### **Disclosure of Accounting Treatment**

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

### **Management**

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

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

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

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

As required under Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the Managing Director of the Company has certified to the Board regarding the financial statements for the year ended 31<sup>st</sup> March 2017.

#### **GENERAL BODY MEETINGS**

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

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

<b>Year</b>	<b>Date &amp; Time of AGM</b>	<b>Venue</b>
2013-14	30-9-2014 at 11.00 AM	66, Gangwal Park, M.D. Road, Jaipur
2014-15	30-9-2015 at 11.00 AM	66, Gangwal Park, M.D. Road, Jaipur
2015-16	30-9-2016 at 12.00 noon	66, Gangwal Park, M.D. Road, Jaipur

#### **MEANS OF COMMUNICATION**

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

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

##### **Date, Time and Venue of the 24<sup>th</sup> AGM:**

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

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

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

Financial reporting for the first quarter ending June 30, 2016; 5<sup>th</sup> August 2016.

Financial reporting for the second quarter ending September 30, 2016; 15<sup>th</sup> November 2016.

Financial reporting for the third quarter ending December 31, 2016; 11<sup>th</sup> February 2017.

Financial reporting for the fourth quarter ending March 31, 2017: 30<sup>th</sup> May 2017.

**Dividend**

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

**Listing of Equity Shares in Stock Exchange**

Bombay and Delhi Stock Exchange.

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

ISIN No. INE015F01019

**Corporate Identification Number (CIN)**

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

**Stock Exchange Code**

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

**Listing Fees**

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

**Stock performance**

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

**Share Transfer System**

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

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

**Dematerialization of shares**

46.65% of the Equity Shares of the Company have been dematerialized as on March 31, 2017. The Company has entered into agreements with National Securities Depository Services (India) Limited (NSDL) and Central Depository Services Limited (CDSL) whereby the shareholders have an option to dematerialize their shares with either of the Depositories. Entire

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

(a)	<b>Dematerialization of shares</b>	
	Number of Shares dematerialized	2682520
	% of Shares dematerialized	46.65%
	Shares held with NSDL	2658544
	Shares held with CDSL	23976
(b)	<b>Shares in physical mode</b>	3067180
	% of shares in physical mode	53.35%

Shareholding Pattern as on 31<sup>st</sup> March 2017.

S. No.	Category	No. of Shareholders	No. of Shares	% of Total
1	Promoter and promoter group	20	2162920	37.62
2	NRI	27	72000	1.25
3	Resident individual	2938	3412551	59.35
4	Bodies Corporate	15	102229	1.78
	<b>Total</b>	<b>3000</b>	<b>5749700</b>	<b>100</b>

Distribution of Shareholding as on 31<sup>st</sup> March 2017.

Shareholding of Nominal Value of Rs. 10/-	No. of Shareholders	% to Total	No. of shares	Amount in Rs.	% to Total
UP TO 5000	1850	61.67	569921	5699210	9.91
5001 TO 10000	718	23.93	568729	5687290	9.89
10001 TO 20000	252	8.4	395500	3955000	6.88
20001 TO 30000	81	2.7	205600	2056000	3.58
30001 TO 40000	46	1.53	165700	1657000	2.88
40001 TO 50000	17	0.57	77400	774000	1.35
50001 TO 100000	19	0.63	133275	1332750	2.32
100001 AND ABOVE	17	0.57	3633575	36335750	63.20
<b>TOTAL</b>	<b>3000</b>	<b>100</b>	<b>5749700</b>	<b>57497000</b>	<b>100.00</b>

#### Registered Office

RSC International Limited

66, Gangwal Park

M.D. Road, Jaipur

Phone: 093245-41587

E-mail: [gyanrtl@hotmail.com](mailto:gyanrtl@hotmail.com)



**Registrar and Share Transfer Agent**

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

**Compliance Certificate of the Auditors**

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

**Non-Mandatory Requirements**

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

## **AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of RSC International Ltd.

We have examined the compliance of conditions of Corporate Governance by RSC International Ltd. for the financial year ended 31<sup>st</sup> March 2017 as stipulated by Regulation 34 and Schedule (V) (E) of the SEBI (LODR) Regulations, 2015, with the relevant records and documents maintained by the Company and furnished to me and the report of Corporate Governance as approved by the Board of Directors.

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

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

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

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

Place: Mumbai  
Date: 1<sup>st</sup> September 2017

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

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

To

The Members of  
RSC International Ltd.

I, hereby declare that the Directors of the Company have affirmed in writing, their compliances with the Company's Code of Conduct, during the year ended 31<sup>st</sup> March 2017.

**Place: Mumbai**  
**Date: 1<sup>st</sup> September 2017**

**For: RSC International Ltd.**

**Ghyanchand Jain**  
**Managing Director**

### **Certificate by Managing Director**

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

1. That we have reviewed the financial statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March 2017 and that to the best of our knowledge and belief.
  - These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - These statements present a true and fair view of the company's state of affairs and are in compliance with the existing accounting standards, applicable law and Regulations.
2. That there are to the best of our knowledge and belief no transactions entered into by the company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
3. That we accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps that we have taken or purpose to take to rectify the identified deficiencies and;

4. That we have informed the auditors and the Audit Committee of;
- Significant changes in the internal control during the year.
  - Significant changes in accounting policies during the year and that the same been disclosed in the notes to the financial statements; and
  - Instances of significant fraud of which we have become aware and the involvement therein if any of the management of and employee having significant role in the company's internal control system.

**Place: Mumbai**

**Date: 1<sup>st</sup> September 2017**

**Ghyanchand Jain.  
Managing Director**

## **INDEPENDENT AUDITORS' REPORT**

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

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

We have audited the accompanying financial statements of RSC International Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

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

As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors are disqualified as on March 31,

2017, from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) In our opinion and on basis of the information provided to us, the Company has adequate and operational internal financial controls system in place.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - i. The Company has no pending litigations as at March 31, 2017;
  - ii. The Company has no long-term contracts including derivative contracts as at March 31, 2017;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March, 2017.

Place: Mumbai  
Date: 29<sup>th</sup> May 2017

**For: Kamal Agrawal  
Chartered Accountant**

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

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

**(Referred to in paragraph 1 under the Heading of 'Reporting on other Legal and Regulatory Requirements' of our report of even date)**

- I. The Company does not hold any fixed assets and /or immovable property, therefore reporting under Clause (i) (a), (b) and (c) is not required.
- II. The Company engages in providing services of supervising the sales of clients and therefore maintains no inventory. The reporting requirements mentioned in clause (ii) is therefore not applicable.
- III. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of clause (iii) of the said Order are not applicable to the Company.
- IV. The Company has followed all provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- V. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- VI. The Company is not required to maintain cost records within the meaning of Sections 148 of the Act as it is not engaged in manufacturing activities as specified by the Central Government under Section 148(1) of the Act.
- VII.
  - a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including income tax, service tax and other material statutory dues, as applicable, with the appropriate authorities.
  - b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth-tax, service-tax and duty of customs which have not been deposited on account of any dispute.
- VIII. According to the records of the Company examined by us and the information and explanations given to us, the Company has no



outstanding loans from any financial institution or bank or debenture holders and therefore reporting is not required.

- IX. The Company has not raised fresh money by way of initial public offer or further public offer (including debt instruments) and term loans. Therefore, reporting under clause (ix) is not applicable for the company.
- X. 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 neither come across any instance of material fraud by the Company, or on the Company by any of its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- XI. According to the records of the Company examined by us and the information and explanations given to us, the Company has not provided and / or not paid managerial remuneration and therefore no approval is required as mandated by the provisions of Section 197 read with Schedule V to the Companies Act.
- XII. According to the records of the Company examined by us and the information and explanations given to us, the Company is not a Nidhi company and hence reporting under clause (xii) is not required.
- XIII. According to the records of the Company examined by us and the information and explanations given to us, the company has not entered into any transactions with the related parties and therefore reporting is not required as provided under Sections 177 and 188 of Companies Act, 2013;
- XIV. According to the records of the Company examined by us and the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, no reporting under clause (xiv) is required for the year under review.
- XV. According to the records of the Company examined by us and the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him;

XVI. According to the records of the Company examined by us and the information and explanations given to us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934;

**Place: Mumbai**  
**Date: May 29<sup>th</sup>, 2017**

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

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS OF AND FOR THE  
YEAR ENDED MARCH 31, 2017  
GENERAL INFORMATION AND STATEMENT OF SIGNIFICANT ACCOUNTING  
POLICIES**

**GENERAL INFORMATION**

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

**SIGNIFICANT ACCOUNTING POLICIES:**

**I. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements are prepared on a going concern basis under the historical cost convention using accrual method of accounting.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

**II. USE OF ESTIMATES**

The preparation of the financial statements, in conformity with Indian GAAP, requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

**III. TANGIBLE ASSETS AND DEPRECIATION**

The Company has no fixed assets and /or tangible assets and hence no depreciation is provided during the year.

**IV. INVESTMENTS**

Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost.

**V. REVENUE RECOGNITION**

The Company recognises income from supervision charges only after completion of sale of goods as per AS – 9 on 'Revenue Recognition'. Interest Income is recognised on an accrual basis, considering the period of time, the amount outstanding and the rate applicable.

**VI. DEFERRED TAX LIABILITY**

No depreciation is levied as the company has no assets therefore, no provision for deferred tax is made during the year as required under Accounting Standard 22 issued by the ICAI.

**VII. RETIREMENT BENEFITS**

No provision for retirement benefits has been made since there is no such liability for the Company.

**VIII. RELATED PARTY DISCLOSURES**

As per Accounting Standard 18 issued by ICAI in respect of 'Transactions with Related Party' are as under:

**Key Management Personnel**

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

**Associate Concerns**

M/s. Alpine Overseas  
Mascot Fashions Private Limited

Particulars	Key Management Personal	Associate Concern
Amount received	0.00	1,71,000.00
Amount paid	0.00	15,500.00
Amount Receivable as on 31/3/2017	NIL	27,22,000.00
Amount Payable as on 31/3/2017	65,480.00	NIL

**IX. EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

X. The Company has provided confirmation of balances pertaining to Sundry Debtors, Sundry Creditors, Loans and Advances and Bank accounts.

XI. Previous year figures are regrouped and rearranged wherever required.

**For and on behalf of Board**

**For: Kamal Agrawal  
Chartered Accountant**

**Ankur Jain     Alka Jain  
Director             Director**

**Kamal Agrawal  
M. No. 43529**

Place: Mumbai  
Date: 29<sup>th</sup> May 2017

RSC INTERNATIONAL LIMITED			
BALANCE SHEET AS AT 31 <sup>st</sup> MARCH 2017			
Particulars	Note No.	(Amount in Rupees)	(Amount in Rupees)
		AS AT	AS AT
		31/03/2017	31/03/2016
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	52729000	52729000
(b) Reserves and Surplus	2	-15853783	-15917543
		36875217	36811457
<b>(2) Current Liabilities</b>			
(a) Trade Payables	3	295058	1501834
(b) Other current liabilities	4	70182	45182
(c) Short Term Provisions	5	51656	37183
		416896	1584199
<b>TOTAL</b>		<b>37292113</b>	<b>38395656</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets		0	0
(b) Non-Current Investments	6	1503000	1503000
(c) Trade Receivables	7	35543666	36731776
		37046666	38234776
<b>(2) Current Assets</b>			
(a) Short-term loans and advances	8	120572	102661
(b) Cash & cash equivalents	9	124874	58218
		245446	160879
<b>TOTAL</b>		<b>37292112</b>	<b>38395655</b>
Significant Accounting Policies			
Notes to financial statements	1 to 14		
As per our report of even date		For: RSC International Limited	
Kamal Agrawal			
Chartered Accountant		Director	Director
Membership No.: 43529			
Mumbai, Dated: 29 <sup>th</sup> May 2017			

RSC INTERNATIONAL LIMITED			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 <sup>st</sup> MARCH, 2017			
Particulars	Note No.	For the	For the
		year ended	year ended
		31/03/2017	31/03/2016
I. Revenue from operations	10	895,574.00	756,781.00
Other Income	11	0.00	9,429.00
Total Revenue		895,574.00	766,210.00
II. Expenses:			
Employee Benefits Expenses	12	120,000.00	120,000.00
Depreciation and amortization expense	13	0.00	11,203.00
Other expenses	14	697,340.00	547,545.00
Total Expenses		817,340.00	678,748.00
III. Profit before exceptional and extraordinary items and tax (I-II)		78,234.00	87,462.00
IV. Exceptional items		0.00	0.00
V. Profit before extraordinary items and tax (III-IV)		78,234.00	87,462.00
VI. Extraordinary Items		0.00	0.00
VII. Profit before tax (V-VI)		78,234.00	87,462.00
VIII. Tax expense:			
(1) Current Tax/ MAT		14,473.00	15,831.00
(2) Tax for earlier period		0.00	0.00
IX. Profit/(Loss) for the period		63,761.00	71,631.00
X. Earnings per equity share:			
(1) Basic		0.01	0.01
(2) Diluted		0.01	0.01
Significant Accounting Policies			
Notes to financial statements	1 to 14		
As per my report of even date			
Kamal Agrawal		For: RSC International Limited	
Chartered Accountant			
Membership No.: 43529		Director	Director
Mumbai, Dated: 29 <sup>th</sup> May 2017			

A		CASH FLOW FROM OPERATING ACTIVITIES	31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016
	1	Net profit before tax and extra ordinary items	78,234.00	87,462.00
		Add: Depreciation	0.00	11,203.00
		Financial Charges	0.00	0.00
	2	Operating profit before working capital changes	78,234.00	98,665.00
		Trade & other receivables	1,170,198.00	-79,293.00
		Inventories	0.00	0.00
		Trade payable	-1,181,776.00	-19,430.00
			-11,578.00	-98,723.00
	3	Cash generation from operations	66,656.00	-58.00
		Income Tax paid	0.00	0.00
	4	Net cash flow from operating activities	66,656.00	-58.00
B		CASH FLOW FROM FINANCING ACTIVITIES		
	1	Purchase /sale of Fixed Assets	0.00	0.00
	2	Net cash used in investing activities	0.00	0.00
C		CASH FLOW FROM FINANCING ACTIVITIES		
	1	Long term borrowings	0.00	0.00
	2	Net cash used in financing activities	0.00	0.00
	3	Net increase in cash and cash equivalents	0.00	0.00
		Net increase in cash & cash equivalent		-58.00
		Cash & cash equivalents as on 1-4-2016 (1-4-2015)	58,218.00	58,275.00
		Cash & cash equivalents as on 31-3-2017 (31-3-2016)	124,874.00	58,218.00
			66,656.00	-57.00
		As per our report of even date		
		As per my report of even date		
		Kamal Agrawal	For: RSC International Limited	
		Chartered Accountant		
		Membership No.: 43529	Director	Director
		Mumbai, Dated: 29 <sup>th</sup> May 2017		

<b>RSC INTERNATIONAL LIMITED</b>		
<b>Notes annexed to and forming part of the accounts</b>	<b>(Amount in Rupees)</b>	
	<b>AS AT</b>	<b>AS AT</b>
	<b>31/03/2017</b>	<b>31/03/2016</b>
<b>NOTE NO. 1: SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
70,00,000 Equity Shares of Rs. 10/- each	70,000,000.00	70,000,000.00
	<b>70,000,000.00</b>	<b>70,000,000.00</b>
<b>ISSUED</b>		
57,49,700 Equity Shares of Rs.10/- each	57,497,000.00	57,497,000.00
	<b>57,497,000.00</b>	<b>57,497,000.00</b>
<b>SUBSCRIBED &amp; FULLY PAID UP</b>		
57,49,700 Equity Shares of Rs. 10/- each	57,497,000.00	57,497,000.00
Less: Allotment money in arrear (others)	4,768,000.00	4,768,000.00
	<b>52,729,000.00</b>	<b>52,729,000.00</b>

<b>1. Shareholders holding more than 5% of shares</b>				
<b>Name of share holder</b>	<b>As on 31.03.2017</b>		<b>As on 31.03.2016</b>	
	<b>Number of Shares</b>	<b>Percentage of holding</b>	<b>Number of Shares</b>	<b>Percentage of holding</b>
Mascot Fashions P. Ltd.	628,360.00	10.93	628,360.00	10.93
Ankur Jain	535,800.00	9.32	535,800.00	9.32
Alpine Overseas	354,200.00	6.16	354,200.00	6.16
Gyan Chand Jain	471,230.00	8.19	471,230.00	8.19
Alka Jain	491,430.00	8.54	491,430.00	8.54
Triza Jain	613,635.00	10.67	613,635.00	10.67
2. There are no shares issued during the year, either for cash or for consideration other than cash.				
3. Number of shares outstanding at the beginning and the end of the year are the same and hence no reconciliation is required.				
4. The Company has only one class of equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. There are no restrictions attached to any equity shares.				
5. The Company has not issued or allotted any Equity shares outstanding payment being received in cash or by way of Bonus shares nor has bought back any class of Equity shares during the period of five years immediately preceding previous year.				



RSC INTERNATIONAL LIMITED	(Amount in Rupees)	
	As at 31/03/2017	As at 31/03/2016
<b>NOTE NO. 2: RESERVES AND SURPLUS</b>		
A. Reserve and Surplus		
(a) General Reserve		
Opening Balance	0.00	0.00
Add: Transfer from P&L Account	0.00	0.00
	0.00	0.00
(a) Capital Reserve (Subsidy)	2,500,000.00	2,500,000.00
(b) Profit & loss Account		
Opening Balance	-18,417,544.00	-18,489,175.00
Add: Profit (Loss) for the year	63,761.00	71,631.00
	<b>-18,353,783.00</b>	<b>-18,417,544.00</b>
Total Reserves & Surplus	<b>-15,853,783.00</b>	<b>-15,917,543.42</b>
<b>NOTE NO. 3: TRADE PAYABLES</b>		
Micro, Small & Medium Enterprises	0.00	0.00
Others	295,058.00	1,501,834.00
	<b>295,058.00</b>	<b>1,501,834.00</b>
<b>NOTE NO. 4: OTHER CURRENT LIABILITIES</b>		
(a) Advances from Others		
(b) TDS Payable	182.00	182.00
(c) Audit fees payable	70,000.00	45,000.00
	<b>70,182.00</b>	<b>45,182.00</b>
<b>NOTE NO. 5: SHORT TERM PROVISIONS</b>		
(a) Income Tax - MAT	51,656.00	37,183.00
	<b>51,656.00</b>	<b>37,183.00</b>

RSC INTERNATIONAL LIMITED	(Amount in Rupees)	
	31/03/2017	31/03/2016
<b>NOTE NO. 6: NON-CURRENT INVESTMENTS</b>		
(a) Long Term Investments	0.00	0.00
(b) Other Investments - unquoted	0.00	0.00
NSC	3,000.00	3,000.00
1,50,000 equity shares of Rs. 10/- each of Ratnagiri (India) Ltd.	1,500,000.00	1,500,000.00
	<b>1,503,000.00</b>	<b>1,503,000.00</b>
<b>NOTE NO. 7: TRADE RECEIVABLES</b>		
<b>(unsecured and considered good)</b>		
Debts overdue for a period exceeding six months	35,543,666.00	36,731,776.00
Other debts		
	<b>35,543,666.00</b>	<b>36,731,776.00</b>

<b>NOTE NO. 8: SHORT TERM LOANS &amp; ADVANCES</b>		
Unsecured considered good	0.00	0.00
Loans & Advances to Related Parties	0.00	0.00
Income Tax (TDS)	120,572.00	102,661.00
	<b>120,572.00</b>	<b>102,661.00</b>
<b>NOTE NO. 9: CASH AND BANK BALANCE</b>		
(a) Balance with bank		
In Current accounts	27,099.00	17,842.00
(b) Cash-in-hand	97,775.00	40,376.00
	<b>124,874.00</b>	<b>58,218.00</b>
<b>NOTE NO. 10: REVENUE FROM OPERATIONS</b>		
Commission /Supervision charges	895,574.00	756,781.00
	<b>895,574.00</b>	<b>756,781.00</b>
<b>NOTE NO. 11: OTHER INCOME</b>		
Interest	0.00	9,429.00
	<b>0.00</b>	<b>9,429.00</b>
<b>NOTE NO. 12: EMPLOYEE BENEFITS EXPS.</b>		
Salary	120,000.00	120,000.00
	<b>120,000.00</b>	<b>120,000.00</b>
<b>NOTE NO. 13: DEPRECIATION AND AMORTISATION EXPENSES</b>		
Tangible Assets	0.00	0.00
	<b>0.00</b>	<b>0.00</b>
<b>NOTE NO. 14: OTHER EXPENSES</b>		
Accounting Charges	25,000.00	7,500.00
Advertisement Expenses	0.00	5,513.00
Audit Fees	25,000.00	25,000.00
Bank Charges	1,677.00	638.00
Legal & Professional Charges	45,000.00	31,000.00
Listing Fees	229,000.00	228,000.00
Office Expenses	52,219.00	56,623.00
Rent	60,000.00	60,000.00
Share Transfer Expenses	0.00	26,565.00
Travelling Expenses	96,860.00	30,380.00
General Expenses	1,800.00	18,650.00
Depository Expenses (CDSL+NSDL)	58,279.00	51,526.00
Evoting fees	0.00	5,700.00
Interest (TDS)	0.00	450.00
Registration & Filing Fees	27,505.00	0.00
Printing & Stationery Expenses	75,000.00	0.00
	<b>697,340.00</b>	<b>547,545.00</b>