

# Rose Merc. Limited

G-2, Ground Floor, Mangal Mahesh CHS., 14th Road, Khar (West), Mumbai - 400 052.  
Tele : 022-60602179 • CIN No. : L24110MH1985PLC035078 • E-mail : rmltd1985@gmail.com

**Date:** October 09, 2018

To,  
**BSE Limited**  
Corporate Relations Department  
Ground Floor,  
P J Towers Fort,  
Mumbai – 400 001

Respected Sir/Ma'am,

**Sub: Submission of Annual Report for FY 2017-18**

**Ref: ROSE MERC. LIMITED (Security Id: ROSEMER Security Code: 512115)**

With reference to captioned subjects and pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015, we hereby submit the 34th Annual Report of our company.

Kindly take on your record and oblige us.

Thanking You,

Yours Faithfully

For, **Rose Merc Limited**



**Jaini Jain**  
Company Secretary



***ROSE MERC  
LIMITED***

**CIN : 24110MH1985PLC035078**

***34<sup>th</sup> Annual Report  
F.Y. 2017-18***

<b>INDEX</b>		
<b>Sr. No.</b>	<b>Particulars</b>	<b>Page No.</b>
<b>1.</b>	Corporate Information	<b>1</b>
<b>2.</b>	Notice	2
<b>3.</b>	Director Report	9
<b>4.</b>	Annexures of Director Report	16
<b>5.</b>	Management Discussion And Analysis Report	26
<b>6.</b>	Standalone Financial Statements	
	a. Audit Report	27
	b. Balance Sheet	33
	c. Statement of Profit and Loss	35
	d. Cash Flow statement	36
	e. Notes on Accounts	39
<b>7.</b>	Proxy Form	53
<b>8.</b>	Attendance Slip	54
<b>9.</b>	Updation Form	55
<b>10.</b>	Route Map	56

## Corporate Information

<b>BOARD OF DIRECTORS</b>	<b>REGISTERED OFFICE</b>
Mr. Kirti Savla            Managing Director	Office No G -2, Ground Floor, Part – A, Mangal Mahesh , 14th Road Khar (West) Mumbai - 400052, Maharashtra  <b>Phone:</b> +91 – 22 – 6060 2719 <b>Email:</b> rmltd1985@gmail.com
Mr. Viren Vora            Director (ceased to be a Director w.e.f. May 12, 2018)	
Mr. Mayur Parikh        Independent Director	
Mrs. Shakuntla Shah    Independent Director	
<b>CHIEF FINANCIAL OFFICER</b>	<b>COMPANY SECRETARY</b>
Mr. Ashok Karale (Appointed w.e.f January 18, 2018)	Ms. Jaini Jain (Appointed w.e.f January 18, 2018)
<b>STATUTORY AUDITOR</b>	<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>
<b>M/s. Doshi Maru &amp; Associates</b> (Chartered Accountant) 217-218, Manek Centre, Jamnagar – 361 001	<b>Link Intime India Private Limited</b> C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra – 400 083 <b>Tel No.:</b> +91 – 22 – 4918 6000 <b>Fax No.:</b> +91 – 22 – 4918 6060 <b>Email:</b> rnt.helpdesk@linkintime.co.in <b>Web:</b> www.linkintime.co.in
<b>SECRETARIAL AUDITOR</b>	<b>BANKERS</b>
<b>M/s. Mukesh H Shah &amp; Co</b> (Practicing Company Secretary) 504, Sukh Sagar, Complex Near Hotel Fortune Landmark Usmanpura Ashram Road Ahmedabad	HDFC Bank Limited

## Notice to Shareholders

NOTICE is hereby given that the 34<sup>th</sup> Annual General Meeting of the Members of Rose Merc Limited will be held at the Registered Office of the Company situated at Office No G -2, Ground Floor, Part – A, Mangal Mahesh, 14th Road Khar (West) Mumbai - 400052, Maharashtra, on Friday, September 28, 2018 at 05:00 P.M. to transact the following businesses:

### ORDINARY BUSINESS:

**1. To adopt Financial Statements for the financial year 2017-18**

To receive, consider and adopt the Audited Financial Statements of account for the financial year ended on March 31, 2018, together with the reports of the Directors and Auditors thereon.

**2. To re-appoint Mr. Kirti Chunilal Savla as Director**

To appoint a Director in place of Mr. Kirti Chunilal Savla (DIN: 02003878) who retires by rotation and being eligible, offer himself for re-appointment.

**3. Modification to the resolution related to the appointment of Statutory Auditors.**

“**RESOLVED THAT** pursuant to the amendment to the Section 139 of the Companies Act, 2013, effective from 7th May, 2018, the consent of the members of the Company be and is hereby accorded to delete the requirement, seeking ratification of appointment of Statutory Auditors (M/s. Doshi Maru & Associates, Chartered Accountants) at every Annual General Meeting, from the resolution passed at the shareholders' meeting held on September 30, 2017.”

### SPECIAL BUSINESS:

**4. To Change the Registered Office of the Company from the State of Maharashtra to the State of Gujarat, to consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 12, 13 of the Companies Act, 2013 read with Rule 30 of the Companies (Incorporation) Rules, 2014 and other applicable provisions, if any, and subject to the confirmation by the Regional Director/Central Government/Registrar of Companies or such other competent authorities, and subject to the approval of shareholders, the Memorandum of Association of the Company be altered so as to change the place of the Registered Office of the company from its present address situated at Office No G -2, Ground Floor, Part – A, Mangal Mahesh, 14th Road Khar (West) Mumbai - 400052, Maharashtra to 24, Laxmi Chamber, Navjeevan Press Road, Income Tax, Opp. Old Gujarat High Court, Ahmedabad - 380014, Gujarat.

**RESOLVED FURTHER THAT** the Memorandum of Association of the Company be altered by substituting the following new Clause II in place of the existing Clause II:

"II. The Registered Office of the Company will be situated in the state of Gujarat"

**RESOLVED FURTHER THAT**, subject to passing of Special Resolution by the members of the Company as regard to alteration of situation clause of Memorandum of Association of the Company pursuant to Section 13 of the Companies Act, 2013 read with Rule 30 of Companies (Incorporation) Second Amendment Rules, 2017, Mr. Kirti Chunilal Savla, Managing Director and Ms. Jaini Jain, Company Secretary of the Company be and are hereby severally authorized to act and empowered severally to sign the Petition, Application, Affidavits, Notices and all other necessary papers/ documents in connection therewith and to act for every purpose and to take every steps in connection therewith.

**RESOLVED FURTHER THAT** any one of the Directors and Company Secretary, be and are hereby severally authorised to appear and represent the company in the matter of the petition before the office of Regional Director for seeking confirmation for the proposed alteration of the situation Clause of the Memorandum of Association and also authorised to appoint any consultant, Practicing Company Secretary, Advocate/Attorney and other professionals, as may be required from time to time and to fix their remuneration and to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the aforesaid resolutions including, filing necessary forms/ returns with the Ministry of Corporate Affairs, finalizing and executing necessary documents etc".

**Registered Office**  
**Office No G -2, Ground Floor,**  
**Part – A, Mangal Mahesh ,**  
**14th Road Khar (West)**  
**Mumbai - 400052, Maharashtra**

**Place: Mumbai**  
**Date: August 30, 2018**

**By Order of the Board of Directors**  
**For, Rose Merc Limited**

**Sd/-**  
**Kirti Savla**  
**Managing Director**  
**DIN: 02003878**

**Notes:**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the Special Business covered under Item No. 4 of the Notice, is annexed hereto.

**2. A Member entitled to attend and vote at the Annual General Meeting (“AGM” or “the meeting”) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.**

A person can act as proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than 48 (Forty-Eight) Hours before the commencement of the AGM. Proxies submitted on behalf of Limited Companies, Societies etc., must be supported by appropriate resolutions / authority, as applicable.

During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the company.

3. Members/Proxies should bring their Attendance slip duly completed for attending the meeting. The signature of the attendance slip should match with the signature(s) registered with the Company. Members holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification.

4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.

5. In case of joint holders attending the meeting together, only whose name appearing first will be entitled to vote.

6. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, September 22, 2018 till Friday, September 28, 2018 (both days inclusive) and same will be re-opened from Saturday, September 29, 2018 onwards.

7. The route map showing directions to reach the venue of the 34<sup>th</sup> AGM is annexed at the end of this Annual Report.

8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long period of time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, Link Intime India Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime India Private Limited.

10. 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 the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Link Intime India Private Limited.

11. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact Link Intime India Private Limited for assistance in this regard.

12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to Link Intime India Private Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The Nomination Form can be obtained from the Link Intime India Private Limited, Members holding shares in physical form may submit the same to

Link Intime India Private Limited Members holding shares in electronic form may submit the same to their respective depository participant.

14. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose email addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
15. With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.
16. The Registers under the Companies Act, 2013 will be available for inspection at the Registered Office of the Company during business hours between 11.00 am to 01.00 pm on all working days except on holidays. The said Registers will also be available for inspection by the members at the AGM.
17. The members are requested to intimate to the Company, queries, if any, at least ten days before the AGM to enable the Management to keep the required information available at the meeting.
18. In compliance with the provisions of Section 108 of the Act and the Rules framed there under, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by National Securities Depository Limited (NSDL), on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting and voting at the AGM is/are deemed to have been passed as if they have been passed at the AGM.
19. The remote e-voting period commences on Tuesday, September 25, 2018 (09:00 a.m.) and ends on Thursday, September 27, 2018 (05:00 p.m.). During these period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date being the day of Friday, September 21, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
20. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Friday, September 21, 2018.
21. The facility for voting through polling paper shall be made available at the AGM and the Members attending the meeting and holding shares either in physical form or in dematerialized form, as on the cut-off date being the day of Friday, September 21, 2018 and who have not already cast their vote by remote e-voting, shall be able to exercise their right to vote at the AGM.
22. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
23. The Board of Directors has appointed Mr. Mukesh H. Shah, Practicing Company Secretary (Membership No. FCS 5827 COP 2213) as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM.
24. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
25. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
26. The Results declared along with the report of the Scrutinizer shall be placed on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately uploaded on the website of BSE Limited, Mumbai.



## INSTRUCTION NOTICE FOR E-VOTING PROCESS WITH LOGIN ID AND PASSWORD:

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

### Details on Step 1 is mentioned below:

#### How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - i. If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - ii. If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- b) [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [mukeshshahcs@gmail.com](mailto:mukeshshahcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### ITEM NO.4

Presently, the Registered Office of the Company is situated in the Maharashtra. To exercise better administrative and economic control and enable the Company to rationalize and streamline its operations as well as the management of affairs, the Board of Directors of the Company in its meeting held on August 30, 2018 has recommended to shift the Registered Office of the Company from the state of Maharashtra to the State of Gujarat.

The shifting of Registered Office from the State of Maharashtra to the State of Gujarat is in the best interest of the Company, shareholders and all concerned parties and will not be detrimental to the interest of members of the public, shareholders, creditors or employees, in any manner whatsoever.

Pursuant to the provisions of Section 12, 13 and all other applicable provisions, if any, of the Act read with applicable Rules and Regulations made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), shifting of the Registered Office from one State to another and alteration of Clause II of the Memorandum of Association (the "MOA") of the Company requires the approval of the members of the Company by means of a Special Resolution approval of the Central Government (power delegated to Regional Director).

In light of the above facts, the approval of the members is sought through e-voting for shifting of the Registered Office of the Company from the State of Maharashtra to the State of Gujarat and consequently for altering Clause II of the MOA.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding, if any.

The Board recommends the resolution under Item No. 4 for approval of the members as a Special Resolution.

**Registered Office**  
Office No G -2, Ground Floor,  
Part – A, Mangal Mahesh ,  
14th Road Khar (West)  
Mumbai - 400052, Maharashtra

**Place: Mumbai**  
**Date: August 30, 2018**

**By Order of the Board of Directors**  
**For, Rose Merc Limited**

**Sd/-**  
**Kirti Savla**  
**Director**  
**DIN: 02003878**

### DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN THIS ANNUAL GENERAL MEETING:

*(Pursuant to Regulation 36(3) of SEBI (LODR), Regulations, 2015)*

Particulars	Kirti Chunilal Savla (DIN: 02003878)
<b>Date of Birth</b>	December 13, 1970
<b>Date of Appointment</b>	October 5, 2001
<b>Expertise in specific functional areas - Job profile and suitability</b>	More than 10 years of experience in trading of various goods
<b>Directorships held in public companies*</b>	Nil
<b>Memberships / Chairmanships of committees of other public companies*</b>	Nil
<b>Inter-se Relationship with other Directors.</b>	No Relation
<b>Shareholding in Company</b>	7,200 Equity Shares

\*Committee includes the Audit Committee and Stakeholder's Grievance Committee

## DIRECTOR'S REPORT

To,  
The Members of  
**ROSE MERC LIMITED.**

Your Directors have the pleasure in presenting the Thirty Fourth Annual Report of your Company together with the Audited Financial Statement for the year ended 31<sup>st</sup> March, 2018.

### Financial Highlights

(Amount in Rs.)

Particulars	2017-18	2016-17
Revenue from operations	-	84,57,795
Other Income	37,77,821	18,96,898
<b>Total Income</b>	<b>37,77,821</b>	<b>1,03,54,693</b>
Operating expenditure	13,80,705	80,08,386
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>23,97,116</b>	<b>23,46,307</b>
Less: Finance costs	20,73,043	18,00,114
Depreciation and amortization expense	-	-
<b>Profit before tax</b>	<b>3,24,073</b>	<b>5,46,193</b>
Less: Tax expense	85,000	1,78,500
<b>Profit for the year (PAT)</b>	<b>2,39,073</b>	<b>3,67,693</b>
Balance brought forward from previous year	1,50,92,262	1,46,60,371
Less: Income Tax written off	0.00	64,198
<b>Balance carried to balance sheet</b>	<b>1,53,31,334</b>	<b>1,50,92,262</b>

### COMPANY'S FINANCIAL PERFORMANCE

In the financial year 2017-18, the Company has generated the revenue from Interest. The Company has earned total income of Rs.37,77,821/- as against total income of Rs. 1,03,54,693/-. The Profit before tax of the Company for the financial year 2017-18 stood at Rs. 3,24,073/- as against that of 5,46,193/- for previous year making net profit of Rs. 2,39,073/- for the financial year 2017-18 as against profit of Rs. 3,67,693/- for the previous financial year. A detailed analysis on the Company's performance is included in the "Management's Discussion and Analysis Report", which forms part of this Report.

### CHANGE IN NATURE OF BUSINESS

During the year under review, company has not changed its business or object and continuous to be in the same line of business as per main object of the company.

### DIVIDEND

To conserve the resources for future prospect of the Company, your Directors express their inability to recommend and declare any dividend for the financial year 2017-18.

### AMOUNT TRANSFERRED TO RESERVE:

During the year, the Company has not apportioned any amount to other reserve. The profit earned during the year has been added to the carry forward credit balance of Profit and Loss account.

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of Companies Act, 2013 do not apply as there is no unpaid dividend accounts appeared in balance sheet as on March 31, 2018.

### HOLDING/SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

As on March 31, 2018 the Company does not have any Holding, Subsidiary, Associate and Joint Venture Company.

## **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

### **CONSTITUTION OF BOARD:**

The Board of the Company comprises four Directors out of which one is Promoter - Executive Director, one is Promoter - Non Executive Director and two are Non-Promoter - Independent Director.

The table below provides the composition of the Board as on date of this report, their attendance at Board meetings & AGM and number of directorship, chairmanship/membership in committee across companies in which he/she is Director.

<b>Name of the Director</b>	<b>Date of Appointment</b>	<b>No. of Directorship Held in all the companies in India</b>	<b>No. of committees of which Member(M)/Chairman (C)*</b>	<b>Board meeting attended in F.Y. 2017-18</b>	<b>Attendance at the last AGM</b>	<b>No. of Shares held &amp; % holding (of the Company)</b>
Mr. Viren Vora <sup>#</sup>	August 24, 2002	1	M-2	8	Yes	-
Mr. Kirti Savla	October 5, 2001	1	-	8	Yes	7200 Equity Shares (0.72%)
Mr. Mayur Parikh	August 1, 2014	7	C-4, M-6	8	Yes	-
Mrs. Shakuntla Shah	September 30, 2016	1	C-1, M-1	8	Yes	-

\*Committee includes Audit Committee and Stakeholders Grievances & Relationship Committee as provided in SEBI (LODR) Regulations, 2015.

#Mr. Viren Vora ceased to be director w.e.f May 12, 2018

The company fulfills the requirements related to the provision of composition of Board specified under the Companies Act, 2013. Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from complying with the requirement of having composition of Board as per Listing Regulations.

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the public companies in which they are director as per Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The necessary disclosures regarding committee positions have been made by all the Directors.

### **BOARD MEETING:**

Regular meetings of the Board of Directors are held at least once in a quarter, inter-alia, to review the quarterly results of the Company. Additional Board meetings are convened, as and when requires for discussing and deciding on various business policies, strategies and other businesses. The Board meetings are generally held at registered office of the Company.

During the year under review, Board of Directors of the Company met 8 times, viz May 24, 2017, August 14, 2017, September 5, 2017, October 5, 2017, November 10, 2017, January 29, 2018, February 23, 2018 and March 30, 2018.

During the year, the Board of Directors has not passed any resolutions through circulation.

### **INDEPENDENT DIRECTORS:**

In terms of Section 149 of the Companies Act, 2013 and rules made there under, the Company has two Non-Promoter Independent Directors in line with the Companies Act, 2013. A separate meeting of Independent Directors was held on March 30, 2018 to review the performance of Non-Independent Directors and Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board.

The Company has received necessary declaration from each independent director under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013.

**INFORMATION ON DIRECTORATE:**

During the financial year 2017-18, there was no change in the constitution of the Board.

Further, in accordance with the provisions of the Articles of Association and Section 152 of the Companies Act, 2013, Mr. Kirti Savla, retires by rotation at the ensuing annual general meeting. He, being eligible, has offered himself for re-appointment as such. The Board of Directors recommends his re-appointment on the Board.

The relevant details, as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the person seeking re-appointment as Director are also annexed to the Notice convening the annual general meeting.

Mr. Kirti Savla, Managing Director of the company is not holding position as a Independent Director in any listed company and none of the Director of the Company is holding position as Independent Director in more than 7 Listed Company. Further, none of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164 (2) of the Companies Act, 2013.

**KEY MANAGERIAL PERSONNEL:**

In accordance with Section 203 of the Companies Act, 2013, w.e.f. were appointed Mr. Ashok Karale as Chief Financial Officer and Ms. Jaini Jain as Company Secretary & Compliance Officer of the Company.

**PERFORMANCE EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act.

- The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, 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 nomination and remuneration committee 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 like 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.

**DIRECTORS’ RESPONSIBILITY STATEMENT:**

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) In preparation of annual accounts for the year ended March 31, 2018, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts for the year ended March 31, 2018 on going concern basis.
- e) The Directors had laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and

- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### COMMITTEES OF BOARD:

The Board of Directors, in line with the requirement of the act, has formed various committees, details of which are given hereunder.

##### A. AUDIT COMMITTEE:

The Company has formed audit committee in line with the provisions of Section 177 of the Companies Act, 2013. Audit Committee meeting is generally held once in quarter for the purpose of recommending the quarterly/half yearly/ yearly financial result and the gap between two meetings did not exceed one hundred and twenty days. Additional meeting is held for the purpose of reviewing the specific item included in terms of reference of the Committee. During the year under review, Audit Committee met 5 (Five) times, viz May 24, 2017, August 14, 2017, September 05, 2017, November 10, 2017 and January 29, 2018.

The composition of the Committee and the details of meetings attended by its members are given below:

Name	Designation	Number of meetings during the financial year 2017 -18	
		Held	Attended
Mrs. Shakuntla Shah	Chairman	5	5
Mr. Viren Vora	Member	5	5
Mr. Mayur Parikh	Member	5	5

The Statutory Auditors of the Company are invited in the meeting of the Committee wherever requires. Mrs. Shakuntla Shah, the Chairman of the Committee had attended last Annual General Meeting of the Company held on September 30, 2017.

Recommendations of Audit Committee have been accepted by the Board wherever given.

##### VIGIL MECHANISM:

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available at the registered office of the Company for inspection of the Members of the Company.

##### B. NOMINATION AND REMUNERATION COMMITTEE:

The Company has formed Nomination and Remuneration committee in line with the provisions of Section 178 of the Companies Act, 2013. Nomination and Remuneration Committee meetings are generally held for identifying the persons who are qualified to become Directors and may be appointed in senior management and recommending their appointments and removal. During the year under review, Nomination and Remuneration Committee met 3 (three) times, viz September 5, 2017, February 23, 2018 and March 30, 2018.

The composition of the Committee and the details of meetings attended by its members are given below:

Name	Designation	Number of meetings during the financial year 2017 -18	
		Held	Attended
Mrs. Shakuntla Shah	Chairman	3	3
Mr. Viren Vora	Member	3	3
Mr. Mayur Parikh	Member	3	3

**NOMINATION AND REMUNERATION POLICY:**

In terms of Section 178(3) of the Companies Act, 2013 and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a policy on Director's, Key Managerial Personnel and Senior Management Employee's appointment and remuneration including criteria for determining their qualifications, positive attributes, independence and other prescribed matters was formulated and recommended by the Nomination and Remuneration Committee and adopted by the Board of Directors of the company.

**REMUNERATION OF DIRECTORS:**

The details of remuneration/sitting fees paid to Managing Director of the Company during the financial year 2017-18 is provided in Form MGT-9 which is the part of this report.

**C. STAKEHOLDER'S GRIEVANCE & RELATIONSHIP COMMITTEE:**

The Company has constituted Stakeholder's Grievance & Relationship Committee mainly to focus on the redressal of Shareholder's / Investor's Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. During the year under review, Stakeholder's Grievance & Relationship Committee met 4 (Four) times on May 24, 2017, August 14, 2017, November 10, 2017 and January 29, 2018.

The composition of the Committee and the details of meetings attended by its members are given below:

Name	Designation	Number of meetings during the financial year 2017 -18	
		Held	Attended
Mr. Mayur Parikh	Chairman	4	4
Mr. Viren Vora	Member	4	4
Mrs. Shakuntla Shah	Member	4	4

**PUBLIC DEPOSITS:**

The Company has not accepted any deposits from Shareholders and Public falling within the ambit of Section 73 to 76 (Chapter V of the companies Act, 2013) of the Companies Act, 2013 and rules made there under. There were no deposits, which were claimed and remained unpaid by the Company as on March 31, 2018.

**SHARE CAPITAL:**

The Paid up Equity Share Capital as March 31, 2018 stood at Rs. 99.60 Lakhs. During the year under review, there has been no change occurred in the share capital of the Company.

**LOANS, GUARANTEES AND INVESTMENTS U/S 186 OF THE COMPANIES ACT, 2013:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

**TRANSACTIONS WITH RELATED PARTIES:**

The Company has not entered into any transaction with related parties of the Company which is falling within the purview of Section of the Act. Therefore, information on transactions with related parties pursuant to section 134 (3) (h) of the Act read with rule 8 (2) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

**INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The details on Internal Financial Control and their adequacy are provided in "Management Discussion and Analysis Report".

**MATERIAL CHANGES AND COMMITMENTS:****ANNUAL REPORT 2017-18**



There have been no material changes and commitments, which is, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**DISCLOSURE OF REMUNERATION:**

The information required under section 197 of the Act read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as an **Annexure – I**.

**EXTRACT OF ANNUAL RETURN:**

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith as **Annexure – II** for your kind perusal and information.

**SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

To foster a positive workplace environment, free from harassment of any nature, we have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at the all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate.

During the year under review, there were no incidences of sexual harassment reported.

**RISK MANAGEMENT:**

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

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

Since the Company is not manufacturing unit and carried out any business activities, the disclosure related to information to be disclosed under section 134(3)(m) of the Act read with Rule(8) of the Companies (Accounts) Rules, 2014, is not applicable to the Company.

**CORPORATE GOVERNANCE:**

Your Company strives to incorporate the appropriate standards for corporate governance although the Company is not required to follow certain Regulations of Listing Regulations as the Company is fulfilling the exemption criteria provided in Regulation 15(2) of the Listing Regulation.

However, Company is complying with few of the exempted regulations voluntarily and details of same are provided in this report under the respective heading.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the year under review, as stipulated under Schedule V of the Listing Regulations, is presented in a separate section forming part of this Annual Report.

**STATUTORY AUDITOR AND THEIR REPORT:**

M/s. Doshi Maru & Associates, Chartered Accountants (FRN: 0112187W) is acting as Statutory Auditor of the Company to hold office from the conclusion of 33rd Annual General Meeting till the conclusion of 37th Annual General Meeting of the Company.

The Auditor's Report for financial year 2017-18 is self explanatory and does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements in this Annual Report.

**REPORTING OF FRAUD:**

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

**SECRETARIAL AUDITOR:**

The Company has appointed Mr. Mukesh H Shah, Practicing Company Secretary, to conduct the secretarial audit of the Company for the financial year 2017-18, as required under Section 204 of the Companies Act, 2013 and Rules there under. The Secretarial Audit Report for the financial year 2017-18 is annexed to this report as an **Annexure – III**.

**GENERAL DISCLOSURE:**

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 and other applicable provisions of the act and listing regulations, to the extent the transactions took place on those items during the year. Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review;

- i) Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- ii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;
- iii) Other compliances on Corporate Social Responsibility;
- iv) There is no revision in the Board Report or Financial Statement;
- v) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;
- vi) Information on subsidiary, associate and joint venture companies.

**ACKNOWLEDGEMENT:**

Your Directors wish to place on record their sincere appreciation for significant contributions made by the employees at all levels through their dedication, hard work and commitment, enabling the Company to achieve good performance during the year under review.

Your Directors also take this opportunity to place on record the valuable co-operation and support extended by the banks, government, business associates and the shareholders for their continued confidence reposed in the Company and look forward to having the same support in all future endeavours.

For and on behalf of Board of Directors  
**Rose Merc Limited**

**Place: Mumbai**  
**Date: August 30, 2018**

**Sd/-**  
**Kirti Savla**  
**Managing Director**  
**(DIN:02003878)**

**Sd/-**  
**Shakuntla Shah**  
**Director**  
**(DIN:06936927)**

## DISCLOSURE OF REMUNERATION

(pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended)

### A. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

#### a) The ratio of remuneration of each director to the median remuneration of employees of the company for the financial year:

Name	Designation	Ratio against median employee's remuneration
Mr. Kirti Savla	Managing Director	1.03:1

#### b) The Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Designation	Nature of Payment	Increase
Mr. Kirti Savla	Managing Director	Remuneration	N.A
Mr. Ashok Karale*	Chief Financial Officer	Remuneration	N.A
Ms. Jaini Jain*	Company Secretary & Compliance Officer	Remuneration	N.A

\*Appointed as on January 18, 2018.

#### c) The percentage increase in the median remuneration of employees in the financial year: N.A

#### d) The number of permanent employees on the rolls of the Company as on March 31, 2018: 3 Employees

#### e) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company :

As the Company is in its nascent stage, the Key Managerial Personnel is drawing a very nominal remuneration as token for their work. So remuneration drawn is modest as compared with the performance of the company.

#### f) Average percentile increase in the Salaries of the Employees and Managerial Remuneration:

Sr. No.	Particulars	Percentile Increase /(Decrease)
1.	Salaries of the Employees other than Managerial Remuneration	NIL
2.	Managerial Remuneration	NIL

#### g) Key parameters for any variable component of remuneration availed by the directors : There are no variable components in remuneration to the Directors.

#### h) Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year : Not Applicable

#### i) Affirmation that the remuneration is as per the remuneration policy of the company : The Board of Directors of the Company affirmed that remuneration paid is as per the Remuneration Policy of the Company.

**B. Information as per Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are provided in the Annual Report, which forms part of this Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

For and on behalf of Board of Directors  
**Rose Merc Limited**

**Place: Mumbai**  
**Date: August 30, 2018**

**Sd/-**  
**Kirti Savla**  
**Managing Director**  
**(DIN:02003878)**

**Sd/-**  
**Shakuntla Shah**  
**Director**  
**(DIN:06936927)**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**(As on financial year ended on March 31, 2018)**

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.)

**1. REGISTRATION & OTHER DETAILS:**

1.	CIN	L24110MH1985PLC035078
2.	Registration Date	16/01/1985
3.	Name of the Company	Rose Merc Limited
4.	Category/Sub-category of the Company	Company limited by shares/ Indian Non-Government Company
5.	Address of the Registered office & contact details	Office No G -2, Ground Floor, Part – A, Mangal Mahesh , 14th Road Khar (West) Mumbai - 400052, Maharashtra (T): 022-26000750, Email: rmltd1985@gmail.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of Registrar & Transfer Agent, if any.	<b>Link Intime India Private Limited</b> C - 101, 1 <sup>st</sup> Floor 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra – 400 083 <b>Tel No.:</b> 022 – 4918 6000 <b>Fax No.:</b> 022 – 4918 6060 <b>Email:</b> rnt.helpdesk@linkintime.co.in, <b>Web:</b> www.linkintime.co.in

**2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
Retail trade, except of motor vehicles and motorcycles (Refer Division 47 of NIC Code 2008)	471 to 479	100.00%

**3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-**

Sr. No.	Name and Address of the Company	Holding/ Subsidiary /Associate	CIN/GLN	% of shares held	Applicable Section
		N.A			

**4. SHARE HOLDING PATTERN**

**A. Category wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2017				No. of Shares held at the end of the year 31.03.2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>Promoter</b>									
<i>1) Indian</i>									
a) Individual/HUF	7,200	-	7,200	0.72	7,200	-	7,200	0.72	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-

<b>Sub-total(A)(1):-</b>	7,200	-	7,200	0.72	7,200	-	7,200	0.72	-
<b>2) Foreign</b>									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoters</b>									
<b>(A)=(A)(1)+(A)(2)</b>	<b>7,200</b>	<b>-</b>	<b>7,200</b>	<b>0.72</b>	<b>7,200</b>	<b>-</b>	<b>7,200</b>	<b>0.72</b>	<b>-</b>
<b>Public Shareholding</b>									
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Bank/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i) Any Other (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>2. Non Institutions</b>									
<b>a) Bodies Corp.</b>									
(i) Indian	101741	21015	122756	12.33	3499	21015	24514	4.65	-7.67
(ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	420658	43150	463808	45.57	179931	43150	223081	42.37	-4.18
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	321915	35600	357515	35.90	196519	35600	232119	44.09	8.19
<b>c) Others(Specify)</b>									
Hindu Undivided Families	44513	0	44513	4.47	39504	0	39504	7.50	3.03
Non Resident Indians	108	0	108	0.01	0	0	0	0	-0.01
Clearing Member	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(2)</b>	<b>888935</b>	<b>99765</b>	<b>988700</b>	<b>99.28</b>	<b>419453</b>	<b>99765</b>	<b>519218</b>	<b>98.63</b>	<b>-0.63</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>888935</b>	<b>99765</b>	<b>988700</b>	<b>99.28</b>	<b>419453</b>	<b>99765</b>	<b>519218</b>	<b>98.63</b>	<b>-0.63</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-

<b>Grand Total (A+B+C)</b>	<b>896235</b>	<b>99765</b>	<b>996000</b>	<b>100.00</b>	<b>426653</b>	<b>99765</b>	<b>526418</b>	<b>100.00</b>	<b>-</b>
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**B. Shareholding of Promoter & Promoter Group-**

Name	Shareholding at the beginning of the year 01.04.2017		Date wise (+)Increase / (-) Decrease in Share Holding			Cumulative Shareholding during the year		Shareholding at the end of the year 31.03.2018	
	No of Share	% of total Shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No of Share	% of total Shares of the company	No of Share	% of total Shares of the company
Kirti Chunilal Savla	7200	0.72		NA		7200	0.72	7200	0.72

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

Name	Shareholding at the beginning of the year 01.04.2017		Date wise (+)Increase / (-) Decrease in Share Holding			Cumulative Shareholding during the year		Shareholding at the end of the year 31.03.2018	
	No of Share	% of total Shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No of Share	% of total Shares of the company	No of Share	% of total Shares of the company
Vivek Malik	88582	8.89				88582	8.89	88582	8.89
K Samba Murthy	39640	3.97				39640	3.97	39640	3.97
Trigun Chandra Katoch	35050	3.52				35050	3.52	35050	3.52
Sant Lal Khaneja & Sons HUF IMSL	34454	3.45				34454	3.45	34454	3.45
Chetan Dogra	23050	2.31			NA	23050	2.31	23050	2.31
Raju M. Shah	15100	1.51				15100	1.51	15100	1.51
Jignesh Bhatt	10450	1.04				10450	1.04	10450	1.04
Bharati Bharat Chikani	10297	1.03				10297	1.03	10297	1.03
Hemant Bhatt	10050	1.01				10050	1.01	10050	1.01
Meera Sud	10000	1.00				10000	1.00	10000	1.00

**D. Shareholding of Directors and Key Managerial Personnel:**

Name	Shareholding at the beginning of the year 01.04.2017		Date wise (+)Increase / (-) Decrease in Share Holding			Cumulative Shareholding during the year		Shareholding at the end of the year 31.03.2018	
	No of Share	% of total Shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No of Share	% of total Shares of the company	No of Share	% of total Shares of the company
Viren Vora	-	-				-	-	-	-
Kirti Chunilal Savla	7200	0.72				7200	0.72	7200	0.72
Mayur Parikh	-	-			NA	-	-	-	-
Shakuntala Shah	-	-				-	-	-	-
Ashok Karale	-	-				-	-	-	-
Jaini Jain	-	-				-	-	-	-

**E. INDEBTEDNESS**

(In Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	3,59,98,494	-	3,59,98,494
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>3,59,98,494</b>	-	<b>3,59,98,494</b>
<b>Change in Indebtedness during the financial year</b>				
-Addition / ( Reduction)	-	(2,34,72,024)	-	(2,34,72,024)
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	1,25,26,470	-	1,25,26,470
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>		<b>1,25,26,470</b>		<b>1,25,26,470</b>

**F. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -**
**A. Remuneration to Managing Director, Whole Time Director and/or Manager:**

Particulars of Remuneration	Viren Vora (Director)	Kirti Savla (Director)	Total Amount
Gross salary	-	-	-
(a) Salary as per provisions contained in section 17(1) of the Income Tax.	-	1,80,000	1,80,000
(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
<b>Stock option</b>	-	-	-
<b>Sweat Equity</b>	-	-	-
<b>Commission</b>	-	-	-
as % of profit	-	-	-
others (specify)	-	-	-
<b>Others, please specify</b>	-	-	-
<b>TOTAL</b>	-	<b>1,80,000</b>	<b>1,80,000</b>

**B. Remuneration to other directors (Independent Director):**

Particulars of Remuneration	Mayur Parikh (Director)	Shakuntala Shah (Director)	Total Amount
a. Fees for attending board/ committee meeting	-	60,000	60,000
b. Commission	-	-	-
c. Others, please specify	-	-	-
<b>TOTAL</b>	-	<b>60,000</b>	<b>60,000</b>

**C. Remuneration to key Managerial Personnel Other than MD/Manager/WTD:**

Particulars of Remuneration	Ashok Karale (Chief Financial Officer)*	Jaini Jain (Company Secretary)*	Total Amount
<b>Gross salary</b>			
(a) Salary as per provisions contained in section 17(1) of the Income Tax.	-	30,000	30,000
(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-



(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
<b>Stock option</b>	-	-	-
<b>Sweat Equity</b>	-	-	-
<b>Commission</b>	-	-	-
as % of profit	-	-	-
others (specify)	-	-	-
<b>Others, please specify</b>	-	-	-
<b>TOTAL</b>	-	<b>30,000</b>	<b>30,000</b>

\*Appointed w.e.f January 18, 2018

**G. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

For and on behalf of Board of Directors  
**Rose Merc Limited**

Place: Mumbai  
Date: August 30, 2018

Sd/-  
**Kirti Savla**  
Managing Director  
(DIN:02003878)

Sd/-  
**Shakuntla Shah**  
Director  
(DIN:06936927)

# SECRETARIAL AUDIT REPORT

## Form No. MR-3

For the financial year ended March 31, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**ROSE MERC LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ROSE MERC LIMITED (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018, generally 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 maintained by the Company for the financial year ended on 31st March, 2018 and made available to me according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the rules made thereunder as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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 as amended from time to time;**(Not applicable to the Company during the audit period)**;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015, as amended from time to time;(Not applicable to the Company during the audit period);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;(Not applicable to the Company during the audit period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014(Not applicable to the Company during the audit period);
  - (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);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

**ANNUAL REPORT 2017-18**

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not applicable to the Company during the audit period);
- (vi) Company being engaged in the business of trading of goods hence there are no other specific laws applicable to the company, which requires approvals or compliances under the respective laws:

I have also examined compliance with the applicable clauses/regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above; subject to the observations noted against each legislation.

**I further report that:**

- a) The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.
- b) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Directors and Independent Directors. The changes if any in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- d) All decisions of the Board and Committees were carried with requisite majority.

**I further report that** 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.

**I further report that the company was suspended for trading due to penal reason on BSE and Company has filed application for revocation of suspension in trading of equity shares.**

**For, MUKESH H. SHAH & CO.  
Company Secretaries**

**Place : Ahmedabad  
Date :30.08.2018**

**Sd/-  
MUKESH H. SHAH  
PROPRIETOR  
CP. NO. 2213**

**Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.**

To,  
The Members,  
**ROSE MERC LIMITED**

My secretarial audit report for the financial year 31<sup>st</sup> March, 2018 is to be read along with this letter.

**Management's Responsibility**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

**Auditor's Responsibility**

2. My Responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. I believe that Audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. I have not verified the correctness and appropriateness of financial records and books of account of the company.

**For, MUKESH H. SHAH & CO.**  
**Company Secretaries**

**Place : Ahmedabad**  
**Date :30.08.2018**

**Sd/-**  
**MUKESH H. SHAH**  
**PROPRIETOR**  
**CP. NO. 2213**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Outlook:

Though the year under review was dormant for the company's business activities, company is sure to come back with good operational activities and profitability in the current year in view of the strong fundamentals of the Indian companies and hope to improve its Turnover.

### Internal Controls Systems and their adequacy:

The company has adequate internal control systems to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of all Legal requirements and regulations. The internal control system is designed in such a manner to ensure that checks and control are exercise at every stage without disturbing the work process. The Audit Committee of the Board reviews the adequacy and effectiveness of internal controls.

### Human Resources:

The relationship with the employees continues to be very cordial. The Company recognizes the importance and contribution of its employees for its growth and development and constantly endeavors to train nurture and groom its people The Company puts emphasis on attracting and retaining the right talent. The company places emphasis on training and development of employees at all levels and has introduced methods and practices for Human Resource Development.

### Internal Financial Control Systems and their adequacy:

The Company has aligned its current systems of internal financial control with the requirement of Companies Act 2013. The Internal Control is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. The Company has successfully laid down the framework and ensured its effectiveness. The Company has in place a well-defined system to record data for accounting and management information purposes. It has continued its efforts to align all its processes and controls with global best practices.

Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. Necessary internal control systems are also implemented by the Company for the various activities across the organization to ensure that business operations are directed towards attaining the stated organizational objectives with optimum utilization of the resources.

M/s. Doshi Maru & Associates, Chartered Accountants (FRN: 0112187W) the statutory auditors of the Company has audited the financial statements included in this annual report and has issued an attestation report on our internal control over financial reporting (as defined in section 143 of Companies Act, 2013).

The audit committee meets the statutory auditors of the Company to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the board of directors informed of its major- observations periodically. Based on its evaluation (as defined in section 177 of Companies Act 2013), our audit committee has concluded that, as of March 31, 2018, our internal financial controls were adequate and operating effectively.

### Turnover and Profitability:

There was no turn over during the year under review as against the turnover of Rs.8,57,795/- previous year, however there was only interest income but because of effective administration, internal checks and control company has made Profit after Tax of Rs.2,39,072/- as against Rs.3,67,292/- previous year.

### Cautionary Statement:

Statement in this Management and Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statement and within the meaning of applicable laws and regulations. Actual results may or might differ materially from those either expressed or implied.

## Independent Auditor's Report

To  
The Members of  
**ROSE MERC LIMITED**

### **Report on the Standalone Financial Statements:**

We have audited the accompanying Standalone Financial Statements of **Rose Merc Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss, including statement of other Comprehensive income, Cash Flow Statement and statement of Charges in Equity for the year ended March 31, 2018, and a summary of significant accounting policies and other explanatory information for the year ended as on 31<sup>st</sup> March, 2018.

### **Management's Responsibility for the Standalone 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 and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Act, as applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 responsible 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.

### **Auditors' Responsibility:**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, 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.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 standalone financial statements.

### **Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31<sup>st</sup> March 2018 and its profit and loss including other comprehensive income, cash flows statement and changes in Equity for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Cash Flow Statement and Statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;
  - e) on the basis of written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" and
  - 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 information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position Except, as provided in Annexure-A clause (vii) Sub clause (b).
    - ii. The Company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses; hence the company need not make any provision.
    - iii. There has been no delay in transferring amounts or no amount is required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

**For, Doshi Maru & Associates.  
Chartered Accountants**

**Sd/-  
Sarvesh A. Gohil  
Partner  
Membership No.: 135782  
FRN: 0112187W  
Date:28/05/2018  
Place: Jamnagar**

## ANNEXURE “A” TO AUDITOR’S REPORT

The Annexure referred to in Independent Auditors’ Report to the members of the company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2018, we report that:

- (i) **In respect of Its Fixed Assets:**
- a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - b) These fixed assets were physically verified by the management during the year. We have been informed that no material discrepancies were noticed on such physical verification.
  - c) According to the information and explanation given to us, the company does not own any immovable property. Hence paragraph 3(i)(c) of the Order is not applicable.
- (ii) The Company does not have revenue form operation in current year. Hence, there is no physical inventory at the end of the year. Therefore, the requirement of clause (ii) of paragraph 3 of the said order is not applicable to the company.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Thus, paragraph 3(iii) of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans, guarantees and investments covered under the provisions of section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) In respect of Statutory Dues:
- a. The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31.03.18 for a period of more than six months from the date they became payable.

Name of the status	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	1,41,49,263/-	A.Y. 2009-10	CIT (A)

According to the information and explanations given to us, no undisputed dues were in arrears as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they become payable.

- b. According to the information and explanations given to us, there are no dues of Income tax, sales-tax, duty of excise, duty of customs, service tax and value added tax which have not been deposited with the appropriate on account of any dispute.
- (viii) The company does not have any default in repayment of dues of loans or borrowings from any financial institution, banks, government or debenture holders during the year.



- (ix) During the year the company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, paragraph 3 (ix) of the order is not applicable.
- (x) According to the information and explanation given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanation given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the paragraph 3(xv) of the order is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For, Doshi Maru & Associates.  
Chartered Accountants**

**Sd/-  
Sarvesh A. Gohil  
Partner  
Membership No.: 135782  
FRN: 0112187W  
Date: 28.05.2018  
Place: Jamnagar**

## **ANNEXURE “B” TO AUDITOR’S REPORT**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of **Rose Merc Ltd** (“the Company”) as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are

subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For, Doshi Maru & Associates.  
Chartered Accountants**

**Sd/-  
Sarvesh A. Gohil  
Partner  
Membership No.:135782  
FRN: 0112187W  
Date:28.05.2018  
Place: Jamnagar**

**ROSE MERC LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2018**

Particulars	Note No.	As At 31st March 2018	As At 31st March 2017	As At 1st April 2016
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant & Equipment		-	-	-
(b) Capital Work -In-Progress		-	-	-
(c) Investment Properties		-	-	-
(d) Goodwill		-	-	-
(e) Other Intangible Assets		-	-	-
(f) Intangible Assets under development		-	-	-
(g) Biological Assets other than Bearer plants		-	-	-
<b>(h) Financial Assets</b>				
i. Investments	1	501,600.00	501,600.00	501,600.00
ii. Trade Receivables		-	-	-
iii. Loan	2	16,659,000.00	21,302,870.00	46,148,329.00
iv. Other Financial Assets		-	-	-
(i) Deferred tax Assets (net)		-	-	-
(k) Other Non-Current Assets		-	-	-
<b>Total Non-Current Assets</b>		<b>17,160,600.00</b>	<b>21,804,470.00</b>	<b>46,649,929.00</b>
<b>Current assets</b>				
(a) Inventories		-	-	-
<b>(b) Financial Assets</b>				
i. Investments		-	-	-
ii. Trade Receivables	3	-	8,457,795.00	-
iii. Cash and cash Equivalents	4	22,995.49	77,306.96	20,463.96
iv. Bank balance other than(iii) above		-	-	-
v. Loan	5	32,087,222.00	37,160,000.00	59,270,000.00
vi. Others		-	-	-
(c) Income/Current tax assets (net)	6	292,379.00	-	-
(d) Other Current Assets	7	2,116,626.00	2,016,626.00	503,938.04
<b>Total Current Assets</b>		<b>34,519,222.49</b>	<b>47,711,727.96</b>	<b>59,794,402.00</b>
<b>Total Assets(1+2)</b>		<b>51,679,822.49</b>	<b>69,516,197.96</b>	<b>106,444,331.00</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	8	9,960,000.00	9,960,000.00	9,960,000.00
(b) Other equity	9	15,202,938.49	14,963,865.96	14,660,371.00
<b>Total Equity</b>		<b>25,162,938.49</b>	<b>24,923,865.96</b>	<b>24,620,371.00</b>
<b>Liabilities</b>				
<b>Non Current Liabilities</b>				
<b>(a) Financial liabilities</b>				
i. Borrowings	10	12,526,470.00	35,998,494.00	80,705,494.00
ii. Trade Payables		-	-	-
iii. Other Financial Liabilities (other than specified in items(b), to be specified)		-	-	-
(b) Provision		-	-	-
(b) Deferred tax liabilities (net)		-	-	-
(c) Other Non-Current liabilities		-	-	-
<b>Total Non-Current Liabilities</b>		<b>12,526,470.00</b>	<b>35,998,494.00</b>	<b>80,705,494.00</b>

<b>Current Liabilities</b>					
<b>(a) Financial liabilities</b>					
	i. Borrowings	11	13,320,000.00	-	-
	i.Trade (Financial) payable	12	381,500.00	8,338,060.00	175,000.00
	ii. Other Financial liabilities		-	-	-
<b>(b)Provisions</b>		13	72,900.00	67,500.00	46,575.00
<b>(c)Income/Current tax liabilities (net)</b>		6	-	403.00	405,000.00
<b>(d) Other Current Liabilities</b>		14	216,014.00	187,875.00	491,891.00
<b>Total Current Liabilities</b>			13,990,414.00	8,593,838.00	1,118,466.00
<b>Total Liabilities</b>			26,516,884.00	44,592,332.00	81,823,960.00
<b>Total Equity and Liabilities</b>			<b>51,679,822.49</b>	<b>69,516,197.96</b>	<b>106,444,331.00</b>
Significant Accounting Policies					
See Accompanying Notes to Financial Statements		A			

As per our report on even date attached  
For DOSHI MARU & ASSOCIATES  
Chartered Accountants

**For ROSEMERC LIMITED**

**Sarvesh A Gohil**  
**Partner**  
**M.No. 135782**  
**F.R.N.0112187W**  
**Place: Jamnagar**  
**Date: 28/05/2018**

Sd/-  
**Director**  
**Kirti Savla**  
**DIN: 02003878**

Sd/-  
**Director**  
**Shankuntla D. Shah**  
**DIN: 06936927**

CS  
**Jaini Jain**

CFO  
**Ashok Karale**

ROSEMERC LIMITED				
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST, MARCH 2018				
Particulars		Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Income</b>				
<b>I.</b>	Revenue from operations	15	-	8,457,795.00
<b>II.</b>	Other income	16	3,777,821.00	1,896,898.00
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>3,777,821.00</b>	<b>10,354,693.00</b>
<b>IV. Expenses:</b>				
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade	17	-	6,579,060.00
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
	Employee benefits expense	18	506,325.00	642,730.00
	Finance costs	19	2,073,043.00	1,800,114.50
	Depreciation and amortization expense		-	-
	Other expenses	20	874,380.47	786,595.65
<b>V.</b>	<b>Total Expenses</b>		<b>3,453,748.47</b>	<b>9,808,500.15</b>
<b>VI.</b>	<b>Profit/(Loss) before Exceptional items &amp; Tax (III-V)</b>		<b>324,072.53</b>	<b>546,192.85</b>
<b>VII.</b>	<b>Exceptional Items</b>		-	-
<b>VIII.</b>	<b>Profit/(Loss) Before tax</b>		<b>324,072.53</b>	<b>546,192.85</b>
<b>IX. Tax expense:</b>				
	(1) Current tax		85,000.00	178,500.00
	(2) Deferred tax		-	-
<b>X.</b>	<b>Profit/ (Loss) for the year</b>		<b>239,072.53</b>	<b>367,692.85</b>
<b>Other Comprehensive Income</b>				
	A.(i) Items that will not reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B.(i) Items that will be reclassified to profit or loss		-	-
	(ii) income tax relating to items that will be reclassified to profit or loss		-	-
	<b>Total of Comprehensive income</b>		-	-
<b>XI.</b>	<b>Profit/(Loss) After Other Comprehensive Income</b>		<b>239,072.53</b>	<b>367,692.85</b>
<b>XII Earnings per equity share:( Continuing operation)</b>				
	(1) Basic(in Rs.)		0.24	0.36
	(2) Diluted(in Rs.)		0.24	0.36
	Significant Accounting Policies			
	See Accompanying Notes to Financial Statements	A		

As per our report on even date attached  
**FOR DOSHI MARU & ASSOCIATES**  
Chartered Accountants

**FOR ROSEMERC LIMITED**

Sarvesh A Gohil  
Partner  
M.No. 135782  
F.R.N.0112187W  
Place: Jamnagar  
Date: 28/05/2018

SD/- SD/-  
Director Director  
**KIRTI C. SAVLA SHAKUNTALA D. SHAH**  
DIN: 02003878 DIN: 06936927

CS CFO  
Jaini Jain Ashok Karale

ROSE MERC LIMITED					
CASHFLOW STATEMENT FOR YEAR ENDED 31ST MARCH, 2018					
Sr. No.	Particular	For the year ended 31 March 2018		For the year ended 31 March 2017	
		Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)	Amount (In Rs.)
	<b>CASHFLOW STATEMENT</b>				
<b>A.</b>	<b>Cash flow from Operating Activities</b>				
	<b>Net Profit Before tax as per Statement of Profit &amp; Loss</b>		324,072.53		367,692.85
	Adjustments for :				
	Interest Income	- 3,777,821.00		- 1,896,898.00	
	Finance Cost	2,073,043.00	- 1,704,778.00	1,800,114.50	- 96,783.50
	<b>Operating Profit before working capital changes</b>		<b>- 1,380,705.47</b>		<b>270,909.35</b>
	<b>Changes in Working Capital</b>				
	Trade receivable	8,457,795.00		- 8,457,795.00	
	Other Loans and advances receivable	5,072,778.00		22,110,000.00	
	Trade Payables	- 7,956,963.00		8,163,060.00	
	Other Current Liabilities	28,139.00		- 304,016.00	
	Other Current Assets	- 100,000.00		- 1,512,687.96	
	Short Tem Provisions	- 286,979.00		- 269,369.89	
			5,214,770.00		19,729,191.15
	Less : Income Tax Provision		85,000.00		178,500.00
	<b>Net Cash Flow from Operating Activities (A)</b>		<b>3,749,064.53</b>		<b>19,821,600.50</b>
<b>B.</b>	<b>Cash flow from investing Activities</b>				
	Movement in Loan & Advances	4,643,870.00		24,845,459.00	
	Interest Income	3,777,821.00		1,896,898.00	
			8,421,691.00		26,742,357.00
	<b>Net Cash Flow from Investing Activities (B)</b>		<b>8,421,691.00</b>		<b>26,742,357.00</b>

<b>C. Cash Flow From Financing Activities</b>				
Proceeds From long Term Borrowing (Net)	-	23,472,024.00	-	44,707,000.00
Short Term Borrowing (Net)		13,320,000.00		-
Interest Paid	-	2,073,043.00	-	1,800,114.50
Dividend paid ( Including DDT)		-		-
			-	12,225,067.00
<b>Net Cash Flow from Financing Activities (C)</b>			<b>-</b>	<b>12,225,067.00</b>
<b>D. Net (Decrease)/ Increase in Cash &amp; Cash Equivalents (A+B+C)</b>			-	54,311.47
Opening Cash & Cash Equivalents				77,306.96
<b>F. Cash and cash equivalents at the end of the period</b>				<b>22,995.49</b>
<b>G. Cash And Cash Equivalents Comprise :</b>				
Cash				14,412.35
<b>Bank Balance :</b>				
Current Account				8,583.14
Deposit Account				
Total				<b>22,995.49</b>
				<b>77,306.96</b>

For DOSHI MARU & ASSOCIATES  
Chartered Accountants

Sarvesh A Gohil  
Partner  
M.No. 135782  
F.R.N.0112187W  
Place: Jamnagar  
Date: 28/05/2018

For ROSEMERG LIMITED

Sd/-  
Director  
Kirti Savla  
DIN: 02003878

CS  
Jaini Jain

Sd/-  
Director  
Shankuntla D. Shah  
DIN: 06936927

CFO  
Ashok Karale



ROSE MERC LIMITED				
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2018				
Particulars	As at 31st March, 2018	As at 31st March, 2017		
	Amt. Rs.	Amt. Rs.		
<b>A -EQUITY SHARE CAPITAL</b>				
Outstanding at the Beginning of the Year	9,960,000.00	9,960,000.00		
Issued during the Year	-	-		
<b>Total</b>	<b>9,960,000.00</b>	<b>9,960,000.00</b>		
Particulars	Balance at the beginning of reporting Period i.e 01st April, 2017	Profit for the Year	Transfer to/ from Retained Earnings	Balance at the End of Reporting Period i.e. 31st March, 2018
	Amt. Rs.	Amt. Rs.	Amt. Rs.	Amt. Rs.
<b>B -OTHER EQUITY</b>				
As At 31ST MARCH, 2018				
<b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>	-	-	-	-
<b>RESERVE AND SURPLUS</b>				
Retained Earnings	15,092,261.74	239,072.53	-	15,331,334.27
<b>OTHER COMPREHENSIVE INCOME</b>	-	-	-	-
<b>Total</b>	<b>15,092,261.74</b>	<b>239,072.53</b>	<b>-</b>	<b>15,331,334.27</b>
Particulars	Balance at the beginning of reporting Period i.e 01st April, 2016	Profit for the Year	Transfer to/ from Retained Earnings	Balance at the End of Reporting Period i.e. 31st March, 2017
	Amt. Rs.	Amt. Rs.	Amt. Rs.	Amt. Rs.
As At 31ST MARCH, 2017				
<b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>	-	-	-	-
<b>RESERVE AND SURPLUS</b>				
Retained Earnings	14,660,371.00	367,692.85	64,197.89	15,092,261.74
<b>OTHER COMPREHENSIVE INCOME</b>	-	-	-	-
<b>Total</b>	<b>14,660,371.00</b>	<b>367,692.85</b>	<b>64,197.89</b>	<b>15,092,261.74</b>

For DOSHI MARU & ASSOCIATES  
Chartered Accountants

Sarvesh A. Gohil  
Partner  
M.No. 135782  
F.R.N 0112187W  
Place: Jamnagar  
Date: 28th May, 2018

For ROSE MERC LIMITED

Sd/- Director Kirti Savla DIN: 02003878	Sd/- Director Shankuntla D. Shah DIN: 06936927
CS Jaini Jain	CFO Ashok Karale

**ROSE MERC LIMITED**  
**For Year ended on 31<sup>st</sup> March 2018**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Company's Overview:**

Rose Merc Ltd ("The Company") was incorporated on 22/01/1997 vide Certificate of incorporation No. L67120WB1981PLC033991 under the Companies Act, 1956. The company is mainly trading of General Merchandise and allied items along with finance and investment based activities.. The Company is a public limited company and is listed on the Bombay Stock Exchange, Mumbai (BSE).

**Note: -A Significant accounting policies:**

**(A) Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable. Up to the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the company's first Ind AS financial statements. The date of transition to Ind AS is April 1st, 2016. Refer Note 21 for the details of first-time adoption exemptions availed by the Company. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP" or "Indian GAAP") to Ind AS.

**(B) Basis of Preparation**

These financial statements are prepared on historical cost basis, except for certain financial instruments which are measured at fair values as explained in the accounting policies below.

**(C) Inventories**

Inventory cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

**(D) Revenue recognition**

Revenue from sales of products and services are recognized when all the revenue recognition criteria as per Ind AS 18 are met. Revenue from sales of products and services are recognized when all the revenue recognition criteria as per Ind AS 18 are met. Revenue is recognised when the significant risk and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. Timing of transfer of risk and rewards varies depending on the individual term of sale.

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

**Interest Income** – Interest income from Financial Asset is recognised using effective interest method.

**Dividend Income** – Dividend income is recognise when the Company's right to receive the amount has been established

**(E) Foreign Currency Transactions**

**i) Functional currency**

The functional currency of the company is the Indian rupee. These financial statements are presented in Indian rupees.

**ii) Initial Recognition**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

**iii) Subsequent Recognition**

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

**(F) Share Based Payments**

The expense is recognized in the statement of profit and loss with a corresponding increase to the share based payment reserve, as a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants. The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

**(G) Income Tax**

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

**I. Current tax: -**

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

**II. Deferred tax: -**

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax asset is recognized to the extent that it is probable that taxable profit will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

**(H) Provisions and Contingencies**

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

are discounted to its present value as appropriate.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

**(I) Leases:**

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower.

Lease payments under operating leases are recognised as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

**(J) Financial Instruments:**

Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**(K) Segment Information**

Information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses only on one business segment i.e. Automation & Control Systems. There are no other reportable segments.

Particulars	As at 31st March, 2018	As at 31st March, 2017	As At 1st April 2016
<b>NOTE :1 NON CURRENT INVESTMENTS</b>			
(a) Investments in Equity Instruments	501,600.00	501,600.00	501,600.00
(b) Investment in Preference Shares			
(C) Investments in Government or trust securities			
(d) Investments in debentures or bonds			
(e ) Investments in Mutual Funds			
(f) Investments in partnership firms			
(g) Other investments			
<b>Sub- Total (a)</b>	<b>501,600.00</b>	<b>501,600.00</b>	<b>501,600.00</b>
<b>Futher Classified</b>			
(A) Aggregate amount of quoted investments and market value thereof	-	-	-
(B) Aggregate amount of unquoted investments	501,600.00	501,600.00	501,600.00
(C ) Aggregate amount of impairment in value of investments	-	-	-
<b>Total</b>	<b>501,600.00</b>	<b>501,600.00</b>	<b>501,600.00</b>
<b>Particulars</b>	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>	<b>As At 1st April 2016</b>
<b>NOTE : 2 NON CURRENT LOANS</b>			
<b>Secured, considered good</b>	-	-	-
(a) Security Deposits	-	-	-
(c) Loan by Pramoter/ Directors/Associates Company/Subsidiary Company/Group Company	-	-	-
(d) Other advances	-	-	-
<b>Unsecured, considered good</b>	-	-	-
(a) Security Deposits			
(c) Loan by Pramoter/ Directors/Associates Company/Subsidiary Company/Group Company			
(d) Other advances	16,659,000.00	21,302,870.00	46,148,329.00
<b>Total</b>	<b>16,659,000.00</b>	<b>21,302,870.00</b>	<b>46,148,329.00</b>
<b>Particulars</b>	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>	<b>As At 1st April 2016</b>
<b>NOTE: 3 CURRENT TRADE RECEIVABLES</b>			
(a) Secured, Considered good	-	-	-
(b) Unsecured, Considered good	-	8,457,795.00	-
(c) Doubtful	-	-	-
Less: Allowance for bad and doubtful debts	-	-	-
	-	8,457,795.00	-
<b>Futher Classified</b>			
(A) Allowance for doubtful Debts	-	-	-
(B) Debts Due by Directors or other officers or Group company/Associates Company/Subsidiary Company	-	-	-
<b>Total</b>	<b>-</b>	<b>8,457,795.00</b>	<b>-</b>

Particulars	As at 31st March, 2018	As at 31st March, 2017	As At 1st April 2016
<b>NOTE : 4 CASH AND BANK BALANCES</b>			
<b>Balance with Banks</b>		-	-
HDFC Bank	968.18	27,276.65	4,432.00
Progressive Bank	7,614.96	7,614.96	7,614.96
Cheques, drafts on hand	-	-	-
<b>Cash on hand</b>	14,412.35	42,415.35	8,417.00
Others( margin money/security against the borrowings/ guarantees/ other commitments)	-	-	-
<b>Total</b>	<b>22,995.49</b>	<b>77,306.96</b>	<b>20,463.96</b>
<b>Particulars</b>	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>	<b>As At 1st April 2016</b>
<b>NOTE : 5 CURRENT LOANS</b>			
<b>Secured, considered good</b>			
(a) Security Deposits			
( c ) Loan by Pramoter/ Directors/Associates Company/Subsidiary Company/Group Company	-	-	-
( d ) Other advances	-	-	-
<b>Unsecured, considered good</b>			
(a) Security Deposits			
( c ) Loan by Pramoter/ Directors/Associates Company/Subsidiary Company/Group Company			
( d ) Other advances	32,087,222.00	37,160,000.00	59,270,000.00
<b>Total</b>	<b>32,087,222.00</b>	<b>37,160,000.00</b>	<b>59,270,000.00</b>
<b>Particulars</b>	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>	<b>As At 1st April 2016</b>
<b>NOTE: 6 INCOME/CUIRRENT TAX ASSETS (NET)</b>			
Openinig Balance	- 403.00	- 405,000.00	-
Charge for the year	85,000.00	178,500.00	405,000.00
Others	-	-	-
Tax Paid	377,782.00	583,097.00	-
<b>Total</b>	<b>292,379.00</b>	<b>(403.00)</b>	<b>(405,000.00)</b>



<b>Particulars</b>	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>	<b>As At 1st April 2016</b>
<b>NOTE : 9 OTHER EQUITY</b>			
<b>Securities Premium Reserve</b>			
As per last Balance Sheet			
Add : On issue of shares			
Less: Calls in arrears - by others			
<b>Retained Earnings</b>			
As per last Balance Sheet	14,963,865.96	14,660,371.00	14,316,264.00
Add: Profit for the year	239,072.53	367,692.85	344,107.00
Less: Income Tax Writtern Off		64,197.89	-
	15,202,938.49	14,963,865.96	14,660,371.00
<b>Other Comprehensive Income (OCI)</b>			
As per last Balance Sheet			
Add: Movement in OCI (Net) during the year			
	-		-
<b>Total</b>	<b>15,202,938.49</b>	<b>14,963,865.96</b>	<b>14,660,371.00</b>



Particulars	As at 31st March, 2018	As at 31st March, 2017	As At 1st April 2016
<b>NOTE : 7 OTHER CURRENT ASSETS</b>			
	-	-	-
<b>Secured, considered good</b>	-	-	-
(a) Security Deposits	-	-	-
(c) Loan by Pramoter/ Directors/Associates Company/Subsidiary Company/Group Company			
(d) Other advances			
	-	-	-
<b>Unsecured, considered good</b>			
(a) Security Deposits			
(c) Loan by Pramoter/ Directors/Associates Company/Subsidiary Company/Group Company			
(d) Balance with Government Authorities	2,016,626.00	2,016,626.00	503,938.04
(d) Other advances	100,000.00	-	-
	2,116,626.00	2,016,626.00	503,938.04
<b>Total</b>	<b>2,116,626.00</b>	<b>2,016,626.00</b>	<b>503,938.04</b>
<b>Particulars</b>	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>	<b>As At 1st April 2016</b>
<b>NOTE : 10 NON-CURRENT BORROWINGS</b>			
<b>Secured</b>			
(a) Bonds or debentures	-	-	-
(b) Term Loans			
(i) From Banks			
(ii) Form other Parties			
(c) Other loans			
	-	-	-
<b>Unsecured</b>			
(a) Loans from related parties	-	-	-
(b) Other loans	12,526,470.00	35,998,494.00	80,705,494.00
	12,526,470.00	35,998,494.00	80,705,494.00
<b>Total</b>	<b>12,526,470.00</b>	<b>35,998,494.00</b>	<b>80,705,494.00</b>

Particulars	As at 31st March, 2018	As at 31st March, 2017	As At 1st April 2016
<b>NOTE:11 CURRENT BORROWINGS</b>			
<b>Secured</b>			
<b>(a) Bonds or debentures</b>			
<b>(b) Term Loans</b>			
(i) From Banks	-	-	-
(ii) Form other Parties	-	-	-
<b>(c) Other loans</b>			
	-	-	-
<b>Unsecured</b>			
<b>(a) Loans from related parties</b>	13,320,000.00	-	-
<b>(b) Other loans</b>	-	-	-
	13,320,000.00	-	-
<b>Total</b>	<b>13,320,000.00</b>	<b>-</b>	<b>-</b>
<b>Particulars</b>	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>	<b>As At 1st April 2016</b>
<b>NOTE: 12 CURRENT TRADE PAYABLE</b>			
Due Form:			
Micro, Small and Medium Enterprises			
Others	381,500.00	8,338,060.00	175,000.00
<b>Total</b>	<b>381,500.00</b>	<b>8,338,060.00</b>	<b>175,000.00</b>
<b>Particulars</b>	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>	<b>As At 1st April 2016</b>
<b>NOTE : 13 CURRENT PROVISION</b>			
<b>(a) Provision for employee benefits</b>			
<b>(b) Others</b>			
For Audit Fees	72,900.00	67,500.00	46,575.00
<b>Total</b>	<b>72,900.00</b>	<b>67,500.00</b>	<b>46,575.00</b>
<b>Particulars</b>	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>	<b>As At 1st April 2016</b>
<b>NOTE : 14 OTHER CURRENT LIABILITIES</b>			
<b>(a) revenue received in advance</b>			
<b>(b) Statutory Remittance</b>			
TDS Payables	215,814.00	187,500.00	385,606.00
Professional Tax payables	200.00	375.00	106,285.00
<b>(c ) others</b>			
<b>Total</b>	<b>216,014.00</b>	<b>187,875.00</b>	<b>491,891.00</b>

<b>Particulars</b>	<b>For the Year Ended 31st March, 2018</b>	<b>For the Year Ended 31st March, 2017</b>
<b>NOTE : 15 REVENUE FROM OPERATIONS</b>		
Sale of products	-	8,457,795.00
Sale of services	-	-
Other operating revenues	-	-
<b>Total</b>		<b>8,457,795.00</b>
<b>Particulars</b>	<b>For the Year Ended 31st March, 2018</b>	<b>For the Year Ended 31st March, 2017</b>
<b>NOTE : 15.1 PARTICULARS OF SALE OF PRODUCTS &amp; SERVICES</b>		
<b>Sales of Products</b>		
Manufactured Goods	-	-
Traded Goods		
Fancy Fabric	-	8,457,795.00
	-	<b>8,457,795.00</b>
<b>Sales of Services</b>	-	-
<b>Total</b>	<b>-</b>	<b>8,457,795.00</b>
<b>Particulars</b>	<b>For the Year Ended 31st March, 2018</b>	<b>For the Year Ended 31st March, 2017</b>
<b>NOTE : 16 OTHER INCOME</b>		
<b>Interest Income</b>		
Interest on Loan	3,777,821.00	1,893,548.00
Interest on IT Refund	-	3,350.00
<b>Dividend Income</b>	-	-
<b>Other Non-operating revenues</b>	-	-
<b>Total</b>	<b>3,777,821.00</b>	<b>1,896,898.00</b>

<b>Particulars</b>	<b>For the Year Ended 31st March, 2018</b>	<b>For the Year Ended 31st March, 2017</b>
<b>NOTE : 17 PURCHASE OF STOCK-IN-TRADE</b>		
Fancy Fabric		6,579,060.00
<b>Total</b>	<b>-</b>	<b>6,579,060.00</b>
<b>Particulars</b>	<b>For the Year Ended 31st March, 2018</b>	<b>For the Year Ended 31st March, 2017</b>
<b>NOTE : 18 EMPLOYEE BENEFITS EXPENSES</b>		
<b>(a) Salaries and Wages</b>	498,400.00	631,000.00
<b>(b) Contributions to Provident Fund &amp; Other Fund</b>		
Provident fund	-	-
ESIC	-	-
<b>(c) Staff welfare expenses</b>	7,925.00	11,730.00
<b>(d) Provision for Gratuity</b>	-	-
<b>( e ) Termination Benefits</b>	-	-
<b>Total</b>	<b>506,325.00</b>	<b>642,730.00</b>
<b>Particulars</b>	<b>For the Year Ended 31st March, 2018</b>	<b>For the Year Ended 31st March, 2017</b>
<b>NOTE :19 FINANCE COST</b>		
<b>(a) Interest expense :-</b>		
(i) Borrowings	2,073,043.00	1,800,000.00
(ii) Others		
- Interest on TDS	-	-
- Other Interest	-	-
<b>(b) Other borrowing costs</b>	-	114.50
<b>Total</b>	<b>2,073,043.00</b>	<b>1,800,114.50</b>

<b>Particulars</b>	<b>For the Year Ended 31st March, 2018</b>	<b>For the Year Ended 31st March, 2017</b>
<b>NOTE: 20 OTHER EXPENSES</b>		
<b>Operating Expnses</b>		
Electricity Charges	17,429.00	-
<b>Selling &amp; Distrubution Expenses</b>		
Conveyance Exp.	12,000.00	-
<b>Establishment Expenses</b>		
Advertisement Exp	58,154.00	55,513.00
Listing Fees	287,500.00	-
Rates & Taxes	2,500.00	2,500.00
Rent	128,180.00	-
Payment To auditor	84,300.00	75,000.00
Legal & Professional Fees	231,091.47	556,849.65
Mis Expenses.	53,226.00	96,733.00
<b>Total</b>	<b>874,380.47</b>	<b>786,595.65</b>
<b>Particulars</b>	<b>For the Year Ended 31st March, 2018</b>	<b>For the Year Ended 31st March, 2017</b>
<b>NOTE :20.1 PAYMENT TO AUDITORS AS:</b>		
<b>As Auditor</b>		
Statutory Audit	84,300.00	75,000.00
For management services		
For other services		
For reimbursement of expenses		
<b>Total</b>	<b>84,300.00</b>	<b>75,000.00</b>

## 21. First Time Adoption of Ind As

These are Company's first financial statements prepared in accordance with Ind AS. The accounting policies have been applied in preparing these financial statements for the year ended March 31, 2018 comparative financial statements for the year ended March 31, 2017 and opening Ind AS balance sheet at April 01, 2016 (the date of transition). In preparing its opening balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the Previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes: -

### (A) Exemptions Availed

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following material exemptions:

1. On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment and intangible assets recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment and intangible assets.

### (B) Reconciliation between previous GAAP and Ind AS:

#### (i) Equity Reconciliation: -

Equity Reconciliation :-		
Particulars	As AT 31.03.17	As At 01.04.16
Equity Under Previous GAAP	2,49,23,865.96	2,46,20,371.00
Add/Less : Ind As Adjustment	-	-
Equity under Ind As	2,49,23,865.96	2,46,20,371.00

#### (ii) Comprehensive Income Reconciliation: -

Net Income Reconciliation: -	
Particulars	For the Year Ended 31.03.17
Net Income as under Previous GAAP	3,67,682.85
Add/Less : Ind As Adjustment	-
Net Income as Per Ind As	3,67,682.85

## 22. Foreign Currency Transactions: - Expenditure in Foreign Currency: - Nil

## 23. Related Parties Disclosure: -

The Disclosures of Transaction with the related parties as defined in the related parties as defined in the Accounting Standard are given below:

### List of related parties with whom transactions have taken place and relationships: -

Name of Related Parties	Relationship
Kirti Savla	Key Managerial Personnel

**Transaction during the current financial year with related parties: -**

Sr No.	Name Of related Parties	Nature of relation	Nature of Transaction	Amount Debited	Amount Credited	O/s at the End Receivable/ (Payable)
1	Kirti Savla	Key Managerial Person	Director Remuneration	1,80,000.00	1,02,500.00	3,81,500.00

**24. Earnings Per Share**

Particulars	Year Ended on 31 <sup>st</sup> March, 2018 (Rs.)	Year Ended on 31 <sup>st</sup> March, 2017 (Rs.)
Profit / (Loss) after tax attributable to Equity Shareholders (A)	2,39,072.53	3,67,692.85
Weighted Number of Equity Share outstanding During the year (B) (In Nos.)	9,96,000.00	9,96,000.00
Basic Earnings Per Share for each Share of Rs.10/- (A) / (B)	0.24	0.36

**ROSE MERC LIMITED**  
**CIN: L24110MH1985PLC035078**

Reg. Off: Office No G -2, Ground Floor, Part – A, Mangal Mahesh , 14th Road Khar (West) Mumbai - 400052

**PROXYFORM**

*Form No. MGT-11*

*[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of Companies (Management and Administration) Rules, 2014]*

<b>Name of the Member(s)</b>	
<b>Registered Address</b>	
<b>E-mail ID</b>	
<b>Folio No.:</b>	
<b>DP ID / Client ID</b>	

I/We, being the member(s) of \_\_\_\_\_ shares of the **Rose Merc Limited**, hereby appoint;

1. Name : .....  
 Address:.....  
 E-mail ID: ..... Signature: ..... or failing him

2. Name : .....  
 Address:.....  
 E-mail ID: ..... Signature: ..... or failing him

3. Name : .....  
 Address:.....  
 E-mail ID: ..... Signature: .....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, September 28, 2018 at 05.00 p.m. at “Office No G -2, Ground Floor, Part – A, Mangal Mahesh, 14th Road Khar (West) Mumbai - 400052, Maharashtra and at any adjournment thereof in respect of such resolution as are indicated below:

Resoluti on No.	RESOLUTIONS	OPTIONAL <sup>3</sup>	
		FOR	AGAINST
<b>Ordinary Business</b>			
1.	Consider and adopt Audited Financial Statements for the financial year ended 31 <sup>st</sup> March, 2018, together with the Report of Directors and Auditors thereon.		
2.	Re-appointment of Mr. Kirti Chunilal Savla (DIN: 02003878) who retires by rotation.		
3.	Modification to the resolution related to the appointment of Statutory Auditors.		
<b>Special Business</b>			
4.	To Change the Registered Office of the Company from the State of Maharashtra to the State of Gujarat.		

Signed this ..... day of....., 2018

Signature of Shareholder

Affix Re.1/- Revenue Stamp
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**Notes:**

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of 34<sup>th</sup> Annual General Meeting.
- It is optional to put a ‘X’ in the appropriate column against the Resolutions indicated in the Box. If you leave the ‘For’ or ‘Against’ column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.
- Please complete all details including details of member(s) in above box before submission.



**ATTENDANCE SLIP****ROSE MERC LIMITED****CIN: L24110MH1985PLC035078**

Reg. Off: Office No G -2, Ground Floor, Part – A, Mangal Mahesh , 14th Road Khar (West) Mumbai - 400052

<b>DP ID</b>	
<b>Client ID</b>	

<b>Folio No.</b>	
<b>No. of Shares</b>	

**Name and address of Shareholder / Proxy holder**

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I hereby record my presence at the 34<sup>th</sup> Annual General Meeting of the Company held on Friday, 28<sup>th</sup> September, 2018 at "Office No G -2, Ground Floor, Part – A, Mangal Mahesh , 14th Road Khar (West) Mumbai - 400052,, Maharashtra at 05.00 p.m.

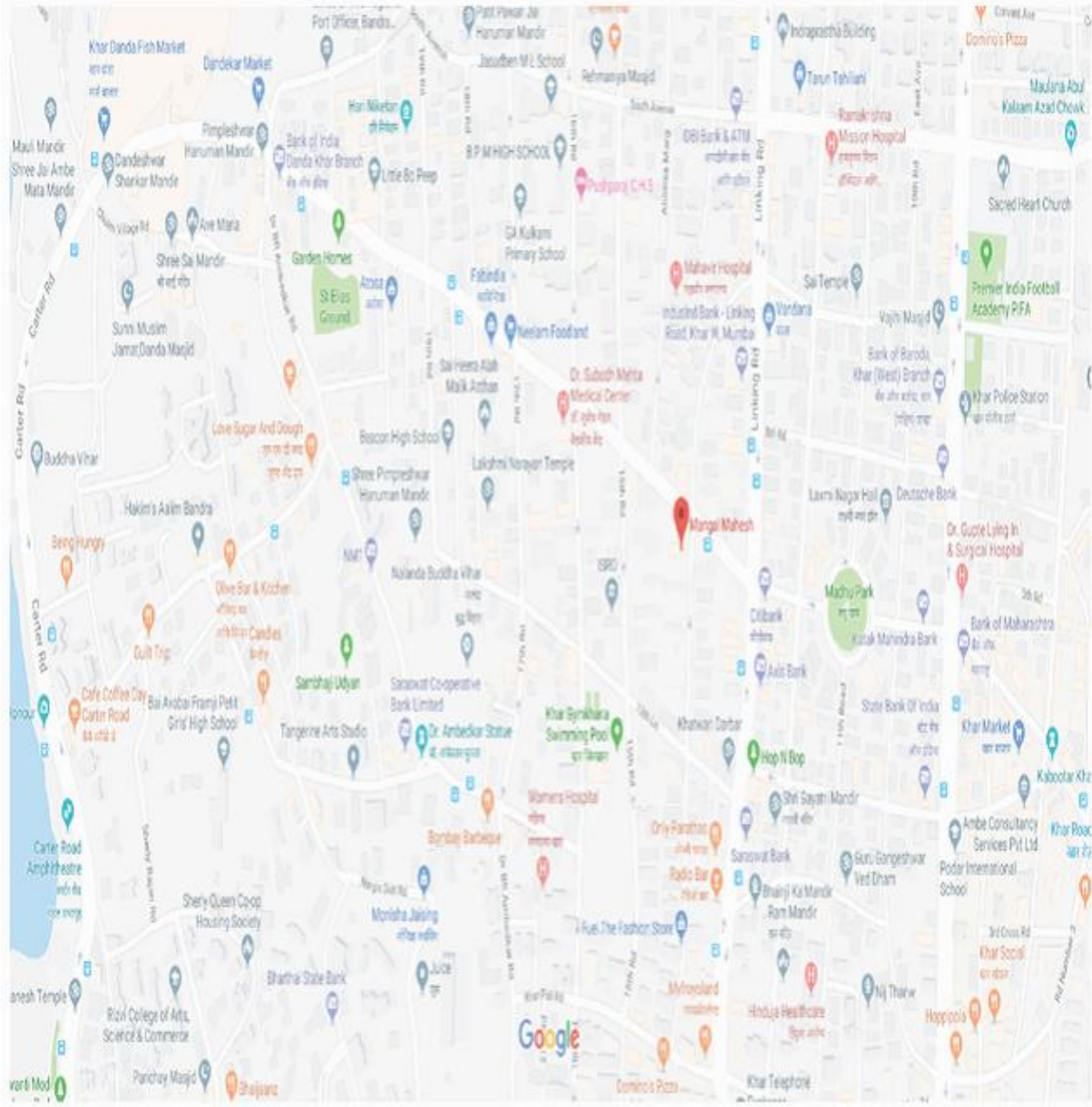
**Shareholder / Proxy's Signature**

(Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the Meeting Hall)



**ROUTE MAP TO THE AGM VENUE**

**ROSE MERC LIMITED**  
**CIN: L24110MH1985PLC035078**



<b>34<sup>TH</sup> ANNUAL GENERAL MEETING</b>	
<b>DAY</b>	<b>Friday</b>
<b>DATE</b>	<b>September 28, 2018</b>
<b>TIME</b>	<b>5.00 P.M.</b>
<b>VENUE</b>	<b>Office No G -2, Ground Floor, Part – A, Mangal Mahesh, 14th Road Khar (West) Mumbai - 400052, Maharashtra</b>