

19th Annual Report

2011-2012

Board of Directors

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

Auditors

Vimal Agrawal & Associates
Opp. Rambhawan Dharmshala,
Moti Doongri Road,
Jaipur-302004

Registered Office

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

Registrar of Share Transfers

Alankit Assignments Ltd.
Alankit House, 2E/21, Jhandewalan Extn.,
New Delhi -- 110 055
Tel : (011) 4254 1234/2354 1234
Fax : (011) 2355 2001
Email: info@alankit.com
Website: www.alankit.com

RSC INTERNATIONAL LTD.
Regd. Office: 66, Gangwal Park,
M. D. Road, Jaipur

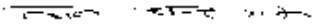
NOTICE

NOTICE is hereby given that Nineteenth Annual General Meeting of members of RSC International Ltd. will be held on Saturday the 29th day of September, 2012 at 11.00 A.M. at the Registered office of the Company at 66, Gangwal Park, M. D. Road, Jaipur to transact the following Business:

Ordinary Business

1. To receive and consider the Audited statements of Accounts for the year ended on 31st March, 2012 together with the Directors Report and Auditors Report thereon.
2. To appoint Auditors for the current year and fix their remuneration.
3. To appoint directors in place of Sh. Gyan Chand Jain and Shri Ankur Jain who retire by rotation and being eligible, offer themselves for reappointment.

By order of the Board of Directors


(G. C. Jain)
Mg. Director

Place: Jaipur

Dated: 13th August, 2012

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy in his stead. A proxy so appointed need not be a member of the company. Proxies in order to be effective must be lodged at the company's registered office not less than 48 hours before the meeting.
2. Members attending the meeting are requested to bring their copies of Annual Report and attendance slip duly filled in at the time of attending the meeting.
3. The register of members and share transfer books of the company will remain closed from Saturday the 22nd September, 2012 to Saturday the 29th September, 2012, both days inclusive.

**ANNEXURE TO THE AGM NOTICE
ANNEXURE -A**

Details of Director seeking appointment/reappointment in Annual General Meeting pursuant to Clause 49 of Listing Agreement

| | | |
|--|---------------------------|---------------------------|
| Name of Director | Sh. Gyan Chand Jain | Shri Ankur Jain |
| Date of Birth | 10.10.1958 | 03.10.1988 |
| Date of Appointment | 06.01.1993 | 07.05.2008 |
| Designation | Director | Director |
| Expertise in specific Functional areas | Business | Business |
| Qualifications | Graduate | Post Graduate |
| Name of Companies in which Directorship held as on 31.03.2012 | Mascot Fashions Pvt. Ltd. | Mascot Fashions Pvt. Ltd. |
| Member of the Committees of the Board of other Companies as on 31.03.2012 | NIL | NIL |

By order of the Board

(G. C. Jain)
Managing Director

Place : Jaipur
Date : 13th August, 2012

RSC INTERNATIONAL LTD.
Regd. Office: 66, Gangwal Park,
M. D. Road, Jaipur

DIRECTORS' REPORT

Dear Members,

Your directors have pleasure in presenting the Nineteenth Annual Report of the Company together with the Audited Statements of Accounts for the year ended on 31st March, 2012

| <u>Financial Results:</u> | 31.03.2012 | 31.03.2011 |
|---------------------------------------|----------------------|----------------------|
| | (Rs. In lacs) | (Rs. In lacs) |
| Sales & other Income | 8.86 | 9.02 |
| Profit before interest & depreciation | 2.37 | 1.90 |
| Less: Interest | - | - |
| Profit before depreciation | 2.37 | 1.90 |
| Less: Depreciation | 0.06 | 0.08 |
| Profit after depreciation | 2.31 | 1.82 |
| Provision for Income tax | 0.72 | 0.57 |
| Profit after tax | 1.59 | 1.25 |

Acceptance of Deposits:

The company has not accepted any deposits from public during the year under review.

Disclosure of Particulars with respect to Conservation of Energy etc.:

Necessary information required by the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 for conservation of energy, technology absorption and Foreign Exchange earnings and outgo are Nil.

Directors' Responsibility Statement

The Board of Directors of your Company state:

- I. that in the preparation of annual accounts, the applicable accounting standards had been followed;
- II. that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- III. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. that the directors had prepared the annual accounts on a going concern basis.

Auditors

M/s Vimal Agrawal & Associates, Chartered Accountants, Jaipur, retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

Personnel:

The company has not employed any person who was in receipt of remuneration of more than Rs.60,00,000/- for the whole year or Rs.5,00,000/- per month in the case of employment for part of the year.

Directors:

Sh. Gyan Chand Jain and Shri Ankur Jain directors of the company retire at the ensuing annual general meeting and being eligible, offer themselves for reappointment.

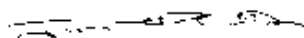
Report on Corporate Governance:

The report on corporate governance in accordance with clause 49 of the listing agreement with stock exchanges is attached to this report in Annexure.

Place: Jaipur

Dated: 13th Aug., 2012

For and on behalf of the Board of Directors



(G. C. Jain)
Mg. Director



(Ankur Jain)
Director

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OUTLOOK

The company had a weaving plant at Bhilwara but due to adverse market conditions and stiff competition, the manufacturing unit of the company had to be closed down. The company has taken up agency business of synthetic fabrics. Company hopes to achieve good results in this line looking to the acceptance of Indian products in the global market.

OPPORTUNITIES AND THREATS

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

INTERNAL CONTROL SYSTEM

The Company is in the process of strengthening the internal audit and control system to ensure that all transactions are authorized, recorded and reported correctly. The internal control system consists of comprehensive internal and external audits. The Company has an Audit Committee of three directors of the Company. The Audit Committee reviews the adequacy of internal control systems and findings of internal audit. Moreover, the annual financial results of the Company were reviewed and recommended by the Audit Committee for consideration and approval of the Board of Directors. The Audit Committee met 4 times during the year ended on 31st March 2012.

FINANCIAL REVIEW AND ANALYSIS

(a) Share Capital

The Authorised Share Capital of the Company is 7,00,00,000/- comprising of 70,00,000 equity shares of Rs. 10/- each. The paid-up capital of the Company is Rs. 5,27,29,000/. There was no change in paid-up share capital and authorized Share Capital.

(b) Loan funds

No Secured Loan is outstanding at the year end.

(c) Net Current Assets

At the end of the current period, Current Assets of the Company as on 31.3.2012 were Rs. 8,13,698/ as compared to Rs. 9,56,436/ as on 31.3.2011.

(d) Sales

During the year the Company has received income of Rs. 8.87 lacs as compared to Rs. 9.02 lacs income during the preceding year.

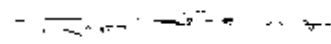
HUMAN RESOURCE MANAGEMENT

Human Resources are a valuable asset for any organization. The Company is giving emphasis to upgrade the skills of its human resources. This is in keeping with its policy of enhancing the individual's growth potential within the framework of corporate goals.

CAUTIONARY STATEMENT

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

By order of the Board


(G. C. Jain)

Managing Director

Place: Jaipur

Date: 13th August, 2012

Auditors' Certificate

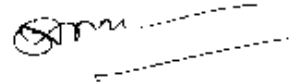
To
The Members of RSC International Ltd.

We have examined the compliance of conditions of Corporate Governance by R S C International Ltd. for the year ended on 31st March, 2012, as stipulated in clause 49 of the Listing Agreement of the company with stock exchanges. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company. In our opinion and to the best of our information and according to explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. We state that generally no investor grievances are pending for a period exceeding one month against the company as per records maintained by the company. We further state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of company.

Place: Jaipur
Dated: 11th Aug, 2012

For Vimal Agrawal & Associates
Chartered Accountants




(V.K. Agrawal)
Partner