RAHUL MERCHANDISING LIMITED

CIN: L74899DL1993PLC052461



31st ANNUAL REPORT
2023-24

TABLE OF CONTENTS

Sl. No.	Content	Page No.
1.	Notice	01
2.	Board's Report	02
3.	Corporate Governance Report	03
4.	Management Discussion & Analysis Report	04
5.	Compliance Certificate on Corporate Governance	05
6.	CEO/CFO Certification	06
7.	Compliance with code of conduct	07
8.	**Standalone:**	
	Auditor's Report	08
	Balance Sheet	09
	Profit and Loss Account	10
	Cash Flow Statement	11
	Notes	12

REFERENCE INFORMATION

BOARD OF DIRECTORS

Mr. Vaibhav Goel	Whole-Time Director
Ms. Somali Trivedi	Chairperson & Additional Director (Category: Non-Executive Independent) (*Appointed w.e.f. 30.08.2024)*
Ms. Snehlata Kaim	Independent Director (Category: Non-Executive)
Mr. Ankush Aggarwal	Independent Director (Category: Non-Executive)*(resigned on 13.04.2024)*
Mr. Ankit Tayal	Additional Director (Category: Executive)*(Appointed w.e.f 19.01.2024)*
Mr. Mohit Sharma	Additional Director (Category: Non-Executive)*(Appointed w.e.f 19.01.2024 as an Executive Director & Change in designation as a Non-Executive Director) w.e.f. 30th August,2024)*
Ms. Priyanka Sisodia	Additional Director *(*Category: Non-Executive Independent) (*Appointed w.e.f. 13.04.2024 and resigned on 10.06.2024)*
Ms. Parul Singh	Additional Director *(*Category: Non-Executive Independent) (*Appointed w.e.f. 30.07.2024 and resigned on 30.08.2024)*
Ms. Jagriti Ojha	Additional Director *(* Category: Non-Executive Independent) (*Appointed w.e.f. 30.08.2024)*

KEY MANAGERIAL PERSONNEL

Mr. Vaibhav Goel	Whole Time Director & Chief Financial Officer
Ms. Ruchi Chordia	Company Secretary & Compliance Officer*(Appointed w.e.f 19.07.2022 and resigned on 04.01.2024)*
Ms. Sunayana Anand	Company Secretary & Compliance Officer*(Appointed w.e.f. 02.04.2024)*

AUDIT COMMITTEE

Ms. Jagriti Ojha	Chairperson*(Appointed w.e.f 30.08.2024)*
Ms. Somali Trivedi	Member*(Appointed w.e.f 30.08.2024)*
Mr. Mohit Sharma	Member*(Appointed w.e.f 30.08.2024)*
Ms. Snehlata Kaim	Chairperson *(Resigned on 30.08.2024)*
Mr. Vaibhav Goel	Member (*Resigned on 30.08.2024)*
Mr. Ankush Aggarwal	Member (*Resigned on 13.04.2024)*
Ms. Priyanka Sisodia	Member *(Appointed w.e.f. 13.04.2024 and resigned on 10.06.2024)*
Ms. Parul Singh	Member *(Appointed w.e.f. 30.07.2024 and resigned on 30.08.2024)*

NOMINATION & REMUNERATION COMMITTEE

Ms. Jagriti Ojha	Chairperson*(Appointed w.e.f 30.08.2024)*
Ms. Somali Trivedi	Member *(Appointed w.e.f 30.08.2024)*
Mr. Mohit Sharma	Member *(Appointed w.e.f 30.08.2024)*
Ms. Snehlata Kaim	Chairperson *(Resigned on 30.08.2024)*
Mr. Vaibhav Goel	Member (*Resigned on 30.08.2024)*
Mr. Ankush Aggarwal	Member (*Resigned on 13.04.2024)*
Ms. Priyanka Sisodia	Member *(Appointed w.e.f. 13.04.2024 and resigned on 10.06.2024)*
Ms. Parul Singh	Member *(Appointed w.e.f. 30.07.2024 and resigned on 30.08.2024)*

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Ms. Somali Trivedi	Chairperson*(Appointed w.e.f 30.08.2024)*
Ms. Jagriti Ojha	Member *(Appointed w.e.f 30.08.2024)*
Mr. Mohit Sharma	Member *(Appointed w.e.f 30.08.2024)*
Ms. Snehlata Kaim	Chairperson *(Resigned on 30.08.2024)*
Mr. Vaibhav Goel	Member (*Resigned on 30.08.2024)*
Mr. Ankush Aggarwal	Member (*Resigned on 13.04.2024)*
Ms. Priyanka Sisodia	Member *(Appointed w.e.f. 13.04.2024 and resigned on 10.06.2024)*
Ms. Parul Singh	Member *(Appointed w.e.f. 30.07.2024 and resigned on 30.08.2024)*

SECRETARIAL AUDITOR

M/s. Jain P & Associates — Practicing Company Secretary (PCS)
B-40, Phase-2, Vivek Vihar, Delhi-110095
E-mail: jainpandassociates@gmail.com

STATUTORY AUDITOR

M/s. VSSA & Associates — Chartered Accountants
A-1/255, Safdarjung Enclave, New Delhi-110 029
E-mail: vssaassociates@gmail.com

INTERNAL AUDITOR — Mr. Jugal Kishore Sharma

REGISTRAR & SHARE TRANSFER AGENT
Skyline Financial Services Private Limited
D-153A, First Floor, Okhla Industrial Area,
Phase-1, New Delhi- 110020
E-mail: info@skylinerta.com

CIN	L74899DL1993PLC052461
REGISTERED OFFICE	H No. 1/61-B, Vishwas Nagar, Shahdara, East Delhi - 110032
BANKERS	Axis Bank Limited Address: Chitranjan Park, New Delhi
SHARES LISTED AT	BSE Limited
E-MAIL	rahulmerchandising@gmail.com
WEBSITE	www.rahulmerchandising.in

NOTICE OF 31ST ANNUAL GENERAL MEETING

NOTICE is hereby given that the 31st Annual General Meeting (AGM) of the members of the Company will be held on **Monday, 30th Day of September, 2024 at 01:00 P.M.** through **video conferencing (VC)** to transact the following business (es):-

ORDINARY BUSINESS:

1. Adoption of Audited Standalone Financial Statements for the Financial Year ended on 31st March, 2024

To receive, consider and adopt the standalone audited financial statements of the Company for the financial year ended on 31st March, 2024 including the audited Balance Sheet as at 31st March, 2024, Profit & Loss Statement for the financial year ended on that date together with the Reports of Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolution**:

"RESOLVED THAT the standalone audited financial statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted**."**

2. Re-Appointment of Mr. Vaibhav Goel (DIN: 07899594) Whole Time Director, liable to retire by rotation

To re-appoint **Mr. Vaibhav Goel(DIN: 07899594)** who retires by rotation as Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, **Mr. Vaibhav Goel (DIN: 07899594),** who retires by rotation at this meeting and being eligible, offers himself for re-appointment, be and is hereby appointed as a Whole Time Director of the Company**."**

3. Re-appointment of M/s VSSA & Associates, Chartered Accountants (Firm Registration No. 012421N) as the Statutory Auditors of the Company

To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution:-**

"RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof,and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, **M/s. VSSA & Associates, Chartered Accountants**, **(Firm Registration No. 012421N)** be and are hereby re-appointed as the Statutory Auditors of the Company for a term of five consecutive years to hold the office from the conclusion of 31stAnnual General Meeting till the conclusion of 36th Annual General Meeting of the Company to be held in the financial year 2029, to examine and audit the books of accounts of the Company, at a remuneration to be decided by the Board of Directors in consultation with the Auditors along with their reimbursement of out of pocket expenses incurred by them for the purpose of audit**."**

"RESOLVED FURTHER THAT any Director of the Company, be and is hereby severally authorised to sign and file all the necessary e-forms, applications, documents, inter alia, with the Registrar of Companies and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient for the purpose of giving effect to the above resolution and for matters connected herewith or incidental hereto**."**

SPECIAL BUSINESS:

4. Regularization of Mr. Ankit Tayal (DIN: 03055997) as a Director (Category: Executive) of the Company

To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time**, Mr. Ankit Tayal (DIN: 03055997)** who was appointed as an Additional Director (Category: Executive) of the Company by the Board of Directors in their board meeting held on 19.01.2024 to hold the office up to the date of this Annual General Meeting, be and is hereby regularized as a Director (Category: Executive) of the Company, who is eligible to be so appointed and in respect of whom the Company has received his candidature in writing under Section 160 of the Companies Act, 2013**."**

"RESOLVED FURTHER THAT any Director of the Company, be and is hereby severally authorised to sign and file all the necessary e-forms, applications, documents, inter alia, with the Registrar of Companies and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient for the purpose of giving effect to the above resolution and for matters connected herewith or incidental hereto**."**

5. Regularization of Mr. Mohit Sharma (DIN: 07717249) as a Director (Category: Non-Executive) of the Company

To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time**, Mr. Mohit Sharma (DIN: 07717249)** who was appointed as an Additional Director (Category: Executive) of the Company by the Board of Directors in their board meeting held on 19.01.2024 to hold the office up to the date of this Annual General Meeting and further his designation was changed from Executive Director to Non- Executive Director of the Company by the Board of Directors in the board meeting held on 30.08.2024 to hold the office up to the date of this Annual General Meeting, be and is hereby regularized as a Director (Category: Non-Executive) of the Company, who is eligible to be so appointed and in respect of whom the Company has received his candidature in writing under Section 160 of the Companies Act, 2013**."**

"RESOLVED FURTHER THAT any Director of the Company, be and is hereby severally authorised to sign and file all the necessary e-forms, applications, documents, inter alia, with the Registrar of Companies and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient for the purpose of giving effect to the above resolution and for matters connected herewith or incidental hereto**."**

6. Regularization of Ms. Jagriti Ojha (DIN:10762066) as an Independent Director of the Company

To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT subject to the approval of shareholders at the ensuing Annual General Meeting and pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, **Ms. Jagriti Ojha (DIN:10762066)** who was appointed as an Additional Director (Category: Non-Executive Independent) of the Company by the Board of Directors at their Meeting held on August 30, 2024, in terms of Section 149 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a term of ***five consecutive*** years commencing from **August 30, 2024 up to August 29, 2029**, not liable to retire by rotation**."**

"RESOLVED FURTHER THAT any Director of the Company, be and is hereby severally authorised to sign and file all the necessary e-forms, applications, documents, inter alia, with the Registrar of Companies and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient for the purpose of giving effect to the above resolution and for matters connected herewith or incidental hereto**."**

7. Regularization of Ms. Somali Trivedi (DIN:10761851) as an Independent Director of the Company

To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT subject to the approval of shareholders at the ensuing Annual General Meeting and pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, **Ms. Somali Trivedi (DIN:10761851)** who was appointed as an Additional Director (Category: Non-Executive Independent) of the Company by the Board of Directors at their Meeting held on August 30, 2024, in terms of Section 149 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a term of ***five consecutive*** years commencing from **August 30, 2024 up to August 29, 2029**, not liable to retire by rotation."

"RESOLVED FURTHER THAT any Director of the Company, be and is hereby severally authorised to sign and file all the necessary e-forms, applications, documents, inter alia, with the Registrar of Companies and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient for the purpose of giving effect to the above resolution and for matters connected herewith or incidental hereto**."**

8. Approval for Related Party Transaction as per Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and provisions of Section 188 of the Companies Act, 2013 and other applicable provisions, if any, of Listing Regulations and Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force)**,** the Company's Policy on Materiality of and Dealing with Related Party Transactions and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and based on the approval/ recommendation of the Audit Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded to the Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) falling within the definition of 'Related Party Transaction' under Regulation 2(1)(zc) of the Listing Regulations read with provisions of Section 188 of the Companies Act, 2013 and the rules made thereunder to be entered into between the Company and Related party falling within the definition of 'Related Party' under Regulation 2(1)(zb) of the Listing Regulations read and Section 2(76) of the Companies Act, 2013,on such material terms and conditions as may be mutually agreed between the parties, for a period commencing from the 31st Annual General Meeting upto 34th Annual General Meeting of the Company to be held in the year 2027 provided that the said contract(s)/ arrangement(s)/ agreement(s)/ transaction(s) shall be carried out in the ordinary course of business and at an arm's length basis**."**

FURTHER RESOLVED that Audit Committee and Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalising and executing necessary contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this Resolution, for and on behalf of the Company, without being required to seek further consent or approval of the Members or otherwise and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution**.**

FURTHER RESOLVED that all actions taken by the Audit Committee and Board of Directors of the Company in connection with any matter referred to or contemplated in this Resolution, be approved, ratified and confirmed in all respects**.**

RESOLVED FURTHER THAT any of the Director of the Company be is hereby authorised to sign and file all the necessary e-forms, applications, documents, inter alia, with the Registrar of Companies and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient for the purpose of giving effect to the above resolution and for matters connected herewith or incidental hereto."

9. Alteration of Articles of Association of the Company

To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

"**RESOLVED FURTHER THAT** pursuant to Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company be and is hereby accorded for inserting following new Article No. 66A in the existing Articles of Association of the Company :-

66A. BORROWING POWERS OF THE BOARD

i. The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers and to do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statue or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

ii. Subject to the provisions of these Articles and Section 179 & 180 of the Companies Act, 2013 and rules made therunder or any statutory modifications thereof for the time being in force, the Board of Directors may from time to time at its discretion, by a resolution passed at a Meeting of the Board raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company; provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the company and its free reserves (not being reserves set apart for any specific purpose), the Board of Directors shall not borrow such moneys without the consent of the Company by a special resolution in General Meeting.

iii. The Board of Directors shall have necessary authority and power to borrow money from any banks, institutions, or other body corporate or from individuals for the businesses of the company and to meet capital expenditure and shall have necessary authority to create securities in favour of the lenders, including but not limited to creation of mortgage on the immovable properties of the company either by deposit of title deeds or by any other means, as may be prescribed by such institution(s)/ bank(s) from time to time.

iv. The Board of Directors are also authorized to offer as securities any movable or immovable properties owned or possessed by the company including creation of equitable or other types of mortgages on the immovable properties owned or possessed by the company or on any lease hold rights for any loan or other facility that may availed by any other body corporate, association or individuals on such terms and conditions as may be decided by the Board from time to time.

v. The Board shall maintain a register in accordance with the provisions of Companies Act of all Mortgagers and charges specifically affecting the property of the Company.

vi. If the Directors or any other person shall become personally liable for the payment of the sum primarily due from the Company, the Directors may subject to the Provisions of the Act, execute

or cause to be executed by mortgage charges or security over or effecting whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

10. Approval for borrowing limits of the company as provided under section 180 (1)(c) of the Companies Act, 2013

To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company and in suppression of all earlier resolutions passed (if any) in this regard under the Companies Act, 1956 (earlier in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company and / or any Committee thereof to borrow at its discretion, either from the Company's Bank(s) or any other Indian or Foreign Bank(s), Financial Institution(s) and / or any other Lending Institutions or Persons from time to time such sum(s) of money(s) and the sum(s) to be borrowed together with the money(s) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers / FIs in the ordinary course of business) with or without security on such terms and conditions as they may think fit shall exceed the aggregate of the paid-up capital and free reserves and securities premium of the Company that is to say, reserves not set apart for any specific purpose provided that the total amount together with the money(s) already borrowed by the Board of Directors shall not exceed the sum of Rs. 50 Crores (Rupees Fifty Crores only) at any one time."

RESOLVED FURTHER THAT any of the Director of the Company be and is hereby authorised to sign and file all the necessary e-forms, applications, documents, inter alia, with the Registrar of Companies and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient for the purpose of giving effect to the above resolution and for matters connected herewith or incidental hereto."

11. Approval under Section 180 (1)(a) of the Companies Act, 2013

To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and subject to other approvals, if applicable or required under any statute(s) / rule(s)/ regulation(s) or any law for the time being in force or required from any other concerned authorities and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force) and in supersession of all earlier resolutions passed in this regard under the Companies Act, 1956 (earlier in force), the Board of Directors of the Company and / or Committee thereof be and are hereby authorised and shall be deemed to have always been so authorised to create such mortgages/ charges/ hypothecation and / or other encumbrances, in addition to the existing mortgages, charges, hypothecation and other encumbrances, if any created by the Company on all or any part of the immovable and /or movable properties, current and / or fixed assets, tangible or intangible assets, book debts and / or claims of the Company whosesoever situate, present and future such charge to rank either pari-passu with or second, subsequent, subservient and subordinate to all mortgages, charges, hypothecation and other encumbrances created / to be created by the Company in favour of Indian or Foreign Bank(s), Financial Institution(s), Foreign Financial Institution(s), and other Lending Institution, and / or to such other Persons, if any, from whom the Company has / or proposed / proposes to borrow money/ sums of moneys by way of Term Loans, Cash Credits, Overdrafts, discounting of bills, inter corporate deposits, commercial papers or such other financial instruments permitted to be used by the appropriate authorities from time to time together with interest, cost, charges and other incidental expenses in terms of agreement(s) entered / to be entered into by the Board of Directors / Committee(s) thereof of the Company within the overall borrowing limits fixed pursuant to Section 180(1)(c) of the Companies Act, 2013 i.e. Rs. 50 Crores (Rupees Fifty Crores only) at any one time.

RESOLVED FURTHER THATany of the Director of the Company be and is hereby authorised to sign and file all the necessary e-forms, applications, documents, inter alia, with the Registrar of Companies and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient for the purpose of giving effect to the above resolution and for matters connected herewith or incidental hereto."

12. Approval of limits for the Loans, Guarantees and Investment by the Company as per Section 186 of the Companies act, 2013

To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as **a Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 and subject to other approvals, if applicable or required under any statute(s) / rule(s)/ regulation(s) or any law for the time being in force or required from any other concerned authorities and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force) and in supersession of all earlier resolutions passed in this regard under the Companies Act, 1956 (earlier in force), the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 50 Crore (Rupees Fifty Crore only) over & above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013."

"RESOLVED FURTHER THAT any of the Director of the Company be and is hereby authorized to sign and file all the necessary e-forms, applications, documents, inter alia, with the Registrar of Companies and to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient for the purpose of giving effect to the above resolution and for matters connected herewith or incidental hereto."

For and on Behalf of the Board of Directors

Rahul Merchandising Limited
Sunayana Anand
Company Secretary & Compliance officer

Date: 30.08.2024
Place: Delhi

NOTES:

1. An Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business (es) specified under Item No. 3, 4, 5, 6, 7, 8, 9, 10, 11&12 to be transacted at the Annual General Meeting (AGM) are annexed hereto.

2. The Ministry of Corporate Affairs ("MCA") has, vide its Circular no. 09/2023, dated September 25, 2023 and Circular no. 20/2022, dated May 05, 2022, Circular no. 02/2022, dated May 05, 2022 and Circular no. 21/2021, dated December 14, 2021 read together with circular dated December 8, 2021, January 13, 2021, April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In accordance with the MCA circulars, provisions of the Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through Video Conferencing (VC).

3. The deemed venue for 31st Annual General Meeting (AGM) shall be the Registered Office of the Company situated at **H No. 1/61-B, Vishwas Nagar, Shahdara, East Delhi- 110032.**

4. The Company has appointed **Beetal Financial & Computer Services Limited** as **"Facilitator of VC/OAVM"** to facilitate the conduct of 31st AGM through VC/OAVM.

5. Members attending the 31st AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. The facility of joining the e-AGM through VC/OAVM will be opened 15 minutes before and will be open upto 15 minutes after the scheduled start time of the e-AGM, i.e., from 12:45 P.M. to 01:15 P.M and will be available for 1,000 members on a first come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the e-AGM without restriction on account of first come first served basis.

7. Pursuant to the provisions of the Companies Act 2013, a member entitled to attend and vote at the e-AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the meeting held through VC or OAVM.

8. Institutional/Corporate shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (pdf/jpg format) of its board or governing body's resolution/authorization, etc., authorizing their representative to attend the Annual General Meeting(AGM) on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the scrutinizer by email through its registered email address to **jainpandassociates@gmail.com** with a copy marked to Company **rahulmerchandising@gmail.com** & **helpdesk.evoting@nsdlindia.com** and the same should reach at least 48 hours before the commencement of the meeting.

9. Brief details of the Director(s), seeking for re-appointment at the 31st Annual General Meeting (AGM) are annexed hereto pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standard-2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) and as per the provisions of Companies Act, 2013 forms part of this Notice.

10. Institutional investors, who are members of the Company are encouraged to attend and vote at the 31st Annual General Meeting (AGM) of the Company.

11. The Register of Members and Share Transfer Books will remain closed from **(Wednesday, September 25, 2024) to (Monday, September 30, 2024)** (both days inclusive).

12. The shares of the Company are at presently listed on **BSE Limited.**

13. Pursuant to the provisions under Section 108 of Companies Act, 2013 to be read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended from time to time along with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members, the facility to exercise their right to vote at the ensuing Annual General Meeting (AGM) by Electronic Means. The business(s) proposed to be transacted as mentioned in the notice of Annual General Meeting (AGM) may be transacted through voting by Electronic Means i.e., Remote e-voting and e-voting during AGM as well. For this, Company is availing the services provided by National Securities Depository Limited (NSDL).The facility for e-voting will also be made available during the meeting, for the members who have not casted their votes by remote e-voting. They shall be able to exercise their voting rights during the AGM by e-voting. Members who have already casted their vote by remote e-voting process prior to the date of meeting shall be eligible to attend the Annual General Meeting (AGM) but shall not be entitled to cast their votes again through e-voting process.

14. The Scrutinizer, after scrutinizing the votes cast at the meeting through remote e-voting and e-voting during AGM, shall, not later than two working days of conclusion of the Meeting, make a **"Consolidated Scrutinizer's Report"** and submit the same to the Chairperson. The results declared along with the consolidated scrutinizer's report shall be placed on website of the Company **https://www.rahulmerchandising.in/** and on the website of Stock Exchange at **www.bseindia.com**. The Report shall simultaneously be placed on Notice Board of the Company at premises of the Registered Office.

15. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Annual General Meeting (AGM).

16. Voting rights shall be reckoned on the Paid-up value of shares registered in the name of Member / Beneficial Owner (in case of shares in Dematerialized form) as on the cut-off date i.e. **Tuesday, September 24, 2024**.

17. 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, shall only be entitled to avail the facility of e-voting.

Note: A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

18. SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing 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 the Company or its RTA.

19. In terms of sections 101 and 136 of the Act, read with the rules made thereunder, the listed companies may send the notice of Annual General Meeting(AGM) and the annual report, including financial statements, boards' report, etc. by electronic mode. Pursuant to the said provisions of the Act read MCA General Circular No.14/2020 dated 08.04.2020,General Circular 03/2022 dated 05.05.2022, General Circular No.11/2022 dated 28.12.2022 and General Circular No.09/2023 dated 25.09.2023 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023; Notice of 31st AGM along with the Annual Report for the Financial Year(FY)2023-24 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Members may note that the Notice and Annual Report for FY 2023-24 will also be available on the Company's website at **www.rahulmerchandising.in**; website of the stock exchanges i.e., BSE Limited at **www.bseindia.com** and on the website of the facilitator of VC/OAVM at **http://www.beetalfinancial.com**. The Notice shall also be available on the e-Voting website of the agency engaged for providing e-Voting facility, i.e., National Securities Depository Limited (NSDL) viz. **https://www.evoting.nsdl.com/**.

20. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their E-mail address & Mobile No. by writing to our RTA Skyline Financial Services Pvt. Ltd., Address: D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, Ph.: 011-41044923; Email Id: **info@skylinerta.com**. The Company had already sent communication of updation of relevant records by the member shareholders with the company vide its letter dated May 02, 2023 in pursuant to SEBI Circular No.SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16,2023.

21. With a view to enable the Company to serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.

22. Members who still hold share certificates in physical form are advised to dematerialize their shareholding to also avail of numerous benefits of dematerialization, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

23. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

24. The Company has been maintaining, inter alia, the following statutory registers at its registered office at **H No. 1/61-B, Vishwas Nagar, Shahdara, Delhi- 110032.**

a) Register of contracts or arrangements in which directors are interested under section 189 of the Act.

b) Register of directors and key managerial personnel and their shareholding under section 170 of the Act.

25. In accordance with the MCA Circulars, the said registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.

26. Pursuant to Section 72 of the Companies Act, 2013 members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 (a copy of which is available on the Company's website at **https://www.rahulmerchandising.in/investor-desk/other-sebi-disclosures** In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.

27. Since the Annual General Meeting will be conducted through VC facility, the route map is not annexed to this Notice.

28. For more details on shareholders' matters, please refer to the section on 'General Shareholder Information', included in the Annual Report.

29. In case a person becomes a member of the Company after dispatch of 31st Annual General Meeting (AGM) Notice, and is a member as on the cut-off date for e-voting, i.e., **Tuesday, September 24, 2024**, such person may obtain the user id and password from by email request on **evoting@nsdl.co.in**.

30. Member need to send signed copy of the request letter providing the email address, mobile number and self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via email to **info@skylinerta.com** for obtaining the physical copy of Annual Report and Notice of AGM.

31. The Instructions For Members For Remote E-Voting And Joining General Meeting Are As Under:-

The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Tuesday, 24thSeptember, 2024,** may cast their vote electronically.

The remote e-voting period commences on **Friday, 27thSeptember 2024 (9:00 A.M) and ends on Sunday, 29thSeptember 2024 (5:00 P.M.).** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on the resolution is cast by the shareholder, he/she shall not be allowed to change it subsequently. Further, the shareholders who have casted their vote electronically may participate in the AGM but shall not be allowed to vote again.

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: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode: Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at **https://eservices.nsdl.com**. Select "Register Online for IDeAS" Portal or click at **https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp**. 3. 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the meeting or joining virtual meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are h**ttps://web.cdslindia.com/myeasi/home/login** or **www.cdslindia.com** and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at **https://web.cdslindia.com/myeasi/Registration/EasiRegistration** 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

B) Login Method for evoting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to 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 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP 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. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user 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, please follow steps mentioned below in process for those shareholders whose email ids are not registered

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.

b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on 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 mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

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.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.

3. Now you are ready for e-Voting as the Voting page opens.

4. 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.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

32. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. Shareholders holding shares in physical mode are requested to register their email id by sending an email to the Company's Registrar and Share Transfer Agent (RTA) at **info@skylinerta.com** In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the

share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA or the Company Secretary. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **rahulmerchandising@gmail.com**. or **info@skylinerta.com**. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.

2. Alternatively shareholder/members may send a request to **evoting@nsdl.co.in** for procuring user id and password for e-voting by providing above mentioned documents.

3. Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

33. Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL

Login Type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000

The Instructions for members for E-Voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Instructions for Members for attending the AGM through VC/OAVM are as under:

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

- Members are encouraged to join the Meeting through Laptops for better experience.

- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at **rahulmerchandising@gmail.com**. The same will be replied by the company suitably.
- Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request to **rahulmerchandising@gmail.com** in advance at least 15 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at **rahulmerchandising@gmail.com**. These queries will be replied to by the company suitably by email.

34. To address issues/grievances of shareholders relating to the ensuing AGM, including e-voting, the following official has been designated:

Name of Official	**Ms. Sunayana Anand**
Designation	Company Secretary& Compliance Officer
Address	H NO. 1/61-B, Vishwas Nagar Shahdara East Delhi 110032
Contact	+91-97111 14429
E-mail	rahulmerchandising@gmail.com

DISCLOSURE UNDER REGULATION 36(5) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

ITEM NO.3:

Re-appointment of M/s. VSSA & Associates, Chartered Accountants (Firm Registration No. 012421N) as the Statutory Auditors of the Company

On the recommendation of the Audit Committee and pursuant to Sub Section (1) of Section 139 and Section 142 of the Companies Act, 2013 read with rule 3 of Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, the Board proposes the re-appointment of ***M/s. VSSA & Associates, Chartered Accountant, (Firm Registration No. 012421N)*** as the Statutory Auditors of the company to hold office for a term of five consecutive years till the conclusion of 36th Annual General Meeting of the Company to be held in the financial year 2029.

No other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Terms & Conditions:

The terms and conditions for the appointment of ***M/s. VSSA & Associates, Chartered Accountant, (Firm Registration No. 012421N)*** are proposed keeping in line with the objective of fair and accurate representation of financial position of the Company. The material terms of appointment and remuneration are given below:-

1. **Designation**: Statutory Auditor.
2. **Term**: They shall hold office for a term of five consecutive years (from the conclusion of this Annual General Meeting till the conclusion of 36thAnnual General Meeting of the Company).
3. **Audit Fees:** Audit fees will be paid to them as mutually agreed between the proposed Auditor and the Board from time to time.
4. **Basis of Recommendation**: The Board based on the recommendation of the Audit Committee proposes to appoint ***M/s. VSSA & Associates, Chartered Accountant, (Firm Registration No. 012421N)*** as the Statutory Auditors of the Company.

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

4. Regularization of Mr. Ankit Tayal (DIN: 03055997) as a Director (Category: Executive) of the Company

The Board on the Recommendation of Nomination and Remuneration Committee, appointed **Mr. Ankit Tayal (DIN: 03055997)** as an Additional Director (Category: Executive) of the company w.e.f. January 19, 2024.

Pursuant to the Provision of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Ankit Tayal holds his office as an Additional Director up to the date of ensuing Annual General Meeting. Now, Board proposes to appoint Mr. Ankit Tayal as a Director (Category: Executive) of the Company.

In the opinion of the Board, he fulfills the conditions as specified in the Act and Rules made thereunder and the Listing Regulations for his appointment as a Director. He is person of integrity and possesses appropriate skills, experience, knowledge and qualification in his respective field which would be beneficial to the interest of the Company. Keeping in view his experience and knowledge he possesses, the Board considers that his association would be of immense benefit to the Company and it is desirable to avail his services as an Executive Director.

Therefore, after consideration of all facts and circumstances, the Board recommends appointment of Mr. Ankit Tayal as a Director (Category: Executive) of the Company.

Except for Mr. Ankit Tayal , no other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the passing of resolution set out at Item No. 04 of the Notice except to the extent of their directorships and shareholding in the Company,(if any).

5. Regularization of Mr. Mohit Sharma (DIN: 07717249) as a Director (Category : Non-Executive) of the Company

The Board on the Recommendation of Nomination and Remuneration Committee, appointed Mr. Mohit Sharma (DIN: 07717249) as an Additional Director (Category: Executive) of the company w.e.f. January 19, 2024. Further, the Board of Directors at their meeting held on 30.08.2024, changed his designation from Additional Director (Category: Executive) to Additional Director (Category: Non-Executive) of the Company w.e.f. 30.08.2024.

Pursuant to the Provision of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Mohit Sharma holds his office as an Additional Director up to the date of ensuing Annual General Meeting. Now, Board proposes to appoint Mr. Mohit Sharma as a Director (Category: Non-Executive) of the Company.

In the opinion of the Board, he fulfills the conditions as specified in the Act and Rules made thereunder and the Listing Regulations for his appointment as a Director. He is person of integrity and possesses appropriate skills, experience, knowledge and qualification in his respective field which would be beneficial to the interest of the Company. Keeping in view his experience and knowledge he possesses, the Board considers that his association would be of immense benefit to the Company and it is desirable to avail his services as a Non-Executive Director.

Therefore, after consideration of all facts and circumstances, the Board recommends appointment of Mr. Mohit Sharma as a Director (Category: Non-Executive) of the Company.

Except for Mr. Mohit Sharma , no other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the passing of resolution set out at Item No. 05 of the Notice except to the extent of their directorships and shareholding in the Company,(if any)..

6. Regularization of Ms. Jagriti Ojha (DIN: 10762066) as an Independent Director of the Company

Ms. Jagriti Ojha (DIN: 10762066) was appointed as an Additional (Independent) Director on the Board of the Company on August 30, 2024. As per the provisions of Regulation 25 of SEBI (LODR) Regulations, 2015 an Independent Director shall be appointed on the Board of a Company on passing of a special resolution by the shareholders. The Company has received intimation in Form DIR-8 from Ms. Jagriti Ojha that she is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Act and declaration that she meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.

The resolution seeks the approval of members for the appointment of Ms. Jagriti Ojha as an Independent Director of the Company commencing from August 30, 2024 up to August 29, 2029 in terms of Section 149and other applicable provisions of the Act and Rules made there under. She shall not liable to retire by rotation.

Based on the recommendations of the Nomination & Remuneration Committee and keeping in view the expertise of Ms. Jagriti Ojha, the Board of Directors hereby proposed before the members to regularize the appointment of Ms. Jagriti Ojha as mentioned in the resolution. For your information and record, Ms. JagritiOjha has five years' experience in Corporate and Compliance Management & Corporate Social Responsibility (CSR). Board considers that her association would be of immense benefit to the Company and it is desirable to avail her services as an Independent Director.

Except for Ms. Jagriti Ojha, no other Directors, Key Managerial Personnelof the Company and their relatives are concerned or interested, financially or otherwise in the passing of resolution set out at Item No. 06 of the Notice except to the extent of their directorships and shareholding in the Company,(if any).

7. Regularization of Ms. Somali Trivedi (DIN:10761851) as an Independent Director of the Company

Ms. Somali Trivedi (DIN: 10761851) was appointed as an Additional (Independent) Director on the Board of the Company on August 30, 2024. As per the provisions of Regulation 25 of SEBI (LODR) Regulations, 2015 an Independent Director shall be appointed on the Board of a Company on passing of a special resolution by

the shareholders. The Company has received intimation in Form DIR-8 from Ms. Somali Trivedi that she is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Act and declaration that she meets with the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 & Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.

The resolution seeks the approval of members for the appointment of Ms. Somali Trivedi as an Independent Director of the Company commencing from August 30, 2024 up to August 29, 2029 in terms of Section 149and other applicable provisions of the Act and Rules made there under. She shall not liable to retire by rotation.

Based on the recommendations of the Nomination & Remuneration Committee and keeping in view the expertise of Ms. Somali Trivedi, the Board of Directors hereby proposed before the members to regularize the appointment of Ms. Somali Trivedi as mentioned in the resolution. For your information and record, Ms. Somali Trivedi has seven years' experience in Company Law, Securities Law & General management. Board considers that her association would be of immense benefit to the Company and it is desirable to avail her services as an Independent Director.

Except for Ms. Somali Trivedi, no other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the passing of resolution set out at Item No. 07 of the Notice except to the extent of their directorships and shareholding in the Company,(if any).

8. Approval for Related Party Transaction as per Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

As per the provision of Section 188 of the Companies Act, 2013 read with rules made thereunder transactions with related parties which are at arm length basis and in ordinary course of business are exempt from the obligation of obtaining prior approval of shareholders. However, prior approval of the shareholders is required for the Related Party Transactions, as defined in Section 188 of the Companies Act, 2013, where the amount of transaction with Related party (i.e., Related party falling within the definition of 'Related Party' Section 2(76) of the Companies Act, 2013) exceeds the limits as specified in Section 188 of the Companies Act, 2013 read with Rule 15(3) of Companies (Meeting of Board and its Power) Rules, 2014.

As per Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), prior approval of the shareholders is required for Related Party Transactions (as per 'Related Party Transaction' defined under Regulation 2(1)(zc) of the Listing Regulations) exceeding the threshold of lower of Rs. 1,000 crores (Rupees one thousand crores) or 10% (ten per cent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity (i.e. transaction between the Company and Related party. Related party falling within the definition of 'Related Party' under Regulation 2(1)(zb) of the Listing Regulations).

Given the nature of the Company's business, the Company works closely with its related party to achieve its business objectives and enters into various operational transactions with its related parties, from time to time, in the ordinary course of business and on an arm's length basis.

Amongst the transactions that the Company enters into with its related parties, the estimated value of the contract(s)/ arrangement(s)/ agreement(s)/ transaction(s) of the Company with the Related Party may exceed the threshold of Material Related Party Transactions within the meaning of Regulation 23(1) of the Listing Regulations i.e. 10% of the annual consolidated turnover of the Company, being the lower of Rs. 1,000 crores (Rupees one thousand crores) or 10% (ten per cent) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company or exceeds the threshold limits as specified in Section 188 of the Companies Act, 2013 read with Rule 15(3) of Companies (Meeting of Board and its Power) Rules, 2014.

None of the Director(s) and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the passing of resolution set out at Item No. 08 of the Notice except to the extent of their directorships and shareholding in the Company (if any).

Accordingly, the Board/Committee sought consent/approval of the members for passing a Special Resolution as set out in Item No.8 of Notice.

9. Alteration of Articles of Association of the Company

Pursuant to the provisions of section 14 of the Companies Act, 2013, alteration of articles requires approval of the members of the Company by way of a Special Resolution at a general meeting.

The Board of Directors' in their meeting held on August 30, 2024 has approved the amendment in the Article of Association of the Company by inserting new Article 66A in the existing Articles of Association of the Company as set out in item no. 9 of the notice, subject to the approval of members of the Company:

A copy of the proposed amended Articles of Association (AOA) is available for inspection in physical by the members at the registered office of the Company during normal business hours on all working days from the date of dispatch of the notice, up to the last date of voting i.e. August 30, 2024.

None of the Director(s) and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the passing of resolution set out at Item No. 09 of the Notice except to the extent of their directorships and shareholding in the Company (if any).

The Board recommends the Special Resolution set out at Item No 9 of the Notice for approval by the Members.

10. Approval for borrowing limits of the company as provided under section 180 (1)(c) of the Companies Act, 2013

Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time), the Board of Directors have the powers to borrow money, where the money to be borrowed, together with the money already borrowed by the company could exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the company's bankers in the ordinary course of business provided a consent by way of special Resolution by the Shareholders of the Company has been obtained.

Keeping in view the future plans of the Company and to fulfil long term strategic and business objectives and as a measure of achieving greater financial flexibility and to enable optimal financing structure, the Board of Directors in its meeting held on August 30, 2024 has, subject to the approval of shareholders of the Company, proposed and approved for seeking the shareholder's approval for giving authorization to Board of Directors under section 180(1)(c) of the Companies Act, 2013 upto an aggregate limit of Rs. 50 crores (Rupees Fifty Crores only).

None of the Director(s) and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the passing of resolution set out at Item No. 10 of the Notice except to the extent of their directorships and shareholding in the Company (if any).

Accordingly, the Board/Committee sought consent/approval of the members for passing a Special Resolution as set out in Item No. 10 of Notice.

11. Approval under Section 180 (1)(a) of the Companies Act, 2013

Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time), the Board of Directors have the powers to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings; provided a consent by way of a **Special Resolution** by the Shareholders of the Company has been obtained.

In order to secure the borrowings / financial assistance, the Company may be required to create security by way of mortgage/ charge and/or hypothecation of its assets and properties both present and future in favour of the Lender.

Keeping in view the future plans of the Company and to fulfil long term strategic and business objectives and as a measure of achieving greater financial flexibility and to enable optimal financing structure, the Board of Directors in its meeting held **on August 30, 2024** has, subject to the approval of shareholders of the Company, proposed and approved for seeking the shareholder approval for setting up limit upto an aggregate limit of **Rs.**

50 Crores(Rupees Fifty Crores only) under Section 180(1)(a) of the Companies Act, 2013 due to the sanction of limits under Section 180(1)(c) of the Companies act, 2013.

None of the Director(s) and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the passing of resolution set out at Item No. 11 of the Notice except to the extent of their directorships and shareholding in the Company (if any).

Accordingly, the Board/Committee sought consent/approval of the members for passing a Special Resolution as set out in Item No. 11 of Notice.

12. **Approval of Limits for the Loans, Guarantees and Investment by the Company as per Section 186 of the Companies Act, 2013**

Pursuant to the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the "Rules") (as amended from time to time), the Board of Directors of a Company can give loan to any person or body corporate, give guarantee or provide security in connection with a loan to any other body corporate or person(s); and acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, any sum or sum of money(ies) on such terms and conditions and with or without security as the Board of Directors may think fit from time to time which together with the loans, guarantee, security and investment given/provided/made by the Company, beyond the maximum permissible limit under Section 186 of the Companies Act, 2013 i.e. 60% of the paid-up capital of the Company and its free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, provided that if special resolution has been passed by the shareholders of the Company to that effect.

Keeping in view the future plans of the Company and to fulfil long term strategic and business objectives and as a measure of achieving greater financial flexibility and to enable optimal financing structure, the Board of Directors in its meeting held on **August 30, 2024** has, subject to the approval of shareholders of the Company, has proposed and approved for seeking the shareholder approval for setting up limit upto an amount of Rs.50 Crores (Rupees Fifty Crore only) over & above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013 and to give powers to the Board of Directors or any duly constituted committee thereof to that effect under Section 186 of the Companies Act, 2013.

The loan(s), guarantee(s), security (ies) and investment(s), as the case may be, shall be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made thereunder.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution except to the extent of their directorships and shareholding in the Company (if any).

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 12 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the shareholders of the Company as a Special Resolution.

PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE REAPPOINTED/REGULARIZED IS FURNISHED BELOW:

Name	Mr. Vaibhav Goel	Mr. Ankit Tayal	Mr. Mohit Sharma	Ms. Jagriti Ojha	Ms. Somali Trivedi
Director Identification Number (DIN)	07899594	03055997	07717249	10762066	10761851
Date of Birth	03/02/1993	10/04/1986	08/07/1977	17/09/1995	25/02/1991
Date of Appointment in the Board	31/08/2021	19/01/2024	19/01/2024	30/08/2024	30/08/2024
Qualification	Graduate	Graduate & Chartered Accountant	Graduate	Graduate & pursuing a Ph.D.	Post-Graduate & Qualified Company Secretary
Nature of Expertise in specific functional areas	He has an experience in the Finance & Management	He has 14 years of experience in the Finance, Accounts & Management	He has 22 years of experience in the Manufacturing and Trading	She has more than 5 years of experience in Corporate, Compliance Management	She has 7 years of experience in the field of Secretarial Law, SEBI Law & Corporate Governance.
Shareholding in the Company including shareholding as beneficial owner	NIL	10,71,462 Equity Shares	9,13,300 Equity Shares	NIL	NIL
List of Directorship held in other companies	NIL	1. Lark Trading And Finance Limited 2. Step Cables Private Limited 3. Tacent Electronics Private Limited 4. Step Industries Private Limited 5. Tacent Healthcare Private Limited 6. A.S.T Exim Private Limited 7. Tradecrest Connections Private Limited 8. Step Infraprojects Private Limited 9. PCI Infraprojects Private Limited 10. Venus Dev Build Private Limited	1. Tacent Industries Private Limited 2. Link Polychem Private Limited 3. Himzon Healthcare Private Limited 4. A.L.Lalpuria Construction Private Limited 5. PCI Infraprojects Private Limited 6. Venus Dev Build Private Limited	NIL	NIL
Names of Listed Entities in which the person holds membership of Committees of the Board	NIL	**Lark Trading And Finance Limited:** Member of Audit Committee	**Rahul Merchandising Limited** Member of Audit Committee, and Nomination & Remuneration Committee and Stakeholder Relationship Committee	**Rahul Merchandising Limited** Chairperson of Audit Committee, and Nomination & Remuneration Committee Member of Stakeholder Relationship Committee	**Rahul Merchandising Limited**: Chairperson of Stakeholder Relationship Committee Member of Audit Committee, and Nomination & Remuneration Committee
Name of listed entities from which the person has resigned in the past three years	None	None	None	NIL	NIL
Relationship between Directors Inter-se	None	None	None	None	None
Number of Meetings of the Board attended during the FY 2023-24	7	1	1	NA	NA
Terms and conditions of appointment/ re-appointment	Re-appointment as a Whole Time Director	Regularized as the Director (Category: Executive)	Regularized as the Director (Category: Non-Executive)	Regularized as an Independent Director (Category: Non-Executive)	Regularized as an Independent Director (Category: Non-Executive)
In case of Independent Director: The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA	NA	NA	The Nomination and Remuneration Committee of the Board has evaluated the profile of Ms. Jagriti Ojha and concluded that she possess the relevant skill and capabilities to discharge the role of Independent Director.	The Nomination and Remuneration Committee of the Board has evaluated the profile of Ms. Somali Trivedi and concluded that she possess the relevant skill and capabilities to discharge the role of Independent Director.

BOARD'S REPORT

Dear Members,

Your Board of Directors are pleased to present the Companies 31st Annual Report and the Company's Audited Financial Statements for the financial year ended **March 31, 2024.**

FINANCIAL HIGHLIGHTS- AT A GLANCE

Overall Performance of your Company:

The Financial Year 2023-24 had not been fortunate enough for the Company as your Company has shown a conventional performance during the year under review.

The Net Loss of your Company is Rs. (2,77,068.13/-) in the Financial Year 2023-24 as compared to Net Loss of Rs. (89,968/-)in the Financial Year 2022-23.

The financial summary, performance highlights operations/state of affair of your Company for the years are summarized below:

(In Lakhs)

PARTICULARS	Standalone	
	For the Financial year ended March 31, 2024	For the Financial year ended March 31, 2023
Income from Business Operations	5.00	5.78
Other Income	0.01	1.28
Total Income	**5.01**	**7.06**
Less: Expenditure except Depreciation	7.78	7.96
Profit/Loss before Depreciation and Tax	**(2.77)**	**(0.90)**
Less: Depreciation	-	-
Profit/Loss before Tax	**(2.77)**	**(0.90)**
Less: Tax Expense	-	-
Add: Deferred Tax Asset	-	-
Add: MAT Credit Entitlement	-	-
Less: Prior Period Taxes	-	-
Net Profit/Loss after tax	**(2.77)**	**(0.90)**
Add: Other Comprehensive Income	-	-
Net Profit/Loss for the period	**(2.77)**	**(0.90)**
Earnings per share:		
Basic	**(0.08)**	**(0.03)**
Diluted	**(0.08)**	**(0.03)**

1. RESULTS OF OPERATIONS & STATE OF COMPANY'S AFFAIRSUNDER SECTION 134(3)(i) OF THE COMPANIES ACT, 2013

During the year under review, the total revenue from operations was **Rs 5,00,872/-**on standalone basis as compared to **Rs. 7,06,369/-** of last financial year on standalone basis. However, due to increase in costs, Earning before Tax (EBT) for the period stood at **Rs.(2,77,068.13/-)**as compared to **Rs.(8,9,968/-)**of last fiscal. Earning after Tax (PAT) also decreased to **Rs.(2,77,068.13/-)**as compared to **Rs.(8,9,968/-)** of last

fiscal and Earning per Share (EPS) also decreased to **Rs. (0.08)** as compared to **Rs. (0.03) per share** of last financial year

2. DIVIDEND UNDER SECTION 134(3)(k) OF THE COMPANIES ACT, 2013

Your company has reported losses for the year under review; hence the Board of Directors of the Company has not recommended any Dividend on Equity Shares for the year under review.

3. INDIAN ACCOUNTING STANDARDS

As per the requirements of notification dated 16th February, 2015 issued by the Ministry of Corporate Affairs (MCA), Standalone Financial Statements of the Company for the Financial Year 2023-24 have been prepared as per Indian Accounting Standard (IND-AS) specified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015, and other relevant provisions of the Act.

4. TRANSFER TO RESERVE UNDER SECTION 134(3)(j) OF THE COMPANIES ACT, 2013

The Board proposes no amount to transfer to the reserves and no amount is proposed to be retained in surplus.

5. SHARE CAPITAL

There was no change under the Share Capital as the Company has not issued any shares including Equity Shares, Shares with Differential Voting Rights, Stock Options, Sweat Equity, etc. The Company has not bought back any equity shares during the year 2023-24.

As on 31st March, 2024, paid-up share capital of the Company stood at Rs. 35,122,500/- consisting of 3,512,250 Equity Shares of Rs. 10/- each.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend declared or paid by the Company, the provisions of Section 125 of the Companies Act, 2013 do not apply on the Company.

7. PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits in terms of Section 73 of the Companies Act, 2013. There were no unclaimed deposits at the end of the Financial Year i.e. 31stMarch 2024.

8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the financial year ended 2023-24 the Company has no Subsidiary Company's within the meaning of Section 2(87) of the Companies Act, 2013 ("Act") and there are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient feature of financial statements of the Company's subsidiary required to be mentioned in Form AOC-1 is not applicable.

9. REVISION OF FINANCIAL STATEMENT

There was no revision of the financial statements of the Company for the year under review.

10. MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section of this Annual Report.

11. CHANGE IN DIRECTOR(S) /KEY MANAGERIAL PERSONNEL(S) DURING THE YEAR

The details about the changes in Directors or Key Managerial Personnel by way of Appointment, Re-appointment, Re – designation, Resignation, Death, Dis-qualification, variation made or withdrawn etc. are as follows:

Sl No.	Name	Designation	Date of Appointment	Date of Cessation
1.	Ms. Ruchi Chordia	Company Secretary & Compliance Officer	19.07.2022	04.01.2024
2.	Mr. Ankit Tayal (DIN: 03055997)	Additional Director (Executive)	19.01.2024	-
3.	Mr. Mohit Sharma (DIN: 07717249)	Additional Director (Executive)	19.01.2024	-

Note:

1. *Ms. Sunayana Anand was appointed as Company Secretary & Compliance officer w.e.f. 02.04.2024.*
2. *Mr. Ankush Aggarwal resigned from post of Independent Director (Category: Non-Executive) on 13.04.2024.*
3. *Ms. Priyanka Sisodia was appointed as an Additional Director (Category: Non-Executive Independent) w.e.f. 13.04.2024 and resigned on 10.06.2024.*
4. *Ms. Parul Singh was appointed as an Additional Director (Category: Non-Executive Independent)w.e.f 30.07.2024 and resigned on 30.08.2024.*
5. *Ms. Jagriti Ojha (DIN: 10762066) was appointed as an Additional Director (Category: Non-Executive Independent) w.e.f. 30.08.2024.*
6. *Ms. Somali Trivedi (DIN: 10761851) was appointed as an Additional Director (Category: Non-Executive Independent) w.e.f. 30.08.2024.*
7. *Mr. Mohit Sharma (DIN: 07717249) was changed in designation from Additional Director (Category: Executive) to Additional Director (Category: Non- Executive) w.e.f 30.08.2024.*

The Board places on record its appreciation for the services rendered by Mr. Ankush Aggarwal, Ms. Priyanka Sisodia and Ms. Parul Singh during their term as Independent Director (Category: Non-Executive) respectively.

During the year under review, no other changes took place in the composition of the Board of Directors of the Company. The composition of the Board of Directors of the Company is in compliance with the applicable norms.

OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

No Independent Directors have been appointed on the Board of Directors during the financial year 2023-24

RETIREMENT BY ROTATION

Pursuant to Section 149(13) of the Companies Act, 2013, the independent directors are not liable to retire by rotation. Further Section 152(6) of the Companies Act, 2013 stipulates that 2/3rd of the total number of directors of the public company should be liable to retire by rotation and out of such directors, 1/3rd should retire by rotation at every Annual General Meeting of the company.

Mr. Vaibhav Goel (DIN: 07899594) Director will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment to the Board of Directors of the Company at the ensuing Annual General Meeting (AGM).

The details of Directors being recommended for appointment / re-appointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is contained in the accompanying Notice convening ensuing Annual General Meeting of the Company. Appropriate Resolution(s) seeking shareholders' approval are also included in the Notice.

12. SECRETARIAL STANDARDS

The Board of Directors of the company states that, during the year under review the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to Board Meetings and General Meetings respectively have been duly followed by the Company.

13. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF COMPANIES ACT, 2013

All Independent Directors have given declarations under section 149(6) that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and Rules made thereunder to be read with SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

14. ANNUAL RETURN UNDER SECTION 134(3)(a) OF THE COMPANIES ACT,2013

As required under Section 134(3)(a) of the Act, the Annual Return for the financial year ended on 31st March 2024 in **Form MGT-7** pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 is put on the Company's website and can be accessed at **https://www.rahulmerchandising.in/investor-desk/annual-return**

15. NUMBER OF MEETINGS OF THE BOARD & COMMITTEES

Meetings of Board of Directors

During the financial year ended on **March 31, 2024, 07 (Seven)** Board Meetings were duly held. The dates on which the Board meetings were held **25.04.2023, 28.07.2023, 14.08.2023, 06.11.2023, 14.12.2023, 12.01.2024 and 19.01.2024.**The maximum interval between any two meetings didn't exceed 120 days, as prescribed in the Companies Act, 2013.Further, details of the meetings of the Board and its Committees are given in the Corporate Governance Report, which forms part of the Annual Report. Further, during the year, a separate meeting of the Independent Directors of the Company was held on **March 18, 2024** to discuss and review the performance of all other non- independent Directors, Chairperson of the Company and the Board as a whole and for reviewing and assessing the matters as prescribed under Schedule IV of the Companies Act, 2013 and under Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of section 177 of the Companies Act, 2013 to be read with Regulation 18 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Audit Committee of the Company comprises of Ms. Jagriti Ojha (Chairperson), Ms. Somali Trivedi and Mr. Mohit Sharma as Members. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

The Composition of Audit Committee is given in the Corporate Governance Report which forms the integral part of this Annual Report.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Company is constituted in line with the provisions of section 178 of the Companies Act, 2013 to be read with Regulation 19 of the SEBI (Listing Obligation &Disclosure Requirement) Regulation, 2015. The Nomination and Remuneration Committee of the Company comprises of Ms. Jagriti Ojha (Chairperson), Ms. Somali Trivedi and Mr. Mohit Sharma as Members.

The Composition of the Committee is given in the Corporate Governance Report which forms the integral part of this Annual Report.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of section 178 of the Companies Act, 2013 to be read with Regulation 20 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Stakeholders' Relationship Committee of the Company comprises of Ms. Somali Trivedi (Chairperson), Ms. Jagriti Ojha and Mr. Mohit Sharma as Members.

The Composition of the Committee is given in the Corporate Governance Report which forms the integral part of this Annual Report.

VIGIL MECHANISM

The Vigil Mechanism is part of Audit Committee of the Company, which is constituted in line with the provisions of section 177 of the Companies Act, 2013 to be read with Regulation 18 & 22 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015.

16. BOARD ANNUAL EVALUATION UNDER SECTION 134(3)(p) OF THE COMPANIES ACT, 2013

The provisions of Section 134(3)(p) of the Companies Act, 2013 read with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandate that a Formal Annual Evaluation is to be made by Board of its own performance and that of its Committee and individual Directors. Schedule IV of the Companies Act, 2013 states that performance evaluation of the Independent Director shall be done by Directors excluding the Director being evaluated. The Board carried out a formal annual performance evaluation as per the criteria/ framework laid down by the Nomination & Remuneration Committee of the company and adopted by the Board. The evaluation was carried out through a structured evaluation process to judge the performance of individual Directors including the Chairperson of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement & contribution, independence of judgment, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

The performance evaluation of the Independent Directors was carried out by the entire Board except the participation of concerned Independent Director whose evaluation was to be done. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board was satisfied with the evaluation process and approved the evaluation results thereof.

17. STATUTORY AUDITOR& SECRETARIAL AUDITOR WITH THEIR QUALIFICATION, RESERVATION ORADVERSE REMARKS ALONG WITH THE EXPLANATION OR COMMENTS BY THE DIRECTORS

A. STATUTORY AUDITORS

M/s VSSA & Associates, Chartered Accountant, (Firm Registration No. 012421N) were appointed as Statutory Auditors of the company at the 27th Annual General Meeting (AGM) held on Monday, 30th September 2019, for a period of five years till the conclusion of the 31st Annual General Meeting. Consequently, M/s VSSA & Associates, Chartered Accountants completed their first term of Five consecutive years as the Statutory Auditors of the company at the conclusion of 31st AGM of the company.

Pursuant to section 139(2) of the Companies Act, the company can re-appoint auditors firm for a second term of five consecutive years. **M/s VSSA & Associates, Chartered Accountant**, have consented to the said reappointment, and confirmed that their re-appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be reappointed as Statutory Auditors in terms of the provisions of the Act, and the provisions of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time.

The Board of Directors on recommendation of Audit Committee proposes to the members for the reappointment of **M/s VSSA & Associates, Chartered Accountant (Firm Registration No. 012421N)** as Statutory Auditors of the Company for a second term of Five years to hold office from the conclusion of 31st Annual General Meeting (AGM) till the conclusion of 36th Annual General Meeting (AGM) of the Company, subject to the approval of shareholders.

Qualification(s) and Directors' comments on the report of Statutory Auditor:

The Notes on Accounts and observations of the Auditors in their Report on the Accounts of the Company are self-explanatory and in the opinion of the Directors, do not call for any further clarification(s). Also, the report submitted by the Auditor is unqualified.

B. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 179 and 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed **Ms.Preeti Mittal (Membership No. FCS – 12900 & CP No. – 17079) Proprietor of M/s Jain P & Associates, Practicing Company Secretaries** as Secretarial Auditor of the Company to conduct the secretarial audit of the Company for the Financial Year 2023-24.

Secretarial Audit Report

The Secretarial Audit Report for the FY 2023-24 as submitted by Secretarial Auditor in **Form MR-3** is annexed as ***"Annexure – I" and forms part of this Report***".

Directors' comments on the report of Secretarial Auditor under section 134(3)(f)(ii) of the Companies Act, 2013

The secretarial audit report does not contain any qualification, reservation, adverse remark or disclaimer and is self-explanatory in its content.

ANNUAL SECRETARIAL COMPLIANCE REPORT

During the Provisions of Section 24A of the SEBI (Listing Obligations and Disclosure) Regulations, 2015 are not applicable on the Company.

C. INTERNAL AUDITOR

The Board of Directors at their meeting held on 31.07.2024 had appointed **Mr. Jugal Kishore Sharma** as Internal Auditor of the Company to carry out the Internal Audit function.

The Company has well established internal control system and procedures and the same has been working effectively throughout the year.

D. COST AUDITOR

Your directors hereby inform you that the Company does not fall under the criteria as specified under Section 148 (1) of Companies Act, 2013 read with Companies (Cost Record and Audit) Rules, 2018 for maintenance of cost accounts. Therefore, the Company is not required to maintain the cost records in respect of its products/service. Therefore, no requirement of Appointment of Cost Auditor arises.

18. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section143 (12) of Companies Act, 2013 and Rules framed thereunder.

19. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not given any loan(s) or guarantee(s) and has not made any investment(s) covered under the provision of the Section 186 of the Companies Act, 2013 during the year under review.

20. PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013

During the financial year 2023-24, Your Company has not made any contracts or arrangements with related Parties which could be considered material in accordance with the Company's Policy on Materiality of Related Party Transactions. All the transactions made on arm's length basis are being reported in Form No.AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed as "***Annexure II***" ***and forms part of this Report***.

The Policy on Related Party Transactions is uploaded on the website of the Company and can be accessed at **https://www.rahulmerchandising.in/wp-content/uploads/2019/11/Policy-on-Materiality-of-RPT.pdf.**

21. MATERIAL CHANGES AND COMMITMENTS, IF ANY, 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, IF ANY UNDER SECTION 134(3)(l) OF THE COMPANIES ACT, 2013

There is no material changes and commitments affecting the financial position of the Company which have been occurred between the end of the financial year of the Company to which this financial statement relates and on the date of this report.

Except the open offer of the shares of the Company as detailed in Point No. 21 A.

21A. Open Offer

Open Offer for acquisition of up 9,13,185 (Nine Lakh Thirteen Thousand One Hundred Eighty-Five) fully paid-up equity shares of face value of Rs.10.00/- (Rupees Ten Only) each, representing 26.00% of the Voting Share Capital of Rahul Merchandising Limited ('Target Company'), at an offer price of Rs.8.50/- (Rupees Eight and FiftyPaise Only) per Equity Share, to the Public Shareholders of the Target Company, by Mr. Ankit Tayal ('Acquirer 1') and Mr.Mohit Sharma ('Acquirer 2'), within the provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011, as amended ('SEBI (SAST) Regulations') ('Offer') And for that purpose-

SCHEDULE OF THE MAJOR ACTIVITIES RELATING TO OPEN OFFER WERE AS UNDER :

Name of the Activities	Day and Date
Date of the Public Announcement	Friday, March 31, 2023
Date of publication of the Detailed Public Statement in the newspapers	Tuesday, April 11, 2023
Last date of filing of the Draft Letter of Offer with SEBI	Wednesday, April 19, 2023
Last date for public announcement for a Competing Offer	Thursday, May 04, 2023
Last date by which SEBI's observations on the Draft Letter of Offer will be received (in the event SEBI has not sought clarification or additional information from the Manager)	Wednesday, June 28, 2023
Identified Date	Monday, July 03, 2023
Date by which the Letter of Offer will be dispatched to the Public Shareholders whose names appear on the register of members on the Identified Date	Monday, July 10, 2023
Last date by which the committee of the independent directors of the Target Company is required to give its recommendation to the Public Shareholders for this Offer	Thursday, July 13, 2023
Last date for upward revision of the Offer Price and / or the Offer Size	Friday, July 14, 2023
Date of publication of opening of Offer public announcement in the newspapers in which the Detailed Public Statement had been published	Friday, July 14, 2023
Date of commencement of Tendering Period	Monday, July 17, 2023
Date of closing of Tendering Period	Friday, July 28, 2023
Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders	Friday, August11, 2023

Pursuant to this Offer and the transactions contemplated in the Share Purchase Agreement, the Acquirers have become the Promoters of the Target Company and the Selling Promoter Shareholders will cease to be the promoters of the Target Company in accordance with the provisions of Regulation 31A (10) of the SEBI (LODR) Regulations.

Post-completion of acquisition of Offer Shares as contemplated under this Offer and pursuant to the transfer of Sale Shares as contemplated under the Share Purchase Agreement, the Acquirers shall hold majority of the Equity Shares of the Target Company by virtue of which they will be in a position to exercise effective management and control over the Target Company.

22. CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of business of the Company.

23. EMPLOYEE STOCK OPTION SCHEME

During the year under review, the Company has not allotted any Equity Shares to any employees of the Company under ESOP.

24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

SEBI has issued observations (Approval) letter for Open Offer for acquisition of 9,13,185 (26%) fully Paid-up equity shares of face value Rs. 10 each of Rahul Merchandising Limited (Target Company) by Mr. Ankit Tayal (Acquirer 1) and Mr. Mohit Sharma (Acquirer 2) in terms of SEBI (SAST) Regulations, 2011 on June 28, 2023.

25. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the Financial Year 2023-24, there was no application made and proceeding initiated /pending under the Insolvency and Bankruptcy Code, 2016, by any Financial and/or Operational Creditors against your Company.

As on the date of this report, there is no application or proceeding pending against your company under the Insolvency and Bankruptcy Code, 2016.

26. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, there were no loans taken from Bank & Financial Institution. Hence this clause is not applicable on the Company.

27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT-GO UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013

The requisite information about conservation of energy, technology absorption and foreign exchange earnings and outgo, in terms of the Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 is given below:

Sl.No.	Conservation of energy	Remarks
1.	the steps taken or impact on conservation of energy	NIL
2.	the steps taken by the company for utilizing alternate sources of energy	NIL
3.	the capital investment on energy conservation equipment	NIL

Sl. No.	Technology absorption	Remarks
1.	the efforts made towards technology absorption	NIL
2.	the benefits derived like product improvement, cost reduction, product development or import substitution	NIL
3.	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	NIL
4.	the details of technology imported	NIL
5.	the year of import	NIL
6.	whether the technology been fully absorbed	NIL
7.	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NIL
8.	the expenditure incurred on Research and Development	NIL

Sl. No.	Foreign exchange earnings and Outgo	Remarks
1.	The Foreign Exchange earned in terms of actual inflows during the year	NIL
2.	The Foreign Exchange outgo during the year in terms of actual outflows	NIL

Further, there were no foreign exchange earnings and outgo during the year under review.

28. RISK MANAGEMENT

The provisions of SEBI Regulations for formation of Risk Management Committee are not applicable to the Company. However, as per section 134 (3) (n) of Companies Act 2013, the company regularly maintains a proper check in the normal course of its business regarding risk management. Currently, the company does not identify any element of risk which may threaten the existence of the company.

29. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES UNDER SECTION 134(3)(o) OF THE COMPANIESACT, 2013

The company does not fall under the criteria of net worth, turnover or profit for applicability of Corporate Social Responsibility (CSR) provisions as per Section 135 of the Companies Act, 2013, hence the same are not applicable to the company for the period under review.

30. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Vigil Mechanism Policy of the Company is constituted in line with the provisions of section 177 of the Companies Act, 2013 to be read with Regulation 22 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Company promotes ethical behavior in all its business activities. Towards this, the Company has adopted a Policy on Vigil Mechanism and whistle blower policy. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Compliance Officer or to the Chairperson of the Audit Committee. The Audit Committee also reviews complaints/issues (if any) raised through Vigil Mechanism or by any Whistle blower on a quarterly basis. The whistle blower policy is uploaded on the website of the Company and can be accessed at **(https://www.rahulmerchandising.in/wp-content/uploads/2019/11/Vigil-Mechanism-Policy.pdf)**

During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil Mechanism and Whistle Blower Policy of the Company was received by the Company.

31. PREVENTION PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition &Redressal) Act, 2013" and Rules made thereunder, your Company has constituted Internal Complaints Committee (ICC) at its workplaces. During the year, no complaints were filed with the Company.

Number of complaints received	Number of complaints disposed of	Number of complaints pending more than ninety days	Number of workshops or awareness programme against sexual harassment
0	0	0	0

32. CORPORATE GOVERNANCE REPORT

As per Reg. 34 of SEBI (LODR) Regulation, 2015 to be read with Part A of Schedule V of the said regulations, a separate section on corporate governance practices followed by the company, together with the certificate from the Practicing Company Secretary confirming compliance forms an integral part of this Report.

33. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a robust and comprehensive Internal FinancialControl system commensurate with the size, scale and complexity of its operation. The system encompasses the major processes toensure reliability of financial reporting, compliance with policies,procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The Company has performed an evaluation and made anassessment of the adequacy and the effectiveness of the Company's Internal Financial Control System. The Statutory Auditors of theCompany have also reviewed the Internal Financial Control system implemented by the Company on the financial reporting and in their opinion, the Company has, in all material respects, adequate Internal Financial Control system over Financial Reporting and such Controls over Financial Reporting were operating effectively as on 31st March, 2024 based on the internal control over financial reporting criteria established by the Company.

The policies and procedures adopted by the Company ensures the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy & completeness of the records and the timely preparation of reliable financial information.

The Internal auditors continuously monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management with regard to the internal control framework.

Audit committee meets regularly to review reports submitted by the Internal Auditors. The Audit Committee also meet the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures followed by the Company.

34. PERSONNEL RELATIONS

Your Directors hereby place on record their appreciation for the services rendered by executives, staff and other workers of the Company for their hard work, dedication and commitment. During the year under review, relations between the Employees and the Management continued to remain cordial.

35. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The Particulars of remuneration of Employees during the year 2023-24 pursuant to the provisions of Section 197, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is disclosed as an ***"Annexure-III" and forms part of this Report.***

Disclosure as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year; Nil

(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; 100%

(iii) the percentage increase in the median remuneration of employees in the financial year; Nil

(iv) the number of permanent employees on the rolls of company; 2

(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; Nil

Disclosure as per Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Disclosure of Top Ten Employees in terms of remuneration drawn and the name of every employee is given in ***"Annexure-III" and forms part of this Report.***

The remuneration paid to all Key Managerial Personnel was in accordance with the remuneration policy as adopted by the company.

36. REMUNERATION POLICY OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board on the recommendation of Nomination &Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management Personnel and fixation of their remuneration thereof. The Policy contains, inter-alia, directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director, etc.

37. FAMILIARIZATION PROGRAMMES FOR INDEPENDENT DIRECTORS

Pursuant to the provisions of Regulation 25(7) of SEBI (LODR)Regulations, 2015, the Board has framed a policy to familiarize the Independent Directors of the Company.

38. ANNUAL LISTING FEES/CHARGES

The equity shares of the Company are presently listed at BSE Limited. All statutory dues including Annual Listing Fees for the Financial 2024-25 has been paid by the Company.

39. CODE OF CONDUCT AS PER SEBI (LODR) REGULATIONS, 2015

The Board of Directors has framed a Code of Conduct for all Board Members and Senior Management Personnel as per Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. Additionally, all Independent Directors of the company shall be bound by duties of Independent Directors as set out in Companies Act, 2013 to be read with SEBI Listing Regulations, 2015.

40. CODE OF CONDUCT AS PER SEBI (PREVENTION OF INSIDER TRADING) REGULATIONS, 2015

The Board of Directors has laid down the Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information as per Regulation 8(1) of SEBI (Prevention of Insider Trading) Regulations, 2015&Code of Conduct to Regulate, Monitor and Report trading by the Designated Persons as per Regulation 9(1) of SEBI (Prevention of Insider Trading) Regulations, 2015.

All Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct.

41. DISCLOSURE OF STATEMENT OF DEVIATION(S) OR VARIATION(S) UNDER REGULATION 32 OF SEBI(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015

With reference to Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosure of Statement of Deviation(s) or Variation(s) as per the said regulation is not applicable to the Company.

42. DIRECTOR'S RESPONSIBILITY STATEMENT UNDER SECTION 134(3)(c) OF THE COMPANIES ACT,2013

Pursuant to the provisions of section 134(5) of the Companies Act, 2013, the Directors hereby state as follows:

(a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments & estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the company at the end of the financial year and of the profit & loss of the Company for that period ;

(c) The Directors had taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing & detecting fraud & other irregularities;

(d) The Directors had prepared the Annual Accounts on a going concern basis;

(e) The Directors had laid down Internal Financial Controls to be followed by the Company and such controls are adequate and are operating effectively;

(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.

43. PERSONNEL & INDUSTRIAL RELATIONS

The Company enjoyed cordial relations with the employees during the year under review and the management appreciates the employees of all cadres for their dedicated services to the Company and expects continued support, higher level of productivity for achieving the targets set for the future.

44. DISCLOSURE OF CREDIT RATING

Disclosure of Credit Rating is not applicable on the company during the year under review.

45. GENERAL

The Board of Directors states that no disclosure or reporting is required in respect of the following matters as there were no transactions or applicability pertaining to these matters 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 and Employees' Stock Options Schemes) to employees of the Company under any scheme.

III. Fraud reported by the Auditors to the Audit Committee or the Board of Directors of the Company.

IV. Scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

V. Payment of remuneration or commission from any of its holding or subsidiary companies to the Managing Director of the Company.

46. ACKNOWLEDGEMENT AND APPRECIATIONS

Your Directors would like to express their sincere appreciation for assistance and co-operation received from the various stake holders including Financial Institutions,Banks, Governmental authorities and other business associates who have extended their valuable support and encouragement during the year under review.

Your Directors take the opportunity to place on record their deep appreciation of the committed services rendered by the employees at all levels of the Company, who have contributed significantly towards Company's performance and for enhancing its inherent strength. Your Directors also acknowledge with gratitude the encouragement and support extended by our valued stakeholders.

For and on behalf of the Board
For Rahul Merchandising Limited

	Ankit Tayal	**Vaibhav Goel**
Date: 30.08.2024	**Additional Director**	**Whole Time Director**
Place: New Delhi	**DIN: 03055997**	**DIN: 07899594**

"Annexure-II"

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1 Details of contracts or arrangements or transactions not at Arm's Length basis

a)	Name(s) of the related party and nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/ transactions	NIL
c)	Duration of the contracts/ arrangements/ transactions	NIL
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions.	NIL
f)	Date(s) of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the Special Resolution was passed in General Meeting as required under first proviso to section 188.	NIL

2 Detail of material contracts or arrangement or transactions at Arm's Length basis

a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts/arrangements /transactions	NIL
c)	Duration of the contracts/arrangements/ transactions	NIL
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
e)	Date(s) of approval by the Board, if any	NIL
f)	Amount paid as advances, if any	NA

4 Detail of material contracts or arrangement or transactions at Arm's Length basis

a)	Name(s) of the related party and nature of relationship	**Ms. Ruchi Chordia** (Company Secretary & Compliance officer)
b)	Nature of contracts/arrangements /transactions	Salary
c)	Duration of the contracts/arrangements/ transactions	Regular
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 130000
e)	Date(s) of approval by the Board, if any	Approval taken in Board
		Meeting dated 19.07.2022
f)	Amount paid as advances, if any	NA

*Note: * Ms. Ruchi Chordia resigned from the post of Company Secretary & Compliance officer on 04.01.2024*

Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the listed entity: NIL

On behalf of the Board of Directors
For Rahul Merchandising Limited

	Vaibhav Goel	**Ankit Tayal**
Date: 30.08.2024	**Whole time Director**	**Additional Director**
Place: Delhi	**DIN:07899594**	**DIN: 03055997**

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024
[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,
Rahul Merchandising Limited
H No. 1/61-B, Vishwas Nagar,
Shahdara, Delhi- 110032

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RAHUL MERCHANDISING LIMITED** (hereinafter called '**the company**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **RAHUL MERCHANDISING LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2024** 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2024** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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 (Listing Obligations & Disclosure Requirements) Regulations, 2015

  (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not applicable during the period under review.**

  (e) The Securities and Exchange Board of India (Share-based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not applicable during the period under review.**

  (f) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021- **Not applicable during the period under review.**

  (g) 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;

  (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **Not applicable during the period under review.**

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not applicable during the period under review.**

(j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(k) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009- **Not applicable during the period under review**

(l) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993- **Not applicable during the period under review**

(vi) The Environment (Protection) Act, 1986

(vii) The EPF & Misc. Provisions Act, 1952;

(viii) Industrial and Labour Laws;

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards (SS-1 & SS-2) issued by The Institute of Company Secretaries of India;

(ii) Listing Agreement entered into by the Company with BSE Limited;

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors and Key Managerial personnel of the Company that took place during the year under review were carried out in compliance with the provision of the Act.
- As per the management's representation, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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.
- As per the management's representation, majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in place in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-

- As informed, the Company has responded appropriately to notices received from various statutory/ regulatory authorities including initiating actions for corrective measures, wherever found necessary.

For Jain P & Associates,
Company Secretaries
(Peer Reviewed Firm-2985/2023)

Preeti Mittal
Company Secretary
Membership No.: F12900
C P No.:17079
UDIN: F012900F001020973

Date: 22.08.2024
Place: Delhi

This report is to be read with our letter of even date which is annexed as' Annexure 1' and forms an integral part of this report.

Annexure 1

[Annexure to the Secretarial Audit Report for the Financial Year ended 31st March, 2024]

Our report of even date is to be read along with this letter.

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.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Jain P & Associates,
Company Secretaries
(Peer Reviewed Firm-2985/2023)

Preeti Mittal
Company Secretary
Membership No.: F12900
C P No.:17079
UDIN: F012900F001020973

Date: 22.08.2024
Place: Delhi

"Annexure-III"

PARTICULARS OF EMPLOYEES

A. Statement showing details of top ten employees in terms of remuneration drawn as required under Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules 2014

Sr. No.	Name of Employee	Designation of Employee	Remuneration received (Amount in Rs)	Nature of employment, whether contractual or otherwise	qualifications and experience of the employee	Date of commencement of employment	Age of Employees	the last employment held by such employee before joining the company	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule(2) above	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1	**Mr. Vaibhav Goel**	Whole Time Director & Chief Financial Officer	Nil	Regular	Graduate	Whole Time Director - 31.08.2021 & Chief Financial Officer- 04.08.2022	30	Nil	NIL	NA
2.	***Ms. Ruchi Chordia**	Company Secretary and Compliance Officer	1,30,000	Regular	Company Secretary 3 Year Approx.	19.07.2022	32	Kotak Mahindra Prime Limited	NIL	NA

Employed for the part of year

B. No employee of the Company has drawn remuneration aggregating to Rs. 1.02 Cr per annum during the year under report.

C. No employee of the Company, employed for the part of the year, has drawn salary more than Rs. Eight lakh fifty thousand per month.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Rahul Merchandising Limited
H No. 1/61-B, Vishwas Nagar,
Shahdara, Delhi- 110032

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Rahul Merchandising Limited** (**CIN: L74899DL1993PLC052461)** and having registered office at **H. No. 1/61-B, Vishwas Nagar, Shahdara, Delhi-110032** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2024** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name	DIN	Original Date of Appointment	Date of re-appointment/ Change in Designation	Date of Cessation
1.	Mr. Vaibhav Goel	07899594	31-08-2021	29-09-2021	-
2	Ms. Snehlata Kaim	06882968	27-05-2014	30-09-2019	
3.	Mr. Ankush Aggarwal	08377413	04-12-2021	30-09-2022	13-04-2024
4.	Mr. Ankit Tayal	03055997	19-01-2024	-	-
5.	Mr. Mohit Sharma	07717249	19-01-2024	-	-

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Jain P & Associates,
Company Secretaries
(Peer Reviewed Firm-2985/2023)

Preeti Mittal
Company Secretary
Membership No.: F12900
C P No.:17079
UDIN: F012900F001021171

Date: 22.08.2024
Place: Delhi

CORPORATE GOVERNANCE REPORT

Corporate Governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct and about considering all stakeholders' interest while conducting business. In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto, (the 'SEBI Listing Regulations'), given below are the corporate governance policies and practices of **Rahul Merchandising Limited** for FY 2023-24.

This Report states compliance with requirements of the Companies Act, 2013, as amended (the 'Act'), the SEBI Listing Regulations, as applicable to the Company. As will be seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company is committed to practice Good Corporate Governance in all its activities and processes. The Directors' endeavor is to create an environment of fairness, equity and transparency with the underlying objective of securing long-term shareholder value, while, at the same time, respecting the rights of all stakeholders.

The Company adheres to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations, 2015) and your management is taking all possible steps to fulfill its commitment in a judicious, fair and transparent manner.

In accordance with this philosophy, the Company has adopted Code of Conduct for its Senior Management Personnel and Board of Directors.

APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has established various committees to discharge its responsibilities in an effective manner. The Company has Whole time Director(WTD) to guide the functioning of the Board. The Whole time Director (WTD), who in consultation with the Board of Directors provides overall direction and guidance to the Company. The WTD is responsible for the corporate strategy, planning, external contacts and the overall management of the Company.

The Company Secretary assists the WTD in management of the Board's administrative activities such as convening and conducting the Board, Committee and Shareholders meetings, dissemination of information to all stakeholders of the Company, strengthening the compliance culture of the Company, co-ordination with the Regulators and all other stakeholders of the Company.

ETHICS/GOVERNANCE POLICIES

At **Rahul Merchandising Limited**, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

1. Policy for determination of material events
2. Preservation of records policy
3. Code of conduct for Directors and Senior Management
4. Code of Conduct under regulation 9 of SEBI (Prohibition of Insider Trading) Regulation, 2015
5. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
6. General Code of Conduct
7. Performance Evaluation Policy
8. Policy on materiality of Related Party Transactions

9. Prevention of Sexual Harassment Policy
10. Related Party Transactions Policy
11. Risk Management Policy
12. Vigil Mechanism and Whistle-blower Policy

AUDITS AND INTERNAL CHECKS AND BALANCES

M/s**. V S SA & Associates**, Chartered Accountants(Firm Registration No. 012421N), is the Statutory Auditors of the Company. The Statutory Auditors and **Mr. Jugal Kishore Sharma,** the Internal Auditor perform independent reviews of the ongoing effectiveness of Company's various components of the systems of internal controls and present the same before the Audit Committee for their review and necessary action.

RISK MANAGEMENT, INTERNAL CONTROLS AND COMPLIANCE

The Board of Directors of the Company have designed Risk Management framework to avoid events, situations or circumstances which may lead to negative impact on the Company's businesses as a whole and have defined a structured approach to manage uncertainty and outcomes. Key business risks and their mitigation are considered as a part of the annual/strategic business plans and is reviewed by the Audit Committee on frequent basis. The Company's internal as well as operational controls are commensurate with its size and the nature of its operations. The Company has put in place a defined risk management framework to identify, assess, monitor and mitigate the risks at enterprise level. Organization adopts a systematic approach to mitigate risks associated with accomplishment of objectives, operations, performance and regulations. Company believes that such steps would help to achieve stated objectives of the organizations. The Company shall continue to have periodic review mechanism for monitoring of various risk events in relation to various functional activities being undertaken by the organization

BEST CORPORATE GOVERNANCE PRACTICES

The Companystrives for highest Corporate Governance standards and practices. It, therefore, endeavors to continuously improve and adopt the best of Corporate Governance codes and practices. Some of the implemented best governance norms and practices include the following:

- All securities related filings with Stock Exchanges are reviewed every quarter by the Stakeholders' Relationship Committee and the Board of Directors.
- The Company has independent Board Committees covering matters related to Risk Management, Stakeholder Relationship, Directors Remuneration and the nomination of Board Members.
- The Senior Management Personnel review the ongoing effectiveness of operational and financial risk mitigations and governance practices.
- The Company undertakes Annual Secretarial Audit from an Independent Company Secretary who is in whole-time practice.

ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring compliances with all applicable laws to the Company and that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Company Secretary acts as Secretary to all the Committees of the Board of Directors of the Company. The Company Secretary also ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company to ensure compliance with applicable statutory requirements, to provide guidance to Directors and to facilitate convening of meetings. The Company Secretary Interfaces and act as link between the management and regulatory authorities for governance matters.

BOARD OF DIRECTORS

Keeping with the commitment to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

COMPOSITION & CATEGORY OF THE BOARD OF DIRECTORS AND ATTENDANCE OF EACH DIRECTOR AT THE MEETING OF THE BOARD OF DIRECTORS AND THE LAST ANNUAL GENERAL MEETING

As on 31st March 2024, there were **5 (Five)** Directors comprising **3 (Three)** Executive and **2(Two)** Non-Executive Independent Directors.

The Board consists of eminent persons with considerable professional experience in business, industry, finance, audit and law. None of the Director is a member of more than ten committees and Chairman of more than five Committees across all the Companies in which they are Directors. All the members have made disclosures regarding their directorship and memberships in various committees.

As on 31st March, 2024, the composition of Board of Directors is in conformity with Regulation 17 of SEBI (LODR) Regulations, 2015 and the provisions of Companies Act, 2013.

Category and attendance of each of the Directors at the Board Meetings held during 2023-24 and the last Annual General Meeting is given below:

S. No.	Name	Category	Number of Board Meetings held during the year 2023-2024				No. of Membership/ Chairpersonship in mandatory Committees#	
			No. of Board Meeting held	No. of meetings which director was entitled to attend	Attended	Whether attended last AGM for FY 2022-23	Chairpersonship	Membership
1.	Ms. Snehlata Kaim (DIN 06882968)	Non-Executive Independent Director	7	7	7	Yes	3	0
2.	Mr. Vaibhav Goel (DIN 07899594)	Whole Time Director & CFO	7	7	7	Yes	0	3
3.	Mr. Ankush Aggarwal (DIN 08377413)*	Non-Executive Independent Director	7	7	7	Yes	0	3
4.	Mr. Ankit Tayal (DIN: 03055997)**	Additional Director (Executive)	7	1	1	NA	0	0
5.	Mr. Mohit Sharma (DIN: 07717249)***	Additional Director (Executive)	7	1	1	NA	0	0

Notes:

*****Mr. Ankush Aggarwal resigned from post of Independent Director on 13.04.2024.*

***Mr. Ankit Tayal was appointed as an Additional Director (Category: Executive) w.e.f. 19.01.2024.*

****Mr. Mohit Sharma was appointed as an Additional Director (Category: Executive) w.e.f. 19.01.2024. Further, his designation was changed from Executive to Non- Executive w.e.f. 30.08.2024.*

*****Ms. Priyanka Sisodia (DIN: 10479252) was appointed as an Additional Director (Category: Non-Executive Independent) w.e.f 13.04.2024 and resigned on 10.06.2024.*

****** Ms. Parul Singh (DIN: 09811725) was appointed as Additional Director (Category: Non-Executive Independent) w.e.f. 30.07.2024 and resigned on 30.08.2024.*

*******Ms. Jagriti Ojha (DIN: 10762066) was appointed as an Additional Director (Category: Non-Executive Independent) w.e.f. 30.08.2024.*

********Ms. Somali Trivedi (DIN:10761851)was appointed as an Additional Director (Category: Non-Executive Independent) w.e.f. 30.08.2024.*

#Chairmanship / Membership of Board Committees include only Audit Committee and Stakeholders Relationship Committee of the Company;

The Nomination and Remuneration Committee of the Company as at March 31, 2024 comprises of Ms. Snehlata Kaim (Chairperson), Mr. Vaibhav Goel and Mr. Ankush Aggarwal as Members.

Number of other Board of Directors or Committees in which a Director is a Member or Chairperson as on 31.03.2024 (including the Company)

Number of other Board of Directors or Committees in which a Director is a Member or Chairperson as on 31.03.2024 (including the Company)

Sl. No.	Name of director	Directorships			Committee positions in listed and unlisted public limited companies	
		In equity listed companies	In unlisted public limited companies	In private limited companies	As member (including as chairperson)	As chairperson
1.	Ms. Snehlata Kaim (DIN 06882968)	1	0	0	3	3
2.	Mr. Vaibhav Goel (DIN 07899594)	1	0	0	3	0
3.	* Mr. Ankush Aggarwal (DIN 08377413)	1	0	1	3	0
4.	Mr. Ankit Tayal (DIN: 03055997)	2	0	9	1	0
5.	Mr. Mohit Sharma (DIN: 07717249)	1	0	6	0	0

*Mr. Ankush Aggarwal resigned from post of Independent Director (Category: Non-Executive) on 13.04.2024.

I) None of the Director holds office as a Director, including as an alternate Director, in more than twenty companies at the same time. None of them has directorships in more than ten public companies. For reckoning the limit of public companies, directorships of private companies that are either holding or subsidiary company of a public company are included and directorships in dormant companies are excluded. For the purpose of reckoning the directorships in listed companies, only equity listed companies have been considered.

II) As per declarations received, none of the directors serve as an independent director in more than seven equity listed companies or in more than three equity listed companies in case he/she is a whole-time director in any listed company.

III) None of the directors was a member in more than ten committees, nor a chairperson in more than five committees across all public companies in which he/she was a director.

DIRECTORSHIP IN EQUITY LISTED COMPANIES AND NAME OF EQUITY LISTED ENTITIES WHERE DIRECTORS OF THE COMPANY HELD DIRECTORSHIPS AS ON 31ST MARCH 2024 (INCLUDING THE COMPANY)

Sr. No.	Name of Director	Listed Entity	Category
1.	Ms. Snehlata Kaim (DIN:06882968)	Rahul Merchandising Limited	Independent Director (Category: Non-Executive)
2.	Mr. Vaibhav Goel (DIN: 07899594)	Rahul Merchandising Limited	Whole Time Director& CFO
3.	Mr. Ankush Aggarwal (DIN:08377413)	Rahul Merchandising Limited	Independent Director (Category: Non-Executive)
4.	Mr. Ankit Tayal (DIN: 03055997)	Lark Trading And Finance Limited Rahul Merchandising Limited	Executive Director & CEO Additional Director (Category: Executive)
5.	*Mr. Mohit Sharma (DIN: 07717249)	Rahul Merchandising Limited	Additional Director (Category: Executive)

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

None of the present Directors are "Relative" of each other as defined in Section 2 (77) of Companies Act, 2013 and Rule 4 of the companies (Specification of definitions details) Rules, 2014.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS HELD AND DATES ON WHICH HELD

During the period, the Board of Directors of your Company met 7(Seven) times. The dates on which the meetings were held are **25.04.2023, 28.07.2023, 14.08.2023, 06.11.2023, 14.12.2023, 12.01.2024 and 19.01.2024** and the gap requirement of 120 days between two meetings have been complied with. The necessary quorum was present for all the meetings.

ORDERLY SUCCESSION TO BOARD AND SENIOR MANAGEMENT

The framework of succession planning for appointment of Board/Management is passed by the Board. In addition, changes in the Senior Management and their responsibilities are updated to the Board from time to time.

Number of shares and convertible instruments held by Non-Executive Directors:

None of the Non-Executive Directors holds any share in the Company.

LETTERS OF APPOINTMENT OF INDEPENDENT DIRECTORS & POLICY TO FAMILIARIZE

The company issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013.

The company has also formulated a policy to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

A. NON-EXECUTIVE DIRECTORS COMPENSATION AND DISCLOSURES

The Company does not have any pecuniary relationship with any Non-Executive Directors. No remuneration was given to any of the Non-Executive Directors during the financial year 2023-24.

B. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has Familiarization Program Module ("the Program") for the Independent Directors ("ID") of the Company. As per the requirement regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company is required to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc., through this programme. The web link of the same is **https://www.rahulmerchandising.in/wp-content/uploads/2019/11/Familiarisation-Programme-for-Independent-Directors.pdf**

C. SKILL/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS

The Board of Directors along with Nomination & Remuneration Committee (NRC), identifies the right candidate with right qualities, skills and practical expertise/competencies required for the effective functioning of individual member to possess and also the Board as a whole. The Committee focuses on the qualification and expertise of the person, the positive attributes, standard of integrity, ethical behavior, independent judgement of the person in selecting a new Board member. In addition to the above, in case of independent directors, the Committee shall satisfy itself with regard to the independence of the directors to enable the Board to discharge its functions and duties effectively. The same are in line with the relevant provisions of the Listing Regulations. The NRC has identified the following core skills, expertise and competencies for the effective functioning of the Company which is currently available with the Board:

a) Expertise in Legal, Finance & Accountancy

b) Human Resource.

c) Risk Management

d) Knowledge of the Industry
e) Leadership
f) Board Services & Corporate Governance
g) Diversity
h) Personal Values
i) Functional & Managerial Experience

GIVEN BELOW IS A LIST OF CORE SKILLS, EXPERTISE AND COMPETENCIES OF THE INDIVIDUAL DIRECTORS:

Name of Director	Skills/Expertise/Competencies								
	Expertise in Legal, finance & Accountancy	Human Resource	Risk Management	Knowledge of the Industry	Leadership	Board Services & Corporate Governance	Diversity	Personal Values	Functional & Managerial Experience
Ms. Snehlata Kaim (DIN 06882968)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Vaibhav Goel (DIN 07899594)	✓	-	✓	✓	✓	✓	✓	✓	✓
*Mr. Ankush Aggarwal (DIN 08377413)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Ankit Tayal (DIN: 03055997)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Mohit Sharma (DIN: 07717249)	✓	✓	✓	✓	✓	✓	✓	✓	✓

Note:

*Mr. Ankush Aggarwal resigned from post of Independent Director (Category: Non-Executive) on 13.04.2024

D. The company is engaged to carry on the business of manufacture, export, import, buy, sell, distribute, wholesale and retail dealers in all kinds of handicrafts, leather and leather goods, shoe and shoe uppers, leather garments, jewelleries, precious and semi-precious stones, consumer durables, household goods and other kinds of articles, commodities and merchandise.

E. In the opinion of the Board the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements), 2015 and are independent of the management.

F. During the year, no Independent Director has resigned due to his/her personal reasons from the post of directorship pursuant to Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMMITTEES OF THE BOARD

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has ***Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Internal Compliant Committee***. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

AUDIT COMMITTEE

i. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 ofSEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

ii. The term of reference of the Audit Committee is as per Part C of Schedule II of the SEBI (LODR) Regulations, 2015 and provisions of the Companies Act 2013.

iii. The Audit Committee invites such of the executives, as it considers appropriate (particularly the headof the finance function), representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings.

iv. The previous Annual General Meeting (AGM) of the Company was held on Friday,September 15, 2023 and was attended by Ms. SnehlataKaim, Chairperson of the Audit Committee.

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

Sl. No.	Name	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Ms. Snehlata Kaim (DIN 06882968)	Chairperson (Independent, Non-Executive)	4	4
2.	Mr. Vaibhav Goel (DIN 07899594)	Member (Executive, Non Independent)	4	4
3.	*Mr. Ankush Aggarwal (DIN 08377413)	Member (Independent, Non-Executive)	4	4

The Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

*Note: *Mr. Ankush Aggarwal resigned from post of Independent Director (Category: Non-Executive) and Membership of Audit Committee on 13.04.2024.*

***Ms. Priyanka Sisodia (DIN: 10479252) was appointed as an Additional Director (Category: Non-Executive Independent) and Member of Audit Committee w.e.f 13.04.2024 and resigned from Directorship and Membership of Audit Committee on 10.06.2024.*

****Ms. Parul Singh (DIN: 09811725) was appointed as Additional Director (Category: Non-Executive Independent) and Member of Audit Committee w.e.f 30.07.2024 and resigned from Directorship & Membership of Audit Committee on 30.08.2024.*

*****Ms. Jagriti Ojha (DIN: 10762066) was appointed as an Additional Director (Category: Non-Executive Independent) and Chairperson of Audit Committee w.e.f. 30.08.2024.*

******Ms. Somali Trivedi (DIN: 10761851) was appointed as an Additional Director (Category: Non-Executive Independent) and Member of Audit Committee w.e.f. 30.08.2024.*

*******Mr. Mohit Sharma (DIN: 07717249) was appointed as Member of Audit Committee w.e.f 30.08.2024.*

vi. **4(Four)** Audit Committee Meetings were held during the year 2023-24 on **25.04.2023, 28.07.2023, 06.11.2023 & 19.01.2024.**

vii. The necessary quorum was present for all the meetings.

viii. The role of the **Audit Committee** includes the following:

- Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statementsare correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditor;
- Reviewing, with the Management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:

- matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on the exercise ofjudgment by management;
- significant adjustments made in the financial statements arising out of auditfindings;
- compliance with listing and other legal requirements relating to financialstatements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;

- Reviewing, with the management, the quarterly financial statements beforesubmission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and makingappropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence & performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the listed entity with;/ related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors,adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structureof the internal audit department, staffing and seniority of the official heading thedepartment, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Reviewing the findings of any internal investigation by the internal auditors intomatters where there is suspected fraud or irregularity or a failure of internalcontrol systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the natureand scope of audit as well as post-audit discussion to ascertain any area ofconcern;
- To look into the reasons for substantial defaults in the payment to the depositors,debenture holders, shareholders (in case of non-payment of declared dividends)and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of chief financial officer after assessing thequalification, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of theaudit committee.

ix. The audit committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results ofoperations;

- Statement of significant related party transactions (as defined by the auditcommittee), submitted by the management;
- Management letters / letters of internal control weaknesses issued by thestatutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditorshall be subject to review by the audit committee.
- Statement of deviations:
    - Quarterly statement of deviation(s) including report of monitoring agency, ifapplicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - Annual statement of funds utilized for purposes other than those stated in theoffer document/ prospectus/notice in terms of Regulation 32(7).

AUDIT & OTHER DUTIES

1. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
2. Discussion with internal auditors of any significant findings and follow up there on.
3. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Internal Auditors considering their independence and effectiveness and their replacement and removal.
4. To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.
5. To grant approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

STAKEHOLDERS RELATIONSHIP COMMITTEE (ERSTWHILE SHAREHOLDERS' GRIEVANCE COMMITTEE)

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015, the Board has constituted Stakeholders' Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders and other security holders. Headed by Ms. Snehlata Kaim, the Non-Executive Independent Director.

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

Sl. No.	Name of the Member	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Ms. Snehlata Kaim (DIN 06882968)	Chairperson (Independent, Non-Executive)	4	4
2.	Mr. Vaibhav Goel (DIN 07899594)	Member (Executive, Non Independent)	4	4
3.	*Mr. Ankush Aggarwal (DIN 08377413)	Member (Independent, Non-Executive)	4	4

The Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

Note:

**Mr. Ankush Aggarwal resigned from post of Independent Director (Category: Non-Executive) and Membership of Stakeholders Relationship Committee on 13.04.2024.*

*** Ms. Priyanka Sisodia (DIN: 10479252) was appointed as an Additional Director (Category: Non-Executive*

Independent) and Member of Stakeholder Relationship Committee w.e.f 13.04.2024 and resigned from Directorship & Membership of Stakeholders Relationship Committee on 10.06.2024.

**** Ms. Parul Singh (DIN: 09811725) was appointed as Additional Director (Category: Non-Executive Independent) and Member of Stakeholders Relationship Committee w.e.f 30.07.2024 and resigned from Directorship & Membership of Stakeholders Relationship Committee on 30.08.2024.*

***** Ms. Jagriti Ojha (DIN: 10762066) was appointed as an Additional Director (Category: Non-Executive Independent) and Member of Stakeholders Relationship Committee w.e.f. 30.08.2024.*

****** Ms. Somali Trivedi (DIN: 10761851) was appointed as an Additional Director (Category: Non-Executive Independent) and Chairperson of Stakeholder Relationship Committee w.e.f. 30.08.2024.*

******* Mr. Mohit Sharma (DIN: 07717249) was appointed as Member of Stakeholders Relationship Committee w.e.f 30.08.2024.*

Four (4) Stakeholders' Relationship Committees meetings were held during the year 2023-24 on **25.04.2023, 28.07.2023, 06.11.2023 & 19.01.2024.** The necessary quorum was present for all the meetings.

FUNCTIONS AND TERMS OF REFERENCE:

The Committee considers and resolves the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

The functioning and broad terms of reference of the Stakeholders' Relationship Committee of the Company are as under:

a) To consider and resolve the grievance of security holders of the Company.

b) To review important circulars issued by SEBI /Stock Exchanges

c) To take note of compliance of Corporate Governance during the quarter/year.

d) To approve request for share transfer and transmissions.

e) To approve request pertaining to demat of shares/sub-division/consolidation/issue of renewed/duplicateshare certificate etc.

NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER DURING THE YEAR UNDER REVIEW:

Name	Ms.Ruchi Chordia
Designation	Company Secretary & Compliance officer *(Appointment w.e.f. 19.07.2022 and resigned on 04.01.2024)*
Address	H No. 1/61-B, Vishwas Nagar Shahdara, East Delhi 110032
Phone No, & Email id	+91-89470 23801, **rahulmerchandising@gmail.com**

With Effect From April 2, 2024

Name	Ms.Sunayana Anand
Designation	Company Secretary & Compliance officer *(Appointment w.e.f. 02.04.2024)*
Address	H No. 1/61-B, Vishwas Nagar Shahdara, East Delhi 110032
Phone No, & Email id	+91-9711114429, **rahulmerchandising@gmail.com**

NUMBER OF SHAREHOLDER'S COMPLAINTS RECEIVED, NOT RESOLVED TO THE SATISFACTION OF SHAREHOLDERS AND PENDING DURING THE FINANCIAL YEAR 2023-24 ARE AS FOLLOWS:

No. of Complaints pending as on 01.04.2023	No. of Complaints received during the year 2023-24	No. of Complaints resolved during the year	No. of Complaints not resolved during the year to the satisfaction of shareholders	No. of Complaints pending as on 31.03.2024
NIL	NIL	NIL	NIL	NIL

NOMINATION & REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Board has duly constituted the Nomination & Remuneration Committee, with majority members being Non-Executive Directors and Independent Director as Chairperson. The composition of Nomination & Remuneration Committee is as follows:

Sl. No.	Name	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1.	Ms. Snehlata Kaim (DIN 06882968)	Chairperson (Independent, Non-Executive)	3	3
2.	Mr. Vaibhav Goel (DIN 07899594)	Member (Executive, Non Independent)	3	3
3.	*Mr. Ankush Aggarwal (DIN 08377413)	Member (Independent, Non-Executive)	3	3

The Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

Note:

**Mr. Ankush Aggarwal resigned from post of Independent Director (Category: Non-Executive) and Membership of Nomination and Remuneration Committee on 13.04.2024.*

*** Ms. Priyanka Sisodia (DIN: 10479252) was appointed as an Additional Director (Category: Non-Executive Independent) and Member of Nomination and Remuneration Committee w.e.f 13.04.2024 and resigned from Directorship & Membership of Stakeholders Relationship Committee on 10.06.2024.*

**** Ms. Parul Singh (DIN: 09811725) was appointed as Additional Director (Category: Non-Executive Independent) and Member of Nomination and Remuneration Committee w.e.f 30.07.2024 and resigned from Directorship & Membership of Stakeholders Relationship Committee on 30.08.2024.*

***** Ms. Jagriti Ojha (DIN: 10762066) was appointed as an Additional Director (Category: Non-Executive Independent) and Chairperson of Nomination and Remuneration Committee w.e.f. 30.08.2024.*

****** Ms. Somali Trivedi (DIN: 10761851) was appointed as an Additional Director (Category: Non-Executive Independent) and Member of Nomination and Remuneration Committee w.e.f. 30.08.2024.*

******* Mr. Mohit Sharma (DIN: 07717249) was appointed as Member of Nomination and Remuneration Committee w.e.f 30.08.2024.*

The committee meetings were held on **28.07.2023, 14.08.2023 and 19.01.2024.**

THE TERMS OF REFERENCE OF THE COMMITTEE ARE AS FOLLOWS:

a) Formulation of the criteria for determining qualification, positive attributes and independence of a director and to recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

b) Formulation of criteria for evaluation of performance of independent directors and the board of directors;

c) Devising a policy on diversity of board of directors;

d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

f) The remuneration policy as adopted by the company envisages the payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

Performance Evaluation Criteria of Board members including Independent Directors as approved by the Board provides:

a) Each of the director(s) are required to assign the rating on different parameters for the evaluation of board, independent director(s) and committees of the Board of Directors andhas to submit the same to the Nomination & Remuneration Committee.

b) The rating is to be assigned on a scale of five for the purpose of evaluation of performance as under:

Rating Scale	Scale Performance
5	Exceptionally Good
4	Good
3	Satisfactory
2	Needs Improvement
1	Unacceptable

c) The Nomination & Remuneration Committee shall receive the Evaluation Forms in sealed cover and summarize the results. The Chairperson of the Nomination &Remuneration Committee may have discussions with individual director where clarification or interpretation is required.

d) The Chairperson of the NRC shall develop a report on the basis of evaluation rating received. The Committee shall review the result and submit its recommendation for the consideration of Board.

e) The Board shall review the recommendations of the Nomination & Remuneration Committee and issue necessary directions.

INDEPENDENT DIRECTORS' MEETING

The independent directors meeting for the financial year 2023-24 was held on **March 18, 2024**

The independent directors present elected Ms. Snehlata Kaim as Chairperson for the meeting.

All independent directors were present at the meeting.

REMUNERATION OF DIRECTORS

The remuneration payable to all Directors including Whole time Director, if any is decided by the shareholders in the General Meeting. As per the Companies Act, 2013, the Board of Directors of the Company is empowered to determine the sitting fee payable to Independent Directors within the ceiling prescribed under the Companies Act, 2013.

None of the Independent Directors were paid any sitting fees during the financial year 2023-24.

The Company had not given any stock options during the year 2023-24.

There was no pecuniary relationship or transaction with Non-Executive Directors vis-a-vis the Company during the financial year 2023-24.

Criteria of making payment to non-executive directors is available on the website of the company. The same can be accessed at **https://www.rahulmerchandising.in/wp-content/uploads/2022/06/Criteria-for-making-payment-to-Non-executive-Directors.pdf**

Particulars of Senior Management of the Company including the changes therein since the close of the previous financial year

Following are the particulars of the senior management of the Company.

Name of Senior Management Personnel	Designation
Mr. Vaibhav Goel	Chief Financial Officer
Ms. Ruchi Chordia*	Company Secretary & Compliance Officer

**Ms. Ruchi Chordia resigned from the post of Company Secretary & Compliance officer on 04.01.2024.*

*** Ms. Sunayana Anand appointed as Company Secretary & Compliance officer of the Company w.e.f. 02.04.2024 after the close of the financial year i.e., 31st March, 2024;*

GENERAL BODY MEETING

A. ANNUAL GENERAL MEETING

The details of last three Annual General Meetings (AGM) of shareholders held were as under:

Financial Year	Date	Venue	Time	Whether any Special Resolution passed
2020-21	29.09.2021	Through Video Conferencing(VC) Deemed Venue-H No. 1/61-B, Vishwas Nagar, Shahdara, East Delhi- 110032	02:00 PM	NO
2021-22	30.09.2022	Through Video Conferencing(VC) Deemed Venue-H No. 1/61-B, Vishwas Nagar, Shahdara, East Delhi- 110032	03.00 PM	YES
2022-23	15.09.2023	Sarita Sadan, NS 3B, Sarita Vihar, Adj to St. Giri Public School New Delhi-110076	11:30 AM	NO

B. No Extraordinary General Meeting of Members was held during the year under review.

C. No Postal Ballot was conducted during the year under review.

MEANS OF COMMUNICATION

Quarterly/Half Yearly/Annual Financial Results, Notice, Advertisement and Other official news are published both in vernacularlanguage newspapers viz. Business Standard in Hindi version and English National newspapersviz. Business Standard in English version regularly. The said results are also displayed/uploaded on the Company's website i.e **https://www.rahulmerchandising.in/**

Simultaneously, financial results of the Company are also available at **https://www.bseindia.com/**.

GENERAL SHAREHOLDER INFORMATION

Sl. No.	Particulars	Information
1.	Annual General Meeting:	31st
	Day	Monday
	Date & Time	30th September, 2024 01:00P.M.Through Video Conferencing
	Deemed Venue	H NO. 1/61-B Vishwas Nagar Shahdara East Delhi DL 110032
2.	Financial year	April 1, 2023 to March 31, 2024
3.	Financial Calendar 2024-25	
	Results for quarter/year ending :	
	(a) 30th June, 2024	On 31st day of July, 2024
	(Tentative Schedule)	
	(b) 30th September, 2024	On or before 14th day of November, 2024
	(c) 31st December, 2024	On or before 14th day of February, 2025
	(d) 31st March, 2025	On or Before 30th day of May, 2025
4.	Book Closure	25th September 2024 to 30th September 2024
5.	Listed on	BSE Limited
6.	Dividend payment date	The Company has not recommended or paid any dividend during the financial year under review.
7.	Stock Exchange Code	BSE Scrip Code: 531887

NOMINATION

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferred in the case of death of the registered shareholder(s). The prescribed nomination form (SH-13) will be sent by the Company upon such request and is also available on the Company's website at **https://www.rahulmerchandising.in/investor-desk/sh-13-and-sh-14-nomination**

Nomination facility for shares held in electronic form is also available with depository participants.

AGM THROUGH VC

Pursuant to MCA Circulars, the Company will provide video conferencing facility to the members for participating in the 31st Annual General Meeting (AGM). Please refer the Notice of the 31st AGM for more details, which is hosted on website of the company at **https://www.rahulmerchandising.in/investor-desk/notice**

VOTING THROUGH ELECTRONIC MEANS

Pursuant to Section 108 of Act and the Rules made thereunder and provisions under SEBI Listing Regulations, every listed company is required to provide its members the facility to exercise their right to vote at general meetings by electronic means.

The Company has entered into an arrangement with NSDL, the authorized agency for this purpose, to facilitate such e-voting for its members.

The shareholders would therefore be able to exercise their voting rights on the items put up in the Notice of Annual General Meeting (AGM) through such e-voting method. The Company will also provide facility to members attending the AGM through VC or OAVM to vote at the meeting in accordance with the Companies (Management and Administration) Rules, 2014 and MCA circulars for conducting AGM through VC or OVAM.

Shareholders who are attending the meeting through VC or OAVM and who have not already cast their votes by remote e-voting shall be able to exercise their right of voting at the meeting through e-voting.

Cut-off date, as per the said Rules, is **Tuesday, 24th September, 2024** and the remote e-voting shall be open for a period of 3 (three) days, from **Friday, 27th September, 2024 (09.00 A.M.) till Sunday, 29th September, 2024 (5.00 P.M.).**

The Board has appointed Ms. Preeti Mittal (Membership No. FCS - 12900& CP No. - 17079) Proprietor of M/s. Jain P& Associates, Practising Company Secretaries, as Scrutinizer for the e-voting process.

Detailed procedure is given in the Notice of the 31st(Annual General Meeting) AGM and is also placed on the Company's website at **https://www.rahulmerchandising.in/**

Shareholders may get in touch with the Company Secretary at **rahulmerchandising@gmail.com** for further assistance.

DISCLOSURE

a) There have been no materially significant related party transactions which may have potential conflict with the interests of the Company at large.

During the financial year under review, the Company has entered into some material/immaterial transaction(s) with the related parties. All the contracts/arrangements/transactions entered into with related parties were/ were not on the arm's length basis, which were intended to further Company's Interest. Accordingly, the disclosure of Related Party Transactions as required under section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is attached with the Directors' Report

b) During last three year under review, the company has complied with all the mandatory requirements of the SEBI (LODR) Regulations, 2015.

c) The Company has in place vigil mechanism and whistle blower policy under which employees can report any violation of applicable laws and regulations and the Code of Conduct of the Company. Vigil Mechanism of the Company provides adequate safeguards against victimization of persons who use such mechanism and no personnel have been denied access to the Audit Committee.

d) The Company has complied with all the mandatory requirements of Listing Regulations.

e) The Company does not have any subsidiary Company. However, Company has framed apolicy for determining 'material' subsidiaries and the same is also placed on Company's website i.e. **https://www.rahulmerchandising.in/wp-content/uploads/2023/02/Material-Subsidary_Rahul.pdf**

f) The Company has in place Policy for Related Party Transaction and the same is also placed on Company's website i.e. **https://www.rahulmerchandising.in/wp-content/uploads/2019/11/Policy-on-Materiality-of-RPT.pdf**

g) Information pertaining to the disclosure of commodity price risks and commodity hedging activities is not applicable to the Company.

h) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

i) A certificate from **Ms. Preeti Mittal (Membership No. FCS - 12900 & CP No. - 17079)** Proprietor of M/s. Jain P & Associates, Practicing Company Secretaries that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board, Ministry of Corporate Affairs or any such statutory authority, forms part of this report.

j) There were no instances where the Board has not accepted any recommendation of any committee of the board which was mandatorily required during the financial year in concern.

k) Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network of the statutory auditor is Rs.30,000/-(Thirty Thousand Only)

l) A Practicing Company Secretary has carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd (CDSL) and the total issued and listed capital. The said Audit Report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

The Company has duly complied with all the Corporate Governance requirements as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10)

It is to confirm that the Company has not incurred any non-compliance of any information contained in this Corporate Governance Report.

INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company has constituted Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and also has a policy and framework for employees to report sexual harassment cases at workplace. The Company's process ensures complete anonymity and confidentiality of information.The below table provides details of complaints received/disposed during the financial year 2023-24:

No. of Complaints Filed during the financial year 2023-24	No. of Complaints Disposed off during the financial year 2023-24	No. of Complaints Pending as on 31.03.2024
Nil	Nil	Nil

DISCLOSURE REGARDING SHARES IN SUSPENSE ACCOUNT

i. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: NIL

ii. Number of shareholders who approached issuer for transfer of shares from suspense account during the year: NIL

iii. Number of shareholders to whom shares were transferred from suspense account during the year: NIL

iv. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: NIL

v. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NIL

RISK MANAGEMENT

As per Regulation 21 of SEBI Regulations, 2015, the Company is not required to constitute Risk Management Committee.

INDEPENDENT DIRECTORS

The Board of the Company has been duly constituted with an optimum combination of Executive Directors, Non-Executive and Independent Directors. All the members are financially literate and possess sound knowledge of accounts, audit, finance, law, etc.

Presently, the Board of the Company comprises of following 3 (Three) Independent Directors:

1. Ms. Snehlata Kaim
2. Ms. Somali Trivedi

3. Ms. Jagriti Ojha

Note:

Ms. Somali Trivedi (DIN: 10761851) & Ms. Jagriti Ojha (DIN: 10762066) were appointed as an Additional Directors (Category: Non-Executive Independent) w.e.f. 30.08.2024.

MEETING OF INDEPENDENT DIRECTORS

As required by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (LODR) Regulations, a separate meeting of the Independent Directors of the Company was convened on 18th March, 2024 to oversee and review the performance of Non-Independent Directors and of the Board as a whole during the financial year 2023-24.

MANAGEMENT DISCUSSION AND ANALYSIS

A separate chapter on Management Discussion and Analysis is given in this Annual Report.

CEO/CFO CERTIFICATION

Mr. Vaibhav Goel, Chief Financial Officer of the Company has furnished a certificate relating to financial statements and internal financial control systems as per the format prescribed under Regulation 17(8) of the SEBI (LODR) Regulations, 2015 and the Board took note of the same.

COMPLIANCE CERTIFICATION

Compliance Certificate for Corporate Governance obtained from Ms. Preeti Mittal (Membership No. FCS- 12900& CP No. - 17079) Proprietor of M/s. Jain P& Associates, Practicing Company Secretaries is annexed herewith.

CODE OF CONDUCTS

Details of various policies and codes required to be framed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are given under the head "Investors" on the website of the company i.e. **https://www.rahulmerchandising.in/code-of-conduct**

MARKET PRICE DATA- HIGH, LOW DURING EACH MONTH OF THE FINANCIAL YEAR 2023-24

The Market price data is given in the table mentioned below:

Month	High(Rs.)	Low(Rs.)	Close
April '23	-	-	-
May '23	7.41	7.41	7.41
June '23	7.78	7.78	7.78
July '23	9.89	8.16	9.89
August '23	-	-	-
Sep '23	12.60	10.38	12.60
Oct '23	13.23	13.23	13.23
Nov '23	13.89	13.89	13.89
Dec '23	-	-	-
Jan '24	-	-	-
Feb '24	14.58	14.58	14.58
March '24	15.30	15.30	15.30

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2024

Shareholding of Nominal value of Rs. 10/-	No. of Shareholders	% of Share Holders	No. of Shares held	% of Shares
Up To 5,000	985	86.48	123552	3.52
5001 To 10,000	43	3.78	35667	1.02
10001 To 20,000	38	3.34	61518	1.75
20001 To 30,000	31	2.72	76200	2.17
30001 To 40,000	9	0.79	33100	0.94
40001 To 50,000	4	0.35	18700	0.53
50001 To 1,00,000	9	0.79	62900	1.79
1,00,000 and Above	20	1.75	3100613	88.28
Total	**1139**	**100**	**3512250**	**100**

CATEGORIES OF EQUITY SHAREHOLDERS AS ON MARCH 31, 2024

Category		No. of Shares	% of Holding
1.	**Promoters Holding**		
	Promoters		
	-Indian Promoters	1992262	56.72
	- Foreign Promoters		
	-Persons acting in concert		
	Sub Total	**1992262**	**56.72**
2.	**Non Promoters Holding**		
	Institutional Investor		
	Mutual Fund and UTI	300	0.01
	Banks, Financial Institutions,		
	Insurance Companies		
	(Central/ State Govt. Institutions/ Non Govt. Institutions)	400	0.01
	FII's		
	Sub Total	**700**	**0.02**
3.	**Others**		
	Corporate Bodies	637548	18.15
	Indian Public	839378	23.89
	NRI's/OCB's	4100	0.12
	Any Other (HUF/Firm/Foreign Companies) Clearing Member	38262	1.09
	Sub Total	**1519288**	**43.26**
	Grand Total	**3512250**	**100**

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The shares of the Company are in the compulsory dematerialized segment and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Share Capital Audit Report regarding reconciliation of the total issued, listed and capital held by depositories in a dematerialized form with respect to the Equity Share Capital of the Company was obtained from the Practicing Company Secretary for each quarter during the year and submitted to the Stock Exchanges within the stipulated time.

Number of shares held in dematerialized and physical mode as on 31st March 2024.

Particulars	Total Shares	% to Equity
Shares in dematerialized form with NSDL	1112148	31.67%
Shares in dematerialized form with CDSL	1881302	53.56%
Physical	518800	14.77%
Total	**3512250**	**100%**

ISIN of the Company : INE149D01011

THE NAMES AND ADDRESSES OF THE DEPOSITORIES ARE AS UNDER

National Securities Depository Limited
Trade World, A-Wing, 4th & 5th Floors,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai-400 013

Central Depository Services (India) Limited
Marathon Futurex, A-Wing, 25th floor,
NM Joshi Marg, Lower Parel, Mumbai-400013

DISCLOSURE BY THE COMPANY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT

During the financial year ended 2023-24 the Company has no subsidiary company. Hence, no such Disclosure is required.

DETAILS OF MATERIAL SUBSIDIARIES OF THE COMPANY;

During the financial year 2023-24, the Company does not have subsidiary company.

COMPANY DETAILS

Registered Office	:	H.No. 1/61-B Vishwas Nagar Shahdara East Delhi 110032
Plant Location	:	Same as Above
Address for communication	:	Same as Above

THE PHONE NUMBERS AND E-MAIL ADDRESSES FOR COMMUNICATION ARE GIVEN BELOW

Email: rahulmerchandising@gmail.com

Telephone: +91-9711114429

As per Circular of the Securities & Exchange Board of India dated 22.01.2007, exclusive e-mail address for redressal of Investor Complaints is **rahulmerchandising@gmail.com**

On behalf of Board of Directors
For Rahul Merchandising Limited

Vaibhav Goel
Whole Time Director
DIN: 07899594

Date: 30.08.2024
Place: New Delhi

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We submit herewith the "Management Discussion and Analysis Report" on the business of the Company as applicable to the extent relevant.

GLOBAL ECONOMY OVERVIEW

The Textile Industry is expected to grow from USD 723 billion in 2023 to USD 859 billion by 2028, at a CAGR of 3.52% during the forecast period (2023-2028).

The global Manufacturing PMI has been under contraction in CY2023 but has indicated stabilization towards the start of CY2024. Additionally, commodity prices have remained relatively stable in CY2023 despite the ongoing economic slowdown in China & Europe and geo-political challenges in Europe and the Middle East. Owing to the rising interest of foreign institution investor, several emerging economies like India, Vietnam and Mexico are expected to show a positive growth trajectory.

The textile industry is an ever-growing market, with key competitors being China, the European Union, the United States, and India. China is the world's leading producer and exporter of both raw textiles and garments. The United States is the leading producer and exporter of raw cotton, while also being the top importer of raw textiles and garments. The textile industry of the European Union comprises Germany, Spain, France, Italy, and Portugal at the forefront with a value of more than 1/5th of the global textile industry. India is the third-largest textile manufacturing industry and is responsible for more than 6% of the total textile production, globally. The rapid industrialization in the developed and developing countries and the evolving technology are helping the textile industry to have modern installations which are capable of high-efficient fabric production. These factors are helping the textile industry to record more revenues during the study period and are expected to help the industry further in the forecast period.

Outlook

Global growth is estimated to remain stable at 3.2% throughout CY 2024 and CY 2025*. Global inflation is receding at a faster pace than anticipated. It declined from 8.7% in CY 2022 to 6.8% in CY 2023 and is expected to further decline to 5.9% in CY 2024, according to IMF.

However, geopolitical risks remain high, particularly in light of the continuing conflict in the Middle East and political tensions in Europe. Going forward, declining inflation and greater government spending is anticipated to alleviate fiscal pressures and expected to attract investments for future growth.

INDIAN ECONOMIC OVERVIEW

India's economy is one of the fastest-growing major economies in the world. In FY 2024, India registered a GDP growth rate of 8.2%*. This growth was accompanied by a fall in the inflation rate and improved disposable income which resulted in increased private consumption and sustained demand for goods and services in the country. The Reserve Bank of India's (RBI) proactive monetary policies contributed to strengthening the financial landscape of the country. The capital expenditure push, particularly on roads and railroads, has favoured in maintaining the economic growth rate. For the year under review, the FDI in India remained resilient and amounted to USD 71.0 billion#. The Government of India also allocated 3.3% of GDP to infrastructure development and supported the economy by creating employment opportunities. The manufacturing sector grew by 9.9% in FY 2024 owing to the favourable demand conditions in the economy. Notably, there has been greater capacity utilisation across the manufacturing sector, which has further fuelled economic growth.

Outlook

The Indian economy is expected to continue its upward trend and become the third-largest economy by 2027. According to the Organization for Economic Co-operation and Development (OECD), the GDP is expected to grow by 6.6% in FY 2024-25. Inflation is expected to further fall and this will support the increased level of consumption of goods and services and contribute to increased activity in the economy.

With the support of various industry-promoting programmes like the Production-Linked Incentive (PLI) scheme and the government's 'Make in India' initiative, the manufacturing sector can potentially expand into a USD 1 trillion industry by 2025–2026. This strategic move is expected to help the growth of the manufacturing sector and thereby contribute to economic growth in the coming years.

INDUSTRY OVERVIEW

TEXTILE

GLOBAL TEXTILE MARKET

The global textile industry attained a market size of USD 1,837.27 billion in CY 2023*. The global textile industry witnessed a trend of adopting Artificial Intelligence (AI) in CY 2023, which also helped enhance the industry's productivity. Innovations such as automation and digital printing have significantly transformed the global market by enhancing the productive efficiency of the industries and meeting the dynamic market demands in the reported year.

The Global textile industry is recovering, with inventory levels of international retailers and brands back to pre-pandemic norms. Despite this, the industry remains cautious about demand as textile companies await an increase in order book momentum. The growth in this industry was significantly contributed by the growth in the Asia Pacific markets for the year under review. The European markets are also expected to experience significant growth in the future.

The consumers increasing environment-consciousness is moving the industry towards manufacture of sustainable products. Further the buyers' thrust to diversify their supply chain beyond China to avoid over-reliance on a single country is a driver for India to come up as a value chain partner owing to our raw material strength and robust manpower pool.

Anticipated Free Trade Agreement (FTA) include the long overdue UK FTA and EU FTA, along with negotiations between India and the Russia-led five-member Eurasian Economic Union (EaEU) set to commence in 2024. Another FTA between India and Oman is on the horizon and is likely to be signed in 2024. This will make us competitive in these markets.

Rapid Adoption of Digitalization, Block chain, Traceability and increased action towards Sustainability & ESG focus would be an optimal strategy to boost efficiency and maintain competitiveness. ESG is at the core of Strategy for every retailer. They are prioritizing vendors on the basis of ESG score

INDIA'S TEXTILE MARKET

India's textile market is one of the world's largest markets. The industry contributed to the Gross Domestic Product (GDP) by 2.3% in FY 2024. It has a 4% share in the global trade of textiles and apparel. This industry remained a significant contributor to the growth of the economy by providing employment opportunities and attracting investments.

Some of the most important textile production locations in India are Gujarat, Maharashtra, Tamil Nadu, Punjab, Uttar Pradesh and West Bengal. The domestic market faced several headwinds during the reported year including fluctuation of cotton prices. Even the festive season did not bring enough market demand, and at the same time increasing imports of fabrics from Bangladesh at lower production cost also put pressure in the domestic market. Although India is the largest exporter of textiles and apparel in the global market, the contribution of the industry in trade declined in FY 2024. However, the export statistics indicate that cotton yarn, fabrics and handloom products experienced an increase of 6.71% in their exports*.

The Government of India consistently made efforts to support the growth of this industry in the reported year. The Ministry of Textiles approved 18 Research and Development (R&D) projects across key strategic areas including sustainable textiles#, providing the industry with significant growth opportunities. This initiative is expected to boost innovation and enhance the industry's operational efficiency. The government signed the Trade and Economic Partnership Agreement (TEPA) with the European Free Trade Association in the reported year. This agreement included integrating advanced technologies to enhance the productivity in the industry and support the industry's growth further

KEY INITIATIVES UNDERTAKEN BY THE GOVERNMENT OF INDIA IN FY 2024*

PM MITRA Scheme

The government launched the PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks Scheme to build and develop textile infrastructure. The scheme is inspired by the 5F vision: Farm to Fibre to Factory to Fashion to Foreign.

PLI Scheme

The government also launched the Production Linked Incentive (PLI) Scheme for Textiles, with an investment of INR 10,683 crore over the next five years, to promote the production of man-made fibres (MMF) apparel. The MMF are artificially produced fibres and are becoming common among the weavers and spinners in India. The PLI scheme also promotes the production of technical textile products in the country.

Kasturi Cotton Bharat

Kasturi Cotton Bharat programme of the Ministry of Textiles is a first-of-its-kind branding, traceability and certification exercise carried out jointly by the Government of India, Trade Bodies and Industry to promote the cotton produced in India.

National Technical Textile Mission (NTTM)

The GOI launched the National Technical Textiles Mission (NTTM). It promotes the development and export of technical textiles.

Bharat Tex 2024

Prime Minister Narendra Modi inaugurated Bharat Tex 2024, one of the largest-ever global events held in India, at Bharat Mandapam in Delhi.

Speaking at the event, PM Modi promised his full support to the textiles sector, stressing its crucial role in India's development.

OPPORTUNITIES, CHALLENGES AND OUTLOOK

OPPORTUNITIES

- **Bharat Tex 2024**
  - Bharat Tex 2024 is an excellent platform to highlight India's exceptional capabilities in the textile industry.
  - Thread of Bharat Tex connects the glorious history of Indian tradition with today's talent; technology with traditions; and is a thread to bring together style, sustainability, scale and skill.
  - Focussing on tradition, technology, talent and training.
  - We are working in a very wide ambit to further increase the contribution of Textile Sector in building a developed India.
  - Textiles and Khadi have empowered women of India.
  - Today technology and modernization can co-exist with uniqueness and authenticity.
  - Kasturi Cotton is going to be a big step towards creating India's own identity.
  - In PM-MITRA parks, Government strives to establish the entire value chain ecosystem in a single place where modern infrastructure with plug and play facilities are made available.
  - Today a people's movement is going on in the country for 'Vocal for Local and Local to Global
- Helping SMEs in the textile sector by providing them with modern machines and other allied infrastructure.
- **Growing Population and Rising Disposable Income**

  India's textile market is primarily driven by its large and growing population, which creates a substantial demand for clothing and textiles. With a population exceeding 1.3 billion, India presents a vast consumer base for the textile industry. Moreover, the rising disposable income levels among the middle class and urban population further fuel this demand.

  According to the Ministry of Statistics and Programme Implementation, India's per capita income increased to USD 1615.55 in FY 2020-21, reflecting a steady rise in purchasing power. This growing purchasing power translates into increased expenditure on clothing and textiles, thus driving the market forward.

- **Government Initiatives and Policies**

  The Indian government's proactive initiatives and policies play a crucial role in driving growth in the textile industry. Programs such as the 'Make in India campaign and the 'National Textile Policy aim to promote domestic manufacturing, boost exports, and attract investments into the sector.

- **Sustainability and Eco-Friendly Textiles**

  Increasing awareness regarding environmental sustainability presents a significant opportunity for the Indian textile industry. Consumers are becoming more conscious of the environmental impact of textile production and are demanding eco-friendly and sustainable products.

  The adoption of organic cotton, recycled materials, and eco-friendly manufacturing processes can help Indian textile manufacturers tap into this growing market segment. According to the Cotton Corporation of India, the demand for organic cotton in India has been increasing by 20-25% annually, indicating a promising opportunity for sustainable textiles.

- **Digital Transformation and E-Commerce**

  The rapid growth of e-commerce platforms presents new avenues for market expansion in the Indian textile industry. With the increasing penetration of smartphones and internet connectivity, online retailing has become increasingly popular among Indian consumers. Textile companies can leverage digital channels to reach a wider audience, improve customer engagement, and enhance the overall shopping experience.

  According to the Ministry of Electronics and Information Technology, India's digital economy is expected to reach USD 1 trillion by 2025, offering immense opportunities for textile businesses to capitalize on digital transformation and e-commerce trends.

THREATS

Based on review of the textile market situation and level of rivalry present in the domestic market, following threats might be present in the market, which can hinder growth of the revenue of the Company:

- **Infrastructure Challenges**

  Despite significant progress, India's textile industry still faces infrastructure challenges that hinder its growth potential. Inadequate transportation networks, outdated manufacturing facilities, and insufficient power supply infrastructure contribute to operational inefficiencies and higher production costs.

  According to the Confederation of Indian Textile Industry (CITI), infrastructure bottlenecks increase production costs by up to 15-20% in some cases, making Indian textiles less competitive in the global market.

- **Fragmented Industry Structure**

  The Indian textile industry is highly fragmented, comprising numerous small-scale and unorganized players alongside larger corporations. This fragmented structure often leads to inefficiencies in production, distribution, and marketing. Small-scale producers face challenges such as limited access to finance, outdated technology, and lack of economies of scale.

  Additionally, the presence of a large informal sector makes regulation and quality control difficult, impacting the overall reputation of Indian textiles in international markets.

  1. Intense competition between established brands and private label brands.
  2. Low cost substitute products from other countries
  3. Significant presence of small suppliers has reduced the bargaining power.
  4. Major clothing brands have better bargaining power over textile manufacturers, as the product differentiation is low and numbers of players are high and fragmented.

DISSCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial statements have been prepared in accordance with the requirements of the Companies Act, 2013 and applicable accounting standards issued by the Institute of Chartered Accountants of India. The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Accounts and other financial statements forming part of this annual report.

INTERNAL FINANCIAL CONTROL SYSTEM

Given the magnitude and nature of its business, the Company has maintained sound and commercial practice with an effective internal control system. The system ensures that all transactions are authorized, recorded and reported correctly to safeguard the assets of the Company and protect them from any loss due to unauthorized use or disposition. The adequate internal information system is in place to ensure proper information flow for the decision-making process. The Company also has well-established processes and clearly defined roles and responsibilities for people at various levels. The control mechanism also involves well documented policies, authorization guidelines commensurate with the level of responsibility and standard operating procedures specific to the respective businesses, adherence to which is strictly ensured. Internal audit is carried out frequently to create awareness and to take corrective actions on the respective units or areas, which need rectification. These reports are then reviewed by the "Management Team" and the "Audit Committee" for follow-up action.

HUMAN RESOURCE DEVELOPMENT

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation.

Your Company believes in trust, transparency & teamwork to improve employees productivity at all levels.

DISCLOSURE OF ACCOUNTING TREATMENT

While preparation of financial statements, a relevant Accounting Standard treatment has been followed.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

On behalf of Board of Directors
For Rahul Merchandising Limited

Vaibhav Goel
Whole Time Director
DIN: 07899594

Date: 30.08.2024
Place: New Delhi

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

(In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Rahul Merchandising Limited
Add: H NO. 1/61-B,
Vishwas Nagar, Shahdara,
Delhi-110032

We have examined the report of Corporate Governance presented by the Board of Directors **Rahul Merchandising Limited** for the year ended **31st March, 2024** as stipulated in Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the same.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and according to the information and explanation given to us, the Company has taken required steps to comply with the conditions of corporate governance, to the extent applicable and as stipulated in the aforesaid SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

We state that no investor grievance is pending for the period exceeding one month against the Company as per records maintained by the Stakeholders' Relationship Committee together with the status of Investor Grievance as on SEBI SCORES Portal.

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

For Jain P & Associates,
Company Secretaries
(Peer Reviewed Firm-2985/2023)

Preeti Mittal
Company Secretary
Membership No.: F12900
C P No.:17079
UDIN: F012900F001021127

Date: 22.08.2024
Place: Delhi

CEO/CFO CERTIFICATION

I, **Vaibhav Goel** being **Chief Financial Officer**, of **Rahul Merchandising Limited** do hereby confirm and certify that:

1. I have reviewed the financial statements and the cash flow statement for the financial year and that to the best of my knowledge and belief:

   a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   b. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. there are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violate the listed entity's code of conduct.

3. I accept responsibility for establishing and maintaining internal control for financial reporting and have evaluated the effectiveness of internal control system of the listed entity pertaining to financial reporting and have disclosed to the auditor along with the audit committee, deficiencies in the design or operation of such internal control(s), if any, of which I am aware and the steps I have taken or proposed to take to rectify these deficiencies.

4. during the year under reference:

   a. there were no significant changes in internal control system over financial reporting;

   b. there were no significant changes in accounting policies and that the same have been disclosed in the notes to the financial statements; and

   c. there were no instance(s) of significant fraud involved therein, if any, of which the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For Rahul Merchandising Limited

Date: 30.08.2024
Place: New Delhi

Vaibhav Goel
Chief Financial Officer

DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT

I, **Vaibhav Goel** being Whole Time Director of the Company do hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the code of the conduct of the company for the financial year ended on **March 31, 2024.**

Vaibhav Goel
Whole Time Director
DIN: 07899594

Date: 30.08.2024
Place: New Delhi

INDEPENDENT AUDITOR'S REPORT

To the Members of
RAHUL MERCHANDISING LIMITED

Report on the audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS Financial Statements of **RAHUL MERCHANDISING LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 31st March, 2024 and its loss, changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by The Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules there-under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

The Company's net worth has been eroded. The Company has incurred a net loss during the current year and has been incurring losses in the previous years. However, the financial statements have been prepared on the fundamental assumption of going concern for the reasons stated in Note No.12 forming part of these financial statements.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outway the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

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 purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors, as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024, 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".

   g) In our opinion and according to the information and explanations given to us, as no remuneration has been paid by the company to its directors during the year, the provisions of Section197 of the Companies Act,2013 are not applicable. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

   h) 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 having impact on its financial position in its Ind AS Financial Statements.

      ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      (iv) (i) The management has represented that to the best of its knowledge and belief, other than as disclosed in the Notes to the Accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies) including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (ii) The management has represented that to the best of its knowledge and belief, other than as disclosed in the Notes to the Accounts, no funds have been received by the Company from any person(s) or entity(ies) including foreign entities ("funding parties") with the understanding whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (""Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and

(iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances. Nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v) No dividend has been declared or paid during the year by the Company.

vi) As the books of accounts of the Company are maintained entirely manually, reporting under Rule 11(g) is not applicable.

For V S S A & Associates
Chartered Accountants
{Firm Registration No 012421N}

(CA Samir Vaid)
Partner
Membership No. 091309
UDIN: 24091309BKEQOH4056

Place: New Delhi
Dated: 21.05.2024

Annexure A to the Independent Auditors' Report on the Ind AS Financial Statements of RAHUL MERCHANDISING LIMITED

(Referred to in paragraph 1 under Report on other Legal and Regulatory Requirements of our Report of even date)

i. a) The Company does not have any Property, Plant and Equipments or intangible assets. Hence provisions of clauses 3 (i)(a), (b), (c) and(d) of Paragraph 3 of the Order are not applicable.

b) As per information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. a) The Company does not have any inventories. Hence the provisions of clause 3(ii)(a) of the Order are not applicable.

b) The Company does not have any borrowings from banks or financial institutions. Hence , the provisions of clause 3 (ii)(b) of the Order are not applicable.

iii. According to the information and explanations given to us and the records of the Company examined by us, the Company has neither made investments in nor granted unsecured loans and advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnership or any other parties during the year.

a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not provided loans or advances in the nature of loans, or stood guarantee or provided security to any other entity during the year.

b) According to the information and explanations given to us and the records of the Company examined by us, as no investments have been made or guarantees provided or security given, we are not required to comment whether the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.

c) According to the information and explanations given to us and the records of the Company examined by us, as no loans and advances in the nature of loans have been given we are not required to comment on the schedule of repayment of principal and payment of interest and the repayments thereof.

d) According to the information and explanations given to us and the records of the Company examined by us, as no loans and advances in the nature of loans have been given, hence our comments on amounts overdue for more than ninety days are not required.

e) According to the information and explanations given to us and the records of the Company examined by us, neither any loan or advance in the nature of loan has fallen due during the year nor has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

f) According to the information and explanations given to us and the records of the Company examined by us, the Company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, hence our comments on the same are not required.

iv. In our opinion and according to the information and explanations given to us, the Company has not made any investments or given any guarantees and security, hence our comments on compliance with provisions of Section 185 and 186 of the Companies Act, 2013 are not required.

v. As per information and explanations given to us and the records of the Company examined by us, the Company has not accepted any deposits. Further there are no amounts which are deemed to be deposits. As per information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.

vi. In our opinion and as per information and explanations given to us, maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act.

vii. a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been generally regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs Tax, Duty of Excise, Value added Tax, Cess and other statutory dues with the appropriate authorities during the year to the extent applicable. We are informed that there are no undisputed statutory dues as at the year end, outstanding for a period of more than six months from the date they become payable.

b) There are no statutory dues referred to in sub clause (a) which have not been deposited on account of any dispute.

viii. According to the records of the Company examined by us and on the basis of information and explanations given to us, the Company has not surrendered or disclosed any transaction, as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), which is not recorded in the books of accounts.

ix. a) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any borrowings from banks, financial institutions and Government. Hence our comments on defaults in repayment of loans or interest thereon are not required.

b) According to the information and explanations given to us and the records of the Company examined by us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not obtained any term loans. Hence our comments on application of the same are not required.

d) According to the information and explanations given to us and the records of the Company examined by us, no funds have been raised by the Company. Hence our comments on funds raised on short term basis utilized for long term purposes are not required.

e) Since the Company does not have any subsidiaries, associates or joint ventures, the provisions of clause 3 (ix) (e) of the Order are not applicable.

f) Since the Company does not have any subsidiaries, associates or joint ventures, the provisions of clause 3 (ix) (f) of the Order are not applicable.

x. a) According to the records of the Company examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

b) According to the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

xi. a) According to the information and explanations given to us and the records of the Company examined by us, no fraud by the Company and fraud on the Company has been noticed or reported during the year.

b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) The Company has neither informed us nor we have come across any whistle-blower complaints received during the year by the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii)(a),(b) and (c) of the Order are not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us,the transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act where applicable and details have been disclosed in the financial statements etc, 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 an internal audit system commensurate with the size and nature of its business and the reports of the internal auditors for the period under audit were considered by us.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of clause 3(xv) of the Order are not applicable to the Company.

xvi. a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

b) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year and the Company is not required to obtain Certificate of Registration from the Reserve Bank of India as per Reserve Bank of India Act, 1934.

c) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India therefore, the provisions of clause 3(xvi)(c) and (d) of the Order are not applicable to the Company.

xvii. According to the records of the Company examined by us, the Company has incurred cash losses of Rs 2.82 lakhs in the financial year and Rs 0.90 lakhs in the immediately preceding financial year.

xviii. There has been no resignation of statutory auditors during the year.

xix. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company and on the basis of financial ratios, ageing and expected date of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans, no material uncertainty exists as on the date of audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. In our opinion and according to the information and explanations given to us and based on our examination of the records, the provisions of Corporate Social Responsibility are not applicable to the Company. Hence our comments on clauses 3 (xx)(a) and (b) of Paragraph 3 of the Order are not required.

xxi. In our opinion and according to the information and explanations given to us the Company does not prepare Consolidated Financial Statements. Hence our comments on qualifications or adverse remarks are not required.

For V S S A & Associates
Chartered Accountants
{Firm Registration No 012421N}

(CA Samir Vaid)
Partner
Membership No. 091309
UDIN: 24091309BKEQOH4056

Place: New Delhi
Dated: 21.05.2024

Annexure B to the Independent Auditor's Report of even date on the Financial Statements of RAHUL MERCHANDISING LIMITED

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 **RAHUL MERCHANDISING LIMITED** ("the Company") as of 31st March, 2024 in conjunction with our audit of the Ind AS 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 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.

Auditor's 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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing, issued by 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 both issued by the Institute of Chartered Accountants of India. 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 judgement, 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, to the best of our information and according to the explanations given to us, 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, 2024, 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 issued by the Institute of Chartered Accountants of India.

For V S S A & Associates
Chartered Accountants
{Firm Registration No 012421N}

(CA Samir Vaid)
Partner
Membership No. 091309
UDIN: 24091309BKEQOH4056

Place: New Delhi
Dated: 21.05.2024

BALANCE SHEET AS AT 31 st MARCH, 2024

(Rupees in lakhs)

	Note No.	As at 31st' March, 2024		As at 31st' March, 2023	
ASSETS					
1 **Current assets**					
(a) Financial Assets					
(i) Cash and cash equivalents	**2**		0.27		0.65
TOTAL ASSETS			**0.27**		**0.65**
EQUITY AND LIABILITIES					
1 **Equity**					
a) Equity Share Capital	**3**	351.23		351.23	
b) Other Equity	**4**	(373.04)	(21.82)	(370.28)	(19.05)
2 Liabilities					
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	**5**		15.25		15.25
(ii) Trade payables	**6**				
Total outstanding dues of creditors of micro enterprises and small enterprises		0.00		0.00	
Total outstanding dues of creditors other than micro enterprises and small enterprises		0.65	0.65	2.89	2.89
(iii) Other Financial liabilities	**7**		6.19		1.56
TOTAL EQUITY AND LIABILITIES			**0.27**		**0.65**

The above balance sheet should be read in conjunction with the accompanying notes

As per our report of even date

For & on behalf of the Board

For V S S A & Associates
(Firm Registration No. 012421N)
Chartered Accountants

VAIBHAV GOEL
Wholetime Director
DIN- '07899594

ANKIT TAYAL
Additional Director
DIN- 03055997

Samir Vaid
Partner
M. No. 091309
Place : New Delhi
Dated : 21.05.2024
UDIN: 24091309BKEQOH4056

SUNAYANA ANAND
Company Secretary
'M.No.: A46238

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2024

(Rupees in lakhs)

	Note	Year Ended 31st March, 2024	Year Ended 31st March, 2023
INCOME			
Operating Income			
Sale of Services		5.00	5.78
Liabilities written back		0.01	1.28
Total Income		**5.01**	**7.06**
EXPENSES			
Personnel	**8**	1.30	2.10
Other expenses	**9**	6.48	5.86
Total Expenses		**7.78**	**7.96**
(Loss) before exceptional items and tax		**(2.77)**	**(0.90)**
(Loss) for the year		**(2.77)**	**(0.90)**
Earning Per Equity Share	**14**		
Basic (Rs.)		**(0.079)**	**(0.026)**
Diluted (Rs.)		**(0.079)**	**(0.026)**

The above statement of profit and loss should be read in conjunction with the accompanying notes

As per our report of even date

For V S S A & Associates
(Firm Registration No. 012421N)
Chartered Accountants

Samir Vaid
Partner
M. No. 091309
Place : New Delhi
Dated : 21.05.2024
UDIN: 24091309BKEQOH4056

For & on behalf of the Board

VAIBHAV GOEL
Wholetime Director
DIN- '07899594

ANKIT TAYAL
Additional Director
DIN- 03055997

SUNAYANA ANAND
Company Secretary
'M.No.: A46238

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31-03-2024

(Rupees in lakhs)

		Year ended 31st March, 2024		Year ended 31st March, 2023	
ASSETS					
A)	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit/(loss) before tax	(2.77)		(0.90)	
	Operating Profit/(Loss) before working capital changes	**(2.77)**		**(0.90)**	
	Adjustment for:				
	Trade payable	2.40		0.25	
	CASH GENERATED FROM OPERATIONS	**(0.38)**		**(0.65)**	
	Interest paid	-		-	
	Direct taxes paid	-		-	
	NET CASH FROM OPERATING ACTIVITIES		**(0.38)**		**(0.65)**
B)	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of fixed assets, including capital				
	Interest received	-		-	
	NET CASH USED IN INVESTING ACTIVITIES		**-**		-
C)	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net proceeds of short term borrowings	-		-	
	NET CASH USED IN FINANCING ACTIVITIES		**-**		-
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)		**(0.38)**		**(0.65)**
	CASH AND CASH EQUIVALENT As At 1st April, 2023 (Opening Balance)	0.65		1.30	
	CASH AND CASH EQUIVALENT As At 31st March 2024 (Closing Balance)	0.27		0.65	

Notes :

i The above cash flow statement has been prepared under the ' Indirect Method' as set out Ind AS 7 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

ii. Figures in brackets represent outflows.

iii. Previous year figures have been restated wherever necessary.

As per our report of even date

For V S S A & Associates
(Firm Registration No. 012421N)
Chartered Accountants

Samir Vaid
Partner
M. No. 091309
Place : New Delhi
Dated : 21.05.2024
UDIN: 24091309BKEQOH4056

For & on behalf of the Board

VAIBHAV GOEL
Wholetime Director
DIN- '07899594

ANKIT TAYAL
Additional Director
DIN- 03055997

SUNAYANA ANAND
Company Secretary
'M.No.: A46238

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1. (A). CORPORATE INFORMATION

RAHUL MERCHANDISING LIMITED (the Company) is a public limited company incorporated in India with its Registered Office at Delhi and is listed on the Bombay Stock Exchange. At present the Company is engaged in the business of providing consultancy services.

(B). STATEMENT OF ACCOUNTING POLICIES

The accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

(a) Statement of compliance

The Financial Statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act) including the rules notified under the relevant provisions of the Companies Act, 2013.

(b) Basis for preparation

The Financial Statements have been prepared under the historical cost convention. Assets and Liabilities have been classified as Current/Non-Current as per the Companies normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products/services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of Current/Non-Current classification of assets and liabilities. The material accounting policy information used in preparation of the audited financial statements have been discussed in the respective notes.

(c) Impairment

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(d) Leases

In accordance with Ind AS 116, as lessee for lease with a term of more than 12 months, the Company recognises a 'right-of-use' asset at cost for the lease term at the commencement date and a lease liability representing its obligation to make future lease payments. The 'Right-of-use' asset is depreciated using the straight line method from the commencement date over the shorter of lease term or useful life of 'right-of-use' asset. The lease payment is discounted using the lessee's incremental borrowing rate as there is no interest rate implicit in the lease. Short term lease and lease of low value is treated as expense on straight line basis or other systematic basis over the lease term.

(e) Financial Instruments

Financial Assets and Financial Liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument. Since the transaction price does not differ significantly from the fair value of the financial asset or financial liability, the transaction price is assumed to be the fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase and sale of financial assets are recognized using trade date accounting.

i. **Financial Assets**

Financial assets include Trade Receivables, Advances, Cash and Cash Equivalents etc which are classified for measurement at amortised cost.

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Impairment:

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) are tested for impairment based on available evidence or information. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

De-recognition:

Financial assets are derecognized when the right to receive cash flow from the assets has expired, or has been transferred and the company has transferred substantially all of the risks and rewards of ownership.

Income recognition:

Interest income is recognized in the Statement of profit and loss using the effective interest method. Dividend income is recognized in the Statement of Profit and Loss when the right to receive the same is established.

ii. **Financial Liabilities**:

Borrowings, trade payables and other Financial Liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortised cost using the effective interest method, wherever applicable.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

De-recognition:

Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

(f) Inventories

Inventories are valued at lower of cost and net realizable value.

(g) Revenue

Revenue is recognized when the performance obligation is satisfied by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes and duties collected on behalf of the Government. Interest income is accrued on time proportion basis, by reference to the principal outstanding and the effective interest rate applicable. Rental income from investment properties is recognized on a straight line basis over the term of the relevant leases. Income from services is accounted over the period of rendering of services.

(h) Foreign Currency Transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency).Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in statement of profit and loss.

(i) Cash and cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, demand deposits with banks, short term balances (with an original maturity of three months or less from date of acquisition).

(j) Taxes on income

Income tax expense represents the sum of the current tax and deferred tax.

Current tax charge is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of profit and loss because Some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The company's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

The company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are off set against each other and the resultant net amount is presented in the balance sheet if and only when the company currently has a legally enforceable right to set off the current income tax assets and liabilities.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity respectively.

(k) Earnings Per Share

Basic earnings per share is calculated by dividing the profit for the period attributable to the owners of company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For the purposes of calculating diluted earnings per share the profit for the period attributable to the owners of the company and the weighted average

number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(l) Exceptional items

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the company for the year, the company makes a disclosure of the nature and amount of such items separately under the head "exceptional items."

(m) Provisions and contingent liabilities

A provision is recognized if as a result of a past event, the company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

(n) Dividends

Dividend proposed (including income tax thereon) is recognized in the period in which interim dividends are approved by the Board of Directors or in respect of final dividend when approved by shareholders.

(o) Use of Estimates and Critical accounting Judgements

The preparation of Financial Statements is in conformity with generally accepted accounting principles which requires management to make estimates and assumptions.

The estimates and the associated assumptions are based on historical experience, opinions of experts and other factors that are considered to be relevant. Actual results may differ from these estimates.

Significant judgements and estimates are made relating to impairment of Property, Plant and Equipments, Actuarial assumptions relating to recognition and measurement of employee defined benefit obligations, recognition of provisions and exposure of contingent liabilities relating to pending litigations or other outstanding claims etc.

(p) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs notifies ("MCA") notifies new Standards or amendments to the existing Standards under Companies (Indian Accounting Standards) Rules, 2023, as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2024

(Rupees in lakhs)

A. EQUITY SHARE CAPTAL

As at April 1 2023	351.23
Changes in equity share capital	-
As at March 31, 2024	351.23

B. OTHER EQUITY

	Reserves & Surplus	Items of other comprehensive income	Total
	Retained Earnings	Remeasurement of defined benfit plans (FVOCI)	
Balance as at April 1,2022	(369.37)	0.00	(369.37)
Profit/(Loss) for the year	(0.90)	0.00	(0.90)
Other Comprehensive income for the year	0.00	0.00	0.00
Total comprehensive Income for the year	(0.90)	0.00	(370.27)
Balance as at March 31,2023	(370.27)	0.00	(370.27)
Profit/(Loss) for the year	(2.77)	0.00	(2.77)
Other Comprehensive Income for the year	0.00	0.00	0.00
Total comprehensive Income for the year	(2.77)	0.00	(2.77)
Balance as at March 31,2024	(373.04)	0.00	(373.04)

As per our report of even date

For V S S A & Associates
(Firm Registration No. 012421N)
Chartered Accountants

Samir Vaid
Partner
M. No. 091309
Place : New Delhi
Dated : 21.05.2024
UDIN: 24091309BKEQOH4056

For & on behalf of the Board

VAIBHAV GOEL
Wholetime Director
DIN- '07899594

ANKIT TAYAL
Additional Director
DIN- 03055997

SUNAYANA ANAND
Company Secretary
'M.No.: A46238

(Rupees in lakhs)

		As at 31st March, 2024	As at 31st March, 2023
2	**Cash and cash equivalents**		
	Balances with Banks:		
	In Current accounts	0.27	0.65
	Cash on Hand (as certified)	0.00	0.00
		0.27	**0.65**
3	**Equity Share Capital**		
	Authorised		
	80,00,000 (80,00,000) Equity Shares of Rs. 10 each.	800.00	800.00
	2,00,000 (2,00,000) Preference Shares of Rs. 100 each	200.00	200.00
		1,000.00	**1,000.00**
	Issued, Subscribed and Fully Paid up		
	35,12,250 (35,12,250) Equity Shares of Rs. 10 each including 1,00,000 Equity Shares of Rs. 10 each allotted for consideration other than cash).	351.23	351.23
		351.23	**351.23**
(a)	**Movements in the Equity Shares Outstanding**		
	Opening balance	351.23	351.23
	Changes in equity share capital during the year	0.00	0.00
	Balance at the end of the year	**351.23**	**351.23**

(b) **Terms and Rights attached to Equity Shares:**

The Company has only one class of issued shares referred to as equity shares having a par value of Re 10 each. Each holder of Equity Shares is entitled to one vote per share

The Company declares and pays dividends in Indian Rupees. The Dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

The details of Shareholders holding more than 5% Equity Shares are given below:-

Name of the Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	% held	No. of shares	% held
ANKIT TAYAL	1071462	**30.51**	781862	**22.26**
MOHIT SHARMA	913300	**26.00**	0	**0.00**
SURESH MANSHARAMANI	0	**0.00**	492600	**14.03**
UMA MANSHARAMANI	0	**0.00**	224100	**6.38**
CARNATION CORPORATE CONSULTANTS PVT LTD	633500	**18.04**	633350	**18.03**

Shares held by Promoters/Promoter Group

Promoter Name				
ANKIT TAYAL	1071462	**30.51**	781862	**22.26**
MOHIT SHARMA	913300	**26.00**	0	**0.00**
VEENA BALANI	2500	**0.07**	2500	**0.07**
ANOOP KUMAR GAJWANI	2500	**0.07**	2500	**0.07**
DEEPAK KUMAR JOTWANI	2500	**0.07**	2500	**0.07**
SURESH MANSHARAMANI	0	**0.00**	492600	**14.03**
UMA MANSHARAMANI	0	**0.00**	224100	**6.38**

Details of Dividend Paid

Particulars		
(i) Equity Shares		
Dividend for the year ended 31st March, 2023 per fully paid equity share	**NIL**	**NIL**

(Rupees in lakhs)

		As at 31st March, 2024		As at 31st March, 2023	
4	**Other Equity**				
	Retained Earnings				
	As per last Balance Sheet	(370.28)		(369.38)	
	Add: Profit/(Loss) after Tax transferred from Statement of Profit & Loss	(2.77)		(0.90)	
	Other comprehensive income	0.00	(373.04)	0.00	(370.28)
			(373.04)		**(370.28)**
5	**Borrowings**				
	Unsecured loans repayable on demand-Related Parties		15.25		15.25
			15.25		**15.25**
6	**Trade Payables**				
	(a) Total Outstanding Dues of Micro Enterprises and Small Enterprises (Refer Note 16)		0.00		0.00
	(b) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises		0.65		2.89
	Total		**0.65**		**2.89**

Trade Payables ageing Schedule (Due for payment for the year ended as on 31st March 2024 and 31st March 2023

	Less than 1 year	1-2 years	2-3 year	More than 3 years	Total
(i) MSME	0.00	0.00	0.00	0.00	
	(0)	(0)	(0)	(0)	
(ii) Others	0.00	0.00	0.00	0.00	
	(0)	(0)	(0)	(0)	
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	
	(0)	(0)	(0)	(0)	
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	
	(0)	(0)	(0)	(0)	
Total	0.00	0.00	0.00	0.00	
	(0)	(0)	(0)	(0)	
Add: Accrued Expenses					**0.65**
					(2.89)

(Rupees in lakhs)

		As at 31st March, 2024	As at 31st March, 2023
7	**OTHER CURRENT LIABILITIES**		
	Accrued Salaries & benefits (Including Rs 0.99 Lakhs to a related party)	0.94	1.56
	Advances from customers	5.25	0.00
		6.19	**1.56**

(Rupees in lakhs)

		Year Ended 31st March, 2024	Year Ended 31st March, 2023
8	**PERSONNEL**		
	Salary-Related party	1.30	2.10
		1.30	**2.10**
9	**OTHER EXPENSES**		
	Payment to the Auditors:		
	Statutory Audit	0.30	0.30
	Miscellaneous Expenses	1.96	1.66
	Listing Fees	4.22	3.90
		6.48	**5.86**

(Rupees in lakhs)

		As at 31st March, 2024	As at 31st March, 2023
10	**Contingent Liabilities & Commitments**		
	(To the extent not provided for)		
	Contingent Liabilities		
	a) Claims against the Company not acknowledged as Debts	-	-

11 In the opinion of the Board, all Current Assets, have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

12 The net worth of the Company is negative but the Company is meeting its liabilities/obligations.The Company continues to receive active support from management.Based on perception of market conditions,the Company is hopeful of a turnaround and recovery in the near future.Therfore,the accounts have been prepared on the fundamental assumption of going concern.

13 Based on the guiding principles given in Ind AS 108 on "Operating Segment" the Company's business activity falls within a single operating segment. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.

14 Earnings Per Share (EPS)

Profit attributable to the Equity Share Holders	**(2.77)**	**(0.90)**
Basic/Weighted average No. of Equity Shares outstanding **(B)**	**35,12,250**	**35,12,250**
Nominal Value of Equity Shares (Rs.)	**10**	10
Basic/Diluted Earning Per Share (Rs.) **(A/B)**	**(0.079)**	**(0.026)**

15 Related Party Disclosures under Ind AS 24

Related party transactions have been dislosed in respective Notes to accounts.

16 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

(i)	Principal amount remaining unpaid	-	-
(ii)	Interest due thereon remaining unpaid	-	-
(iii)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iv)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(v)	Interest accrued and remaining unpaid	-	-
(vi)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

17 The Company does not have any borrowings from Banks and Financial Institutions.

18 The Company does not have any Immovable Property .

19 The Company does not have any Property/Plant/Equipment during the year.

20 No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act 2013), either severally or jointly with any other person, that are repayable on demand or without specifying and terms or period of repayment.

21 The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.

22 The Company does not have any borrowings from banks/financial institutions on the basis of security of current assets.

23 The Company has not been declared wilful defaulter by any Bank/Financial Institution/other lender.

24 The Company does not have any transaction with companies struck off under Section 248 of Companies Act, 2013/ Section 560 of Companies Act 1956.

25 There are no charges/ satisfaction yet to be registered with the Registrar of Companies beyond the statutory period.

26 The Company does not have any layers prescribed under Clause (87) of Section 2 of the Act, read with Companies (Restriction on number of Layers) Rules, 2017.

27 No Scheme of Arrangements has been approved by the competent authority in terms of Section 230 to 237 of Companies Act, 2013.

28 The Company has not advanced/loaned/invested funds(either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies) including foreign entities (intermediaries) with understanding (whether recorded in writing or otherwise) that the intermediary shall

i. Directly or indirectly lend or invest in other persons or entities identified in any other matter whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

ii. Provide any guarantee or security or the like to or on behalf of the Ultimate Beneficiaries.

29 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

i. Directly or indirectly lend or invest in other persons or entities identified in any matter whatsoever by or on behalf of Funding Party (Ultimate Beneficiaries) or

ii. Provide any guarantee, security or the like on behalf of Ultimate Beneficiaries.

30 The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year, in the tax assessments under the Income Tax Act, 1961.

31 The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

32 The Company does not have any significant volume of business since past few years .Further there are no borrowings from banks and/or financial institutions.There are neither business creditors nor trade receivables as on date.On an overall consideration of the above ,accounting Ratios are not given.

(Rupees in lakhs)

	As at 31st March, 2024	As at 31st March, 2023
Note 33		
Financial assets at fair value		
Cash and cash equivalents	0.27	0.65
Trade receivables	-	-
Total financial assets	**0.27**	**0.28**
Financial liabilities at fair value		
Borrowings	15.25	15.25
Trade payables	0.65	2.89
Other Financial Liabilities	6.19	1.56
Total financial liabilities	**22.09**	**19.70**

b) Fair Value Hierarchy

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

Level 1:The fair value of financial instruments that are quoted in active markets are determined on the basis of quoted pricefor identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuationtechniques based on observable market data.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). Fair value of investment in unquoted equity shares is determined using discounted cash flow technique.

The carrying amounts of all financial instruments are considered to be the same as their fair values.

c) Financial Risk Management

In the course of its business, the Company is exposed to a number of financial risks: credit risk, liquidity risk, market risk. This note presents the Company's objectives, policies and processes for managing its financial risk and capital.

i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables

The Company's Trade Receivables are largely from sales made to wholesale customers. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Company manages credit risk through credit approvals and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Exposoures to customers outstanding at the end of each reporting period are reviewed to determine incurred and expected credit losses and the Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade receivables. Historical trends of impairment of Trade Receivables do not reflect any significant losses.

Summary of the Company's ageing of outstanding from various customers and impairment for expected credit loss is as follows:

As at March 31, 2024	gross carrying amount	expected credit losses	carrying amount of trade receivables (net of expected credit losses)
Past due 0-180 days	-	-	-
Past due 180 and more days	-	-	-
Total	**-**	**-**	**-**

As at March 31, 2023	gross carrying amount	expected credit losses	carrying amount of trade receivables (net of expected credit losses)
Past due 0-180 days	-	-	
Past due 180 and more days	-	-	-
Total	**-**	-	**-**

ii) Liquidity Risk

Liquidity risk refers to risk that the Company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled in cash or other financial assets. The Company regularly monitors the rolling forecasts to ensure that sufficient liquidity is maintained on an ongoing basis to meet operational needs. The Company manages the liquidity risk by planning the investments in a manner such that the desired quantum of funds could be made available to meet any of the business requirements within a reasonable period of time. In addition, the Company also maintains flexibility in arranging the funds by maintaining committed credit lines with various banks to meet the obligations.

Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

As at March 31, 2024	Carrying Amount	Contractual Cash Flows		
		Total	1 year or less	Beyond 1 year
Non derivative financial liability				
Borrowings-Repayable on Demand	15.25	15.25	15.25	
Trade payables and other Financial liabilities	6.85	6.85	6.85	-

As at March 31, 2023	Carrying Amount	Contractual Cash Flows		
		Total	1 year or less	Beyond 1 year
Non derivative financial liability				
Borrowings	15.25	15.25	15.25	-
Trade payables and Other Financial Liabilities	4.45	4.45	4.45	-

iii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive fnancial instruments, all foreign currency receivables and payables. The Company is exposed to market risk primarily relates to foreign exchange rate risk.

Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity. The Company is exposed to currency risk on account of its payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company has exposure to GBP, USD, EURO and other currencies. The Company has not hedged this foreign currency exposure.

Exposure to currency risk

The Company do not have foreign currency risk at the end of the reporting period.

34. Tax Expense

i) Recognized in the Statement of Profit and Loss

(Rupees in lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Current tax		
Current tax on taxable income for the year	0.00	0.00
Total Current tax expense	0.00	0.00
Deferred tax		
Deferred tax charge/credit	0.00	0.00
MAT credit (taken)/utilized	0.00	0.00
Total deferred income tax expense/(benefit)	**0.00**	**0.00**
Income Tax expense reported in the statement of Profit and Loss	**0.00**	**0.00**

ii) Recognized in Other Comprehensive Income

(Rupees in lakhs)

Items that will not be reclassified to Profit or Loss	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Items of OCI	-	-
Tax Expense	0.00	0.00
Net of Tax	-	-

iii) Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate for March 31st, 2024

(Rupees in lakhs)

Particulars	Year Ended 31st March, 2024	Year Ended 31st March, 2023
Enacted income tax rate in India applicable to the company	**26.00%**	**26.00%**
Accounting profit before Income Tax	(2.77)	(0.90)
Current tax expense on profit before tax expense at the enacted income tax rate in India	0.00	0.00
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Expenses not allowable in income Tax	0.00	0.00
Income exempted from taxes	0.00	0.00
Others	0.00	0.00
Total income tax expense/(credit)	0.00	0.00

35 Previous Year's figures have been regrouped/ rearranged, wherever found necessary.Figures in brackets above are in respect of previous year.

36 Figures have been rounded off to Rs. Lakhs

As per our report of even date

For V S S A & Associates
(Firm Registration No. 012421N)
Chartered Accountants

Samir Vaid
Partner
M. No. 091309
Place : New Delhi
Dated : 21.05.2024
UDIN: 24091309BKEQOH4056

For & on behalf of the Board

VAIBHAV GOEL
Wholetime Director
DIN- '07899594

ANKIT TAYAL
Additional Director
DIN- 03055997

SUNAYANA ANAND
Company Secretary
'M.No.: A46238