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**THIRTIETH
ANNUAL REPORT
2013 - 2014**

ROSE MERC. LIMITED

Registered Office :
Office No. 5, Mangaldeep CHS, Opp. St. Joseph School,
Sector-4, Kalamboli, Navi Mumbai - 410 218

ROSE MERC. LIMITED

BOARD OF DIRECTORS

SHRI VIREN VORA
SHRI KIRTI SAVLA
SHRI CHETAN DOGRA

BANKERS

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

AUDITORS

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

REGISTERED & CORPORATE OFFICE

Office No. 5, Mangaldeep CHS,
Sector-4, Kalamboli
Navi Mumbai - 410 218

NOTICE

NOTICE is hereby given that, the **Thirtieth Annual General Meeting** of the members of **Rose Merc. Limited**, will be held on **Saturday, 27th September, 2014** at 11.00 A.M. at Registered Office situated at Office No. 5, Mangaldeep CHS, Sector-4, Kalamboli, Navi Mumbai - 410 218, to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of **Mr. Viren C. Vora**, who retires by rotation and is eligible for re-appointment.
3. To consider and, if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution :

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

For and On behalf of The Board of Directors

s/d

Place : Mumbai

Date : 1st September, 2014.

VIREN VORA

DIRECTOR

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll on his behalf and such proxy need not be a member of the Company. A proxy may be sent in the form enclosed and in order to be effective must reach the Registered Office of the Company atleast 48 hours before the commencement of the Meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from **Thursday 25th September, 2014 to Saturday 27th September, 2014 (Both Days inclusive)**.
3. The Company's shares are available for De-materialisation with National Securities Depository Limited (**NSDL**) and Central Depository Services (India) Limited (**CDSIL**). The members are requested to avail the facility of de-materialisation. The ISIN allotted to the scrip is **INE649C01012**.

DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure to present their **Tirtieth Annual Report** and the Audited Annual Accounts for the year ended **31st March, 2014**.

FINANCIAL RESULTS

PARTICULARS	2013 - 2014	2012 - 2013
Gross Income	8,870,686	12,351,699
Profit Before Tax	139,548	237,967
Less : Provision for Taxation	45,000	75,000
Less : Deferred Tax	300	358
Less : Short Provision for Taxation	-	18,097
Net Profit (After Tax)	94,248	144,512
Add : Balance B/f from Prev. Year	13,909,878	13,765,366
Surplus Carried to Balance Sheet	14,004,126	13,909,878

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

DIRECTORS :

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

DIVIDEND :

The Directors of your Company have not recommended any Dividend for the financial year ended 31st March, 2014.

PERSONNEL :

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

DEPOSITS :

The Company has not accepted any deposit under Section 58A of the Companies Act, 1956 during the financial year ended on 31st March, 2014.

AUDITORS :

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

LISTING FEES :

The shares of the Company are listed at Mumbai & Ahmedabad Stock Exchange and the Company has paid the necessary listing fees upto the year 2014 - 2015. The Company has communicate with the Regional Stock Exchange i.e. The Stock Exchange of Mumbai for revocation of the suspension of the script of the Company.

DIRECTOR'S RESPONSIBILITY STATEMENT :

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

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

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

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

COMPLIANCE CERTIFICATE :

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

ACKNOWLEDGEMENT :

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

Place : Mumbai
Date : 14.08.2014.

For and on Behalf of the
Board of Directors
s/d
VIREN VORA
Chairman of the Meeting

SECRETARIAL COMPLIANCE CERTIFICATE

To,

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

I have examined the registers, records, books and papers of **Rose Merc. Ltd.** (Registration No. 11-035078) (the Company), as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2014 (Financial Year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I clarify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions & the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Regional Director, Central Government. Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company being a public limited company comments are not required.
4. The Board of Directors duly met **7** (Seven) times respectively on 20.05.2013, 12.07.2013, 02.08.2013, 30.08.2013, 01.09.2013, 25.10.2013 & 24.01.2014 in respect of which meetings, proper notices were given & the proceedings were properly recorded and signed including the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members and Share Transfer Books from 26.09.2013 to 28.09.2013 (both days inclusive) under review.
6. The Annual General Meeting for the financial year ended on 31.03.2013 was held on 28.09.2013 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting(s) was held during the financial year under review.
8. The Company has not given any loan to its directors and/or person or companies referred in the Section 295 of the Act as mentioned in annexure to Auditor's Report.
9. The company has not entered into any contracts falling with the purview section 297 of the Act during the financial year under review.
10. The Company was not required to make any entries in the register maintained under section 301 of the Act.
11. As there were no instances falling under the preview of section 314 of the Act, during the financial year the Company has not obtained any approvals from its Directors, members or Central Government, as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year under review.
13. The Company has :
 - (i) not allotted/transferred/transmitted any securities during the year.
 - (ii) not deposited any amount in separate bank account as no dividend was declared during the financial year.
 - (iii) not posted warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) the company is not required to transfer amounts in respect of unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for the period of seven years to

the Investor Education and Protection Fund as the Company do not have any of the amount lying in any of the above referred five accounts.

(v) duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the Company is duly constituted and there was no appointments / resignations of directors, additional directors, alternate directors & directors to fill casual vacancy during the financial year under certification.
15. The Company has not appointed any Managing Director/ Whole-time Director/Manager during the year.
16. The Company has not appointmented any Sole-Selling Agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms & companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares/debentures/other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of any preference shares or debentures during the financial year.
22. There were no transactions necessitating to keep in abeyance rights to dividend, Rights Shares and Bonus Shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans failing within the purview of Section 58A of the Act read with companies (Acceptance of Deposits) Rules, 1975, during the financial year under review from Public.
24. The amount borrowed by the Company during the financial year ended on 31st March, 2014, is out of borrowing limits of the Company.
25. The Company has not made any loans & investments or given guarantees or provided securities to other bodies corporate as mentioned in Annexure to Auditors Report and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the Provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the Provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the Provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the Provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. There was/were no prosecution initiated against or show cause notices received by the Company & no fines or panalties or any other punishment was imposed on Company during the financial year under report for offences under the Act.
32. The Company has not received any amount as security from its employees during the financial year under certification.
33. The Company has not constituted its Providend Fund u/s 418 of the Companies Act, 1956, hence, provision of section 418 of the Act do not apply to the Company.

Place : Mumbai
Date : 14.08.2014

JITENDRA LEKHWANI
Practising Company Secretary
C.P. No. 10709

ANNEXURE "A"

Registers as maintained by the Company

1. Register of Charges u/s 143(1)
2. Register of Members u/s 150(1)
3. Register of Transfers.
4. Copies of Annual Return prepared u/s 163(1)
5. Minutes of proceedings of meetings of Board of Directors and of General Meeting u/s 193(1)
6. Books of Accounts u/s 209(1)
7. Register of Directors, Manager & Secretary u/s 303(1)
8. Register of Director's shareholding u/s 307(1)

ANNEXURE "B"

Forms and Returns as filed by the Company with the Register of Companies, Regional Director, Central Government or other authorities during the financial year ending 31st March, 2014.

i) Registrar of Companies

Sr. No.	Form No. / Return	Filed Under Section	For the year	Date of Filing	Whether filed within prescribed time	If delay in filing whether require additional fees paid
1.	Annual Return Form 20B	159	2012-13	17.10.2013	Yes	N/A
2.	Balance Sheet(with required Annexures & schedules) Form No. 23AC/23 ACA in XBRL mode	220	2012-13	19.10.2013	Yes	N/A
3.	Compliance Certificate Form 66	383A	2012-13	02.10.2013	Yes	N/A
4.	Form 18	146	Notice of situation or change of situation fo Regd. Office	31.08.2013	Yes	N/A
5.	Form 17	138	Particulars of satisfaction of charges	13.12.2013	Yes	N/A

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

Place : Mumbai
 Date : 14.08.2014

JITENDRA LEKHWANI
 Practising Company Secretary
 CP No. 10709

INDEPENDENT AUDITOR'S REPORT

To The Members,

Report on the Financial Statements

We have audited the accompanying financial statements of **ROSE MERC. LIMITED**, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss for then year the ended, the Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true & fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). These responsibility includes the design, implementation and maintenance of internal control relevant to the preparation & presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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 judgement, 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in case of the Statement of Profit & Loss, of the profit for the year ended on that date.

Report on Other Legal and Regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure statement on the matters specified in paragraphs 4 & 5 of the Order.
2. As required by section 227(3) of the Act, we report that :
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit:
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet and Statement of Profit & Loss dealt with by this report are in agreement with books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit & Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the Directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2014 from being appointed as a director in terms of Clause (g) of Sub-section 274(1) of the Companies Act, 1956;

FOR J. K. SHAH & ASSOCIATES

PLACE : MUMBAI
DATED : 14th August, 2014.

**CHARTERED ACCOUNTANTS
J. K. SHAH
PROPRIETOR**

Annexure to Independent Auditor's Report as stated in Point no. I under Report on Other Legal and Regulatory Requirements Paragraph.

As required by the Companies (Auditors' Report) Order, 2003 and according to the information and explanations given to us during the course of the audit and on the basis of such checks as were considered appropriate, we report that :

- 1 The Company is maintaining proper records showing full particulars, including quantitative details & situation of the fixed assets;
As per the information and explanations given to us, the management carries out the physical verification of the fixed assets at reasonable intervals. No material discrepancies were noticed on such verification;
No significant Fixed Assets have been disposed of by the Company during the year and the question of effect on the going concern of the Company does not arise.
- 2 The Company does not have any stock of raw materials stores & spares & finished goods. Therefore Para 4(ii) of the Auditor's Report Order 2003 is not applicable.
- 3 As informed to us, the Company has not granted any loans, secured or unsecured to companies, firms, or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence the provisions of clause iii(b),(c) and (d) are not applicable to the Company;
As per information furnished, the Company has not taken any loans from companies, firms, or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly clauses (f) and (g) are not applicable to the Company.
- 4 In our opinion, and according to information & explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regards to purchase of fixed assets and for sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- 5 a) Based on the Audit procedures applied by us and according to information & explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
b) As per information & explanations given to us and in our opinion, the transaction entered into by the Company with parties u/s 301 of the Act does not exceed five lacs rupees in the financial year therefore requirement of reasonableness of transactions does not arise.
- 6 The Company has not accepted any deposits from the public & therefore the question of Compliance with the provision of Sections 58A & 58 AA or any other relevant provisions of the Companies Act, 1956 & Companies (Acceptance of Deposit) Rules, 1975 apply.
- 7 The Company does not have an internal audit system commensurate with the size and nature of its business.
- 8 The maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 are not applicable to the Company.
- 9 According to information & explanations given to us and the records examined by us, the Company is generally regular in depositing statutory dues with the appropriate authorities. According to the records of the Company there are no material undisputed amounts payable in respect of Sales Tax, Income Tax, Custom Duty and Excise Duty, outstanding as on 31st March, 2014, for more than 6 months from the date on which they became payable except for the Demand for ₹ 460,270/- for AY 2007-2008 towards Income Tax vide order passed u/s 143(3) against which the Company has paid ₹150,000/- and has preferred appeal with relevant authorities & is pending before ITAT, Similarly, in respect of AY 2009-10, the Demand for ₹ 370,480 towards Income Tax vide order passed u/s 143(3) against which the appeal with relevant authorities has been preferred and it is pending before CIT (Appeals).
- 10 The Company has not accumulated losses as on 31st March 2014 and no cash losses in the immediately preceding financial year. The company has not incurred any cash losses during the financial year as well as during the immediately preceding financial year.
- 11 Based on our audit procedures & on the information & explanations given by the management, we are of the opinion that, the Company has not incurred any cash loss during the financial year.
- 12 According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 The Company is not a chit fund or a nidhi/mutual benefit fund/society, Therefore, the provision of this clause of the Companies (Auditor's Report) Order 2003(as amended) is not applicable to the Company.
- 14 The Company is not dealing or trading in shares, securities, debentures and other investments, accordingly clause 4(xiv) of the order is not applicable.
- 15 According to information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions,
- 16 Based on our audit procedures and on the information given by the management, we report that the Company has not raised any Term Loans during the year.
- 17 According to information & explanations given to us & on overall examination of the balance sheet, we report that no funds raised on short term basis have been used for long term investments and vice versa.
- 18 According to the information & explanations given to us, the Company has not made any preferential allotment of shares during the year, to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956, therefore the question of pricing of shares does not arise.
- 19 The Company has not have any outstanding debentures at the year end.
- 20 The company has not raised any money by Public issue during the year covered by our report.
- 21 Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

Place : Mumbai
Date : 18th August, 2014

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

BALANCE SHEET AS ON 31ST MARCH, 2014

PARTICULARS	Note No.	Figures at the end of Current Reporting Period (₹)	Figures at the end of Previous Reporting Period (₹)
I. EQUITY AND LIABILITIES			
1. SHAREHOLDER'S FUNDS			
Share Capital	1	9,960,000	9,960,000
Reserve and Surplus	2	14,004,126	13,909,878
2. Share Application Money Pending Allotment		Nil	Nil
3. Non-Current Liabilities			
Deferred Tax Liability (Net)	3	1,090	790
Other Long Term Liabilities	4	103,951,084	299,797,527
4. Current Liabilities			
Short Term Borrowings	5	Nil	7,213,276
Other Current Liabilities	6	38,090	33,090
Short Term Provisions	7	105,000	1,171,123
TOTAL		128,059,390	332,085,684
II. ASSETS			
1. Non-Current Assets			
Fixed Assets	8	5,723	6,694
Non-Current Investments	9	501,600	2,712,600
Long Term Loans & Advances	10	122,725,220	327,772,046
2. Current Assets			
Trade Receivables	11	540,000	Nil
Cash & Cash Equivalents	12	4,117,400	1,534,344
Short Term Loans & Advances	13	169,447	60,000
TOTAL		128,059,390	332,085,684

NOTES FORMING PART OF THE ACCOUNTS ARE ATTACHED.

AS PER OUR REPORT OF EVEN DATE

FOR J. K. SHAH & ASSOCIATES

CHARTERED ACCOUNTANTS

s/d

J. K. SHAH (PROPRIETOR)

PLACE : MUMBAI

DATED : 14th August, 2014.

FOR ROSE MERC. LIMITED

s/d

s/d

VIREN VORA KIRTI SAVLA

DIRECTOR DIRECTOR

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	Note No.	Figures at the end of Current Reporting Period (₹)	Figures at the end of Previous Reporting period (₹)
I. Revenue from Operation		Nil	Nil
II. Other Income	14	8,870,686	12,351,699
III. TOTAL REVENUE (I + II)		8,870,686	12,351,699
IV. Expenses :			
Employee Benefit Expenses	15	732,675	897,478
Financial Cost	16	7,699,394	10,965,104
Depreciation & Amortization Exp.		971	1,159
Other Expenses	17	298,098	249,990
TOTAL EXPENSES		8,731,138	12,113,732
V. Profit before exceptional & extraordinary items & tax (III - IV)		139,548	237,967
VI. Exceptional Items		Nil	Nil
VII. Profit before extraordinary items and tax (V - VI)		139,548	237,967
VIII. Extraordinary Items		Nil	Nil
IX. Profit before Tax (VII - VIII)		139,548	237,967
X. Tax Expenses :			
(1) Current Tax		45,000	75,000
(2) Deferred Tax		300	358
Short Prov. for Taxation provided		Nil	18,097
Excess Provision for Taxation w/b		Nil	Nil
XI. Profit/(Loss) from the period from continueing operations (IX - X)		94,248	144,512
XII. Profit/(Loss) from discontinuing operations		Nil	Nil
XIII. Tax expenses of discontinuing operations		Nil	Nil
XIV. Profit/(Loss) from Discontinuing Operations (XII - XIII)		Nil	Nil
XV. Profit/(Loss) for the period(XI+XIV)		94,248	144,512
XVI. Earning per equity share			
(1) Basic		0.09	0.15
(2) Diluted		0.09	0.15

NOTES FORMING PART OF THE ACCOUNTS ARE ATTACHED.

AS PER OUR REPORT OF EVEN DATE

FOR J. K. SHAH & ASSOCIATES

CHARTERED ACCOUNTANTS

s/d

J. K. SHAH (PROPRIETOR)

PLACE : MUMBAI

DATED : 14th August, 2013.

FOR ROSE MERC. LIMITED

s/d s/d

VIREN VORA KIRTI SAVLA

DIRECTOR DIRECTOR

ROSE MERC. LIMITED**NOTES TO BALANCE SHEET AS AT 31st MARCH 2014**

	As on 31.03.2014	As on 31.03.2013
NOTE NO. : 1	(₹)	(₹)
SHARE CAPITAL		
Authorised : 50,00,000 Equity Shares of Rs. 10/- each	50,000,000	50,000,000
Issued, Subscribed and Paid-Up Capital 996,000 Equity Shares of ₹ 10/-	9,960,000	9,960,000
Subscribed & Paid-Up Capital 996,000 Equity Shares of ₹ 10/-	9,960,000	9,960,000
	9,960,000	9,960,000
NOTE NO. : 2		
RESERVES AND SURPLUS		
Profit and Loss Account Balance as per last Balance Sheet Add: Transfer from Profit & Loss A/c	13,909,878 94,248	13,765,365 144,512
	14,004,126	13,909,878
NOTE NO. : 3		
DEFERRED TAX LIABILITIES	1,090	790
	1,090	790
NOTE NO. : 4		
LONG TERM BORROWINGS - Loans and advances from related parties - Other Loans & Advances	Nil 103,951,084	Nil 299,797,527
	103,951,084	299,797,527
NOTE NO. : 5		
SHORT TERM BORROWINGS - Loans and advances from related parties - Other Loans & Advances	Nil Nil	6,433,220 780,056
	Nil	7,213,276
NOTE NO. : 6		
OTHER CURRENT LIABILITIES Auditors Remuneration Professional Fees Payable Sundry Creditors	28,090 10,000 Nil	28,090 5,000 Nil
	38,090	33,090
NOTE NO. : 7		
SHORT TERM PROVISIONS Provision for Taxation TDS Payable	105,000 Nil	75,000 1,096,123
	105,000	1,171,123
NOTES NO. : 8		
NON CURRENT ASSETS Tangible Assets (as statement annexed)	5,723	7,853
	5,723	7,853

ROSE MERC. LIMITED

NOTES TO BALANCE SHEET AS AT 31st MARCH 2014

	As on 31.03.2014	As on 31.03.2013
	(₹)	(₹)
NOTE NO. : 9 NON CURRENT INVESTMENTS - Investment in Equity Instruments	501,600	2,712,600
	501,600	2,712,600
NOTE NO. : 10 LONG TERM LOANS AND ADVANCES - Capital Advances - Security Deposits - Loans & Advances to related parties - Other Loan and Advances	Nil Nil Nil 122,725,220	Nil Nil Nil 327,772,046
	122,725,220	327,772,046
NOTE NO. : 11 TRADES RECEIVABLES - Less than Six Months	540,000	Nil
	540,000	Nil

NOTE NO. : 8

FIXED ASSETS

Tangible Assets	Gross Block			Accumulated Depreciation					Net Block	
	Cost At 01.04.13	Add.	Deduct.	Cost At 31.03.14	Upto 01.04.13	For the Year	Adj. of Depn.	Upto 31.03.14	As At 31.03.13	As At 31.03.14
Air -										
Conditioner	11,000	Nil	Nil	11,000	9,449	216	Nil	9,665	1,551	1,335
Fax Modem	14,500	Nil	Nil	14,500	12,876	226	Nil	13,102	1,624	1,398
Television	8,240	Nil	Nil	8,240	7,232	140	Nil	7,372	1,008	868
Telephone	1,060	Nil	Nil	1,060	945	16	Nil	961	115	99
Mobile Phone	21,300	Nil	Nil	21,300	19,057	312	Nil	19,369	2,243	1,931
Computer	102,250	Nil	Nil	102,250	102,097	61	Nil	102,158	153	92
TOTAL	158,350	Nil	Nil	158,350	151,656	971	Nil	152,627	6,694	5,723
Prev. Years	158,350	Nil	Nil	158,350	150,497	1,159	Nil	151,656	7,853	6,694

ROSE MERC. LIMITED**NOTES TO PROFIT & LOSS ACCOUNT AS AT 31st MARCH 2014**

	As on 31.03.2014	As on 31.03.2013
NOTE NO. : 12	(₹)	(₹)
<u>CASH AND CASH EQUIVALENTS</u>		
Cash In Hand	65,801	72,708
Cash At Bank	4,051,598	1,461,635
	4,117,400	1,534,344
NOTE NO. : 13		
<u>SHORT TERM LOANS & ADVANCES</u>		
T.D.S. (A.Y. 2012-13)	109,447	Nil
T.D.S. (A.Y. 2013-14)	60,000	60,000
	169,447	60,000
NOTE NO. : 14		
<u>OTHER INCOME</u>		
Advisory Fees	600,000	Nil
Interest Income	8,270,686	12,351,699
Bank Interest	Nil	Nil
	8,870,686	12,351,699
NOTE NO. : 15		
<u>EMPLOYEE BENEFIT EXPENSES</u>		
Salaries & Wages	351,150	292,400
Director's Remuneration	370,000	600,000
Staff Welfare Expenses	11,525	5,078
	897,478	897,478
NOTE NO. : 16		
<u>FINANCIAL COST</u>		
Bank Charges	Nil	419
Interest Expenses	7,699,394	10,964,685
	7,699,394	10,965,104
NOTE NO. : 17		
<u>OTHER EXPENSES</u>		
Advertising Expenses	40,984	38,985
Auditors Remuneration	28,090	28,090
Conveyance Expenses	17,025	9,600
Filing Charges	8,710	5,248
Legal & Prof. Charges	129,741	136,023
Listing Fees	22,472	23,359
Office Expenses	33,200	Nil
Postage & Telegrams	6,168	4,039
Profession Tax	2,500	2,500
Software Exp.	Nil	Nil
Stationery & Printing Charges	6,217	2,150
Telephone Expenses	2,991	Nil
	298,098	249,990
NOTE NO. : 17		
Deferred Tax	Nil	358
	Nil	358

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 2014

SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting :

The financial statements are prepared under historical cost convention and comply with applicable accounting standards issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 1956.

AS 1 Accounting Convention

The accounts have been prepared under the historical cost convention. The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis. The scope of audit covers all aspects of principal, standard accounting policies.

AS 2 Valuation of Inventories

The Company is engaged in the business of Trading of General Merchandise and allied items alongwith finance and investment based activities. The Valuation is based on lower of Cost or Realisable Value. However the company was holding no stock at the year end.

AS 3 Cash Flow Statements

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

AS 4 Contingencies and events occurring after Balance Sheet Date:

There are no contingencies and events occurring after the Balance Sheet date affecting the financial position of the Company.

AS 5 Prior Period And Extra Ordinary Items

There are no material changes or credit which arises in current period, on account of errors or omissions in the preparation of financial statements for one or more prior periods.

AS 6 -Depreciation:

Depreciation on fixed assets is provided on Written Down Value method in respect of Fixed Assets at rates prescribed under Schedule XIV the Companies Act 1956 as amended.

AS 9: Revenue Recognition:

All revenues are generally recognised on accrual basis.

AS 10: Accounting for Fixed Assets:

Fixed assets are stated at cost of acquisition. Acquisition cost includes taxes, duties, freight, insurance and other incidental expenses related to acquisition and installation where applicable. Revenue expenses incidental and related to projects are capitalized along with the related fixed assets, where appropriate.

Fixed Assets are stated at cost less accumulated depreciation.

AS 11 : The effect of Changes in Foreign Exchange Rates:

Earning in Foreign Exchange is ₹ NIL (Previous Year ₹ NIL)

Expenditure in Foreign Currency is ₹ NIL (Previous Year ₹ NIL)

AS 13: Accounting for Investments

Investments are shown at Cost as the Investment being Non Current Asset. The Investments made are in the nature of Unquoted Equity Instruments ₹ 5,01,600/-

The Provision for increase or decrease in value of Shares is not provided as it is considered temporary.

AS15 - Retirement Benefits:

The Provisions of the Employees State Insurance Act are not applicable to the company. Therefore no provision for Gratuity is made or provided for.

AS16 – Borrowing Costs:

Borrowing costs include interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss.

AS 17 Segment Reporting:

The Company's operations consist of Trading and Finance Based Activities. Hence, there are no reportable segments under Accounting Standard - 17. During the year under report, the Company has engaged in business in India only and not in any other Country. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

As 18: Related Party Transactions:

The disclosure pertaining to the related party transactions as required by the accounting standard 19(AS-18) by the Institute of Chartered Accountants of India as applicable are indicated below :

List of related parties with whom transactions have been taken place during the year.

Transactions with Key Management Personnel –

Remuneration To Directors :

Shri Chetan Dogra ₹ 250,000/- (Previous year ₹ 300,000/-)

Shri Viren Vora ₹ NIL (Previous year ₹ 180,000/-)

Shri Kirti Savla ₹ 120,000/- (Previous year ₹ 120,000/-)

AS 19 Leases:

The Company has not leased out any of its assets nor has taken any assets on lease therefore comment on the said clause is not necessary.

AS 20: Earning Per Share (EPS)

Particulars	2013-14	2012-13
Weighted Average No. of Equity Shares	996,000	996,000
Net Profit/(Loss) after tax available for Equity Share Holders ₹	94,248	144,512
Basic & Diluted ₹	0.09	0.15
Nominal Value per Share ₹	10/-	10/-

AS 21 Consolidated Financial Statements:

Since the Company does not have Subsidiary Company. The Accounting Standard As 21 regarding Consolidated Financial Statements is not applicable.

AS 22 Taxes on Income.

Current tax is determined as the amount of tax payable in respect of taxable income for the period.

Provision for Taxation:

Provision for Income Tax ₹45,0000/- (Previous year ₹75,000/-) is provided for as per the provisions of the Income Tax Act, 1961.

Provision for Deferred Taxation:

Deferred tax is recognized on timing difference, being the difference between taxable income and accounting income that originate between in one period and are capable of being reversed in one or more subsequent periods. Deferred tax assets are recognized on unabsorbed depreciation and carry forward losses unless there is virtual uncertainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

AS 28 Impairment of Assets

In view of Accounting Standard required by AS-28 Impairment of Assets issued by ICAI, the Company has reviewed its fixed assets and does not expect any loss as on 31st March 2014 on account of impairment in addition to the provision already made in the books.

AS 29 Contingent Liabilities:

Since there are no contingent liabilities in preparation of accounts, the company has not made any provisions for the same. Demand for ₹ 460,270/- for A.Y. 2007-08 towards Income Tax vide order passed u/s 143(3) against which ₹ 150,000/- have been paid and preferred an appeal with relevant authorities and is pending before ITAT.

Similarly in respect of AY 2009-10 the Demand for ₹ 370,480/- towards Income Tax vide order passed u/s 143(3) against which the appeal with relevant authorities has been preferred & is pending before CIT(Appeals).

As per the information and explanation given to us, there are no amounts remaining unpaid to any Micro, small and Medium enterprise under Micro, Small & Medium Enterprise Act, 2006.

Provision for Bad and doubtful debts:

The management reviews on a periodical basis, the loans or debts outstanding with a view to determining whether the loans and or debts are good, bad, or doubtful. After taking into consideration all the relevant aspects including the financial condition of the borrowers, the management determines whether the loan asset is doubtful or bad, wholly or in part. On the basis of such review and in pursuance of other prudent financial considerations, the Board of Directors determines the extent of provision required to be created in respect of loan assets. No Provision for the same has been considered necessary for the year.

The deductions are settled from time to time and written off accordingly in the books of accounts. The supporting evidence or confirmatory documents are not maintained.

In the opinion of the Board, current assets and loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known and determined liabilities are adequate and not in the excess of the amount reasonably necessary.

Supporting Evidence of debits & Credits:

Wherever supporting and evidences are not available they are taken as appearing in the books of accounts and certified by the management as exclusively and necessary for the business purposes. The balances of sundry debtors, creditors, loans and advances & other liabilities are subject to confirmation and reconciliation, if any.

The Revised schedule VI to the Companies Act 1956 has become effective from 1st April 2011 for the preparation of financial statements. This has significantly impacted the disclosure & presentation made in the financial statements. Previous years' figures have been regrouped / reclassified wherever necessary to correspond with the current years' classification / disclosure

For J. K. SHAH & ASSOCIATES

CHARTERED ACCOUNTANTS

J. K. SHAH

PROPRIETOR

Place : MUMBAI

Dated : 14th August, 2014.

For ROSE MERC. LIMITED

s/d

VIREN VORA

DIRECTOR

s/d

KIRTI SAVLA

DIRECTOR

ROSE MERC. LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	31.03.2014 (₹)	31.03.2013 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	139,548	237,967
Adjustment for :		
Depreciation	971	1,159
Interest	7,699,394	10,964,685
Other Income	(8,870,686)	(12,351,699)
Operating Profit before Working Capital changes	(1,030,773)	(1,147,888)
Adjustment for :		
(Increase)/Decrease in Inventories	Nil	Nil
(Increase)/Decrease in Sundry Debtors	(540,000)	Nil
(Increase)/Decrease in Loans & Advances	205,046,826	(77,236,791)
(Increase)/Decrease in Current liabilities	(1,061,123)	(175,783)
(Increase)/Decrease in Other Assets	(109,447)	(49,973)
Cash generated form Operations	203,336,256	(77,462,547)
Net Cash generated from Operating Activities	202,305,483	(78,610,435)
Provision for Taxation	45,000	93,097
Net Cash(used)/from Operating Activities	202,260,483	(78,703,532)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale (Purchase) of Fixed Assets	Nil	Nil
Sale (Purchase) of Investment	2,211,000	Nil
Interest & Other Income	8,870,686	12,351,699
Net Cash (used in) Financing	11,081,686	12,351,699
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	(195,846,443)	299,797,527
Short Term Loans	(7,213,276)	(221,201,744)
Interest Paid	(7,699,394)	(10,964,685)
Net Cash (used in) from Financing Activities	(210,759,113)	67,631,098
Net Changes in Cash & Cash Equivalent (A+B+C)	2,583,056	1,279,265
Cash & Cash Equivalent - Opening Balance	1,534,344	255,078
Cash & Cash Equivalent - Closing Balance	4,117,400	1,534,344

We have examined the attached Cash Flow Statement of Rose Merc. Ltd. for the year ended on 31.03.2014. The statement has been prepared by the Company in accordance with the requirement of Listing Agreement Clause 32 with Stock Exchange and is based on and in agreement with the corresponding Profit & Loss A/c and Balance Sheet of the Company covered by pur report of even date to the Members of the Company.

FOR J.K. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
s/d
J. K. SHAH
PROPRIETOR

PLACE : MUMBAI
DATED : 14th August, 2014.

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

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of **Rose Merc. Limited** for the year ended 31st March, 2014. The Statement has been prepared by the Company in accordance with the requirements of listing agreement Clause 32 with Mumbai Stock Exchange and in based on and in agreement with the corresponding Profit & Loss account and Balance Sheet of the Company covered by our report to the members of the Company.

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

Place : MUMBAI

Dated : 14th August, 2014.

J.K. SHAH
PROPRIETOR

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

(Amount in Thousand)

I.	Registration Details	
	Registration No.	L24110MH1985PLC035078
	State Code	11
	Balance Sheet Date	31.03.2014
II.	Capital Raised during the year	
	Public Issue	NIL
	Right Issue	NIL
	Bonus Issue	NIL
	Private Placement	NIL
III.	Position of Mobilisation and Deployment of Funds	
	Total Liabilities	128,059
	Total Assets	128,059
	Source of Funds	
	Paid-up Capital	9,960
	Reserves & Surplus	14,004
	Secured Loans	Nil
	Unsecured Loans	103,952
	Application of Funds	
	Net Fixed Assets	6
	Investments	502
	Net Current Assets	127,408
IV.	Performance of the Company	
	Total Income	8,871
	Total Expenditure	8,731
	Profit before tax	140
	Profit after tax	94
	Earnings Per share (Rs.)	0.09
	Dividend rate (%)	Nil
V.	Generic names of three principal products of the Company (as per monetary terms)	
	Product Description	Iron & Steel
	Product Description	Brokerage & Finance
	Product Description	Export of Computer Software

AS PER OUR REPORT OF EVEN DATE

FOR J.K. SHAH & ASSOCIATES

CHARTERED ACCOUNTANT

PLACE : MUMBAI

DATED : 14th August, 2014

FOR ROSE MERC. LIMITED

s/d s/d

VIREN VORA KIRTI SAVLA

DIRECTOR DIRECTOR

● **ROSE MERC. LIMITED** ●

ROSE MERC. LIMITED

Regd. Office : Office No. 5, Mangaldeep CHS, Sector-4,
Kalamboli, Navi Mumbai - 410 218.

FORM OF PROXY

I/We. _____ of _____
_____ being a Member(s) of Rose Merc. Limited
_____ of _____ or
failing him/her _____ as my/our proxy to attend and
vote for me/us & on my/our behalf at the 30th Annual General Meeting of the Company to be held on
Saturday, 27th September, 2014 at 11.00 a.m. at Registered Office of the Company, and at any
adjournment meeting thereof.

Signed this _____ day of _____ 2014

Folio No./Client ID _____

No. of shares : _____

Revenue
Stamp
1.00 Re.

Signature of the Member

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

ROSE MERC. LIMITED

Regd. Off. : Office No. 5, Mangaldeep CHS, Sector-4,
Kalamboli, Navi Mumbai - 410 218

ATTENDANCE SLIP

I/We hereby record my/our presence at the 30th Annual General Meeting of the Company to be held on
Saturday, 27th September, 2014 at 11.00 a.m. at Regd. Office of the Company.

Full Name of the Shareholder _____
(In Block Letters)

Signature :

Folio No. / Client ID _____

Full Name of the Proxy _____
(In Block Letters)

Signature :

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

BOOK - POST

If undelivered, please return to,

Rose Merc. Limited

Regd. Office : Office No. 5, Mangaldeep CHS, Sector-4,
Kalamboli, Navi Mumbai - 410 218.