

36th

Annual Report

2002-2003

Report  junction.com



ROLCON ENGINEERING COMPANY LIMITED

ROLCON ENGINEERING COMPANY LIMITED

BOARD OF DIRECTORS

Smt Sushilaben S. Patel	Chairman
Shri Suresh H. Amin	Managing Director
Shri Ashish S. Amin	Joint Managing Director
Shri Knut Bovenkamp	
Shri Indubhai C. Patel	
Shri Suryakant M. Patel	
Shri Bhulabhai D. Patel	
Shri Ashok K. Parikh	
Shri Kailashchandra K. Seksaria	

AUDITORS

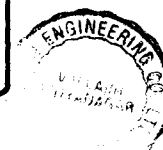
Messrs Thakorebhai-Shirish Desai & Butala
Division of Thacker Butala Desai
Navsari - 396 445

BANKERS

State Bank of India
Specialised Commercial Branch
Anand - 388 001

REGISTERED OFFICE

Anand - Sojitra Road
Vallabh Vidyanagar - 388 120



ROLCON ENGINEERING COMPANY LIMITED

NOTICE

NOTICE is hereby given that the 36th Annual General meeting of the Shareholders of ROLCON ENGINEERING COMPANY LIMITED will be held on Friday the 20th June 2003 at 3:00 p.m. at the Registered Office at Vallabh Vidyanagar to transact the following business :

ORDINARY BUSINESS

- 1) To consider and adopt the Audited Balance Sheet as at 31st March, 2003, the Profit & Loss Account for the year ended on that date, together with the reports of the Directors and Auditors.
- 2) To declare dividend.
- 3) To appoint a Director in place of Shri Indubhai C. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint a Director in place of Shri Bulabhai D. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
- 5) To appoint a Director in place of Shri K. K. Seksaria, who retires by rotation and being eligible, offers himself for re-appointment.
- 6) To appoint Auditors and to fix their remuneration

Place : Vallabh Vidyanagar By order of the Board

Date : 3rd May, 2003

Suresh H. Amin
(Managing Director)

NOTES :

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (2) The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 18th June 2003 to Friday, 20th June 2003 (both days inclusive).
- (3) The dividend when declared will be made payable on or after 25th June 2003 to those Shareholders, whose names appear on the Register of Members of the Company on 20th June 2003 or to their mandates if any.
- (4) Shares of the Company are listed at Mumbai & Ahmedabad Stock Exchange and requisite listing fees for the year 2003-2004 have been paid.

Place : Vallabh Vidyanagar By order of the Board

Date : 3rd May, 2003

Suresh H. Amin
(Managing Director)

DIRECTORS' REPORT

To,

The Members

Your Directors have pleasure to submit their 36th Annual report together with the Audited statement of Accounts for the year ended March 31st, 2003.

WORKING RESULTS :

	Rupees (Rs. in lacs)	Previous Year Rupees (Rs. in lacs)
	2002-03	2001-02
Gross Profit	87.10	91.95
Less: Depreciation	37.33	39.25
Profit before Tax	49.77	52.70
Less : Provision for Taxtion	13.00	20.50
Profit after Tax	36.77	32.20
Add:		
a) The amount brought forward from the last Year's account	20.01	19.89
b) Excess/Short Provision of the earlier year's Total available	41.82	4.09
	<u>98.60</u>	<u>56.18</u>

APPROPRIATIONS:

a) Proposed Dividend	22.68	21.17
b) Provision for Corporate Tax On Dividend	2.90	0.00
c) General Reserve	26.00	15.00
d) Balance carried forward	47.02	20.01
	<u>98.60</u>	<u>56.18</u>

DIVIDEND:

Your Directors recommend Dividend at the rate of 30% i.e. Rs. 3.00 per Share, on 7,56,000 Equity Shares of Rs. 10/- each absorbing total Rs. 22.68 lacs.

PRODUCTION:

Chains and Sprockets :

The Companies sales and other income for the year amounted Rs. 1310.33 lacs as against Rs. 1460.86 lacs of the previous year.

Wind Mill :

During the year the mill has generated 212729 units. Against this units generated at Lamba, Gujarat Electricity



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Board will give credit for equal units in consumption every month.

DIRECTORS:

Shri Indubhai C. Patel, Shri Bhulabhai D. Patel and Shri Kailaschandra K. Seksaria Directors retire under Articles 138 of the Articles of Association of the Company and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of recently introduced Section 217(2AA) in the Companies Act, 1956 your directors Report that :

- The accounting standards were followed in the preparation of annual accounts of the year under review.
- The accounting Policies are applied consistently to give a true and fair view of the state of affairs of the company at the end of financial year under review and Profit & Loss Account of the period under report.
- Proper and sufficient care has been taken for maintenance of adequate accounting records and for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities.
- The Annual Accounts have been prepared on a going concern basis.

DISCLOSURE AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

The required particulars are set out in the Annexure forming part of the report.

DEPOSITS :

There was no deposit, which had matured and remained unpaid at the close of the year.

PARTICULARS OF EMPLOYEES :

There are no employees, as required to be included in accordance with Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended in 1988.

PERSONNEL :

The relations between the management and employees have been cordial throughout the year and your Directors wish to place on record their appreciation for the devoted services rendered by the employees.

AUDITORS :

M/s Thakorebhai - Shirish Desai & Butala, A Division of

Thacker Butala Desai, Auditors of the Company, retire at the conclusion of the Annual General Meeting and being eligible, offer themselves for re-appointment.

On behalf of the Board

Place : Vallabh Vidyanagar

Sushila S. Patel

Date : 3rd May, 2003

Chairman

ANNEXURE TO THE DIRECTORS' REPORT

INFORMATION AS PER SECTION 217(1) (e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH, 2003.

A. CONSERVATION OF ENERGY ;

(a) Energy conservation measures taken :

Company have reduced the contract demand from 900 KVA to 475 KVA and there after to 400 KVA and have installed 145 KVAR capacitor to the existing main line circuit which in turn will save energy consumption and be more efficient.

(b) Additional investments and proposals, If any being implemented for reduction of consumption of energy.

- i) For investment of power factor of 0.98 to 0.99. Company installed extra capacitors of 50 KVAR capacity.
- ii) Electric Furnaces have been converted into Natural Gas fire heating furnaces and Flame Hardening plant converted in to LPG gas system.
- iii) Electrical motors with high HP have been converted into lower HP as per the calculation of mechanical BHP.
- iv) For higher H.P. machines capacitors are installed to conserve the electric energy.
- v) We have installed extra capacitors for heavy machines, which are having more than 10 H.P. motor, which in turn save energy and will be more efficient.
- vi) For saving of electrical energy consumption with part production. Company installed new 3 Nos. C.N.C. Lathe Machines.

ROLCON ENGINEERING COMPANY LIMITED

(c) Impact of the above measures has resulted in reduction of energy consumption, saving in fuel cost and consequent impact on the cost of production of goods.

B. TECHNOLOGY ABSORPTION :

Efforts made in technology absorption as per form - B of the Annexure to the rules.

(1) Research & Development (R&D)

(a) Specific areas in which R & D carried out by the Company.

i) The Company has installed testing equipments like Automatic Hydraulic Fatigue Testing Machine, Chain wear life Machine and Micro Hardness Testers for investigating the fatigue life/ wear life and hardness of the chains and chain components.

ii) CNC machines have been installed to improve productivity and quality of Chains.

iii) NC vertical boring mill machine has installed for manufacture of Sprocket. This ensures accuracy and speedy manufacturing of Sprockets, which ultimately saves time and energy.

iv) In order to achieve repetitive accuracies of product company has updated copying S pilot m/c to improve productivity and quality of chains.

vi) Presses with 120 tons and 250 tons capacity have been installed for speedy production of chains.

(b) Benefits derived as a result of the above R & D :
By using these machines, Company can improve fatigue life, wear life and heat treatment of the chain.

(c) Future plan of action :

R & D is striving to improve quality of the chain to the latest standards and for achieving this, new testing equipments will be continuously installed as and when necessary.

(d) Expenditure on R & D (Rs. In lacs)

i) Capital	NIL
ii) Recurring	NIL
iii) Total	NIL

iv) Total R & D Expenditure as percentage of total turnover. NIL

(2) Technology absorption, adaptation and innovation :

a) Efforts in brief, made towards technology absorption and innovation.

Japanese technology for production of automotive chains/two wheeler chains have been successfully absorbed.

b) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

Untill now the Company was importing special steel tubes for making chain rollers. With a view to save foreign exchange, the Company has installed number of Automats and now the rollers are being manufactured by the Company from round bars obtained indigenously. Thus the import of steel tubes is reduced considerably. Bushes are now manufactured from indigenous tubes in place of imported tubes to save foreign exchange.

c) Company has obtained ISO 9001:2000 and Certificate to that effect has been issued by ABS. Quality Valuation Inc.

d) Company has obtained API licence for use of API Monogram on Chain & Sprocket from American Petroleum Institute.

(3) Foreign Exchange Earnings and Outgo :

(a) Activities relating to exports initiatives taken to increase export, development of new export markets for products and services and export plans.

Efforts are being made to increase the export to different countries.

(b) Total foreign exchange used and earned :

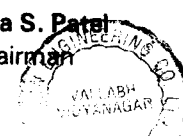
Used:Rs.12,40,500/- Earned:Rs.69,13,406/-(FOB)

Place : Vallabh Vidyanagar

On behalf of the Board

Date : 3rd May, 2003

Sushila S. Patal
Chairman



ROLCON ENGINEERING COMPANY LIMITED

COMPLIANCE CERTIFICATE

[As per rule 3 of the Companies (Compliance Certificate) Rules, 2001]

Registration No. of the Company : 04-1439

Nominal Capital : Rs. 1,50,00,000/-

To, The Members,
Rolcon Engineering Company Ltd.
Vallabh Vidyanagar.

We have examined the registers, records, books and papers of Rolcon Engineering Company Ltd. (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year beginning from 1st April, 2002 and ending on 31st March, 2003. In our opinion and to the best of our information and according to the examinations carried out by us explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year :

- 1) The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
- 2) The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
- 3) The Company being a Public Limited Company, comments are not required.
- 4) The Board of Directors duly met four times on 4th May, 2002, 27th July, 2002, 24th October, 2002 and 29th January, 2003 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
- 5) The Company closed its Register of Members from 18th June, 2002 to 20th June, 2002 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
- 6) The Annual General Meeting for the financial year ended on 31st March, 2002 was held on 20th June, 2002 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
- 7) No Extra Ordinary General Meeting was held during the financial year.
- 8) The Company has not advanced any loan to its directors and / or persons or firms or Companies referred in the section 295 of the Act.
- 9) The Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
- 10) The Company has made necessary entries in the register maintained under section 301 of the Act.
- 11) As there were no instances falling within the purview of section 314 of the Act the Company has not obtained any approvals from the Board of Directors, members or Central Government.
- 12) The Company has not issued any duplicate share certificates during the financial year.
- 13)
 - i) The Company has delivered all the certificates on allotment of securities and on lodgment thereof for transfer / transmission or any other purpose in accordance with the provisions of the Act.
 - ii) The Company has not deposited the amount in a separate Bank Account as dividend, including interim dividend, was declared and paid within 5 days of declaration during the financial year.
 - iii) The Company has paid/posted warrants by issue of Cheque and Demand Draft for dividends to all the members within a period of 30 days from the date of declaration and consequently there is no unclaimed / unpaid dividend lying with the company.
 - iv) The Company was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - v) The Company has duly complied with the requirements of section 217 of the Act.
- 14) The Board of Directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancies during the financial year. However, Mr. N. K. Vissanji has resigned during the year under review.
- 15) The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.
- 16) The Company has renewed the appointment of M/s. Milling Engineers as Sole Selling Agent for the period of five years during the financial year and the said appointment has been approved by the Central Govt.

ROLCON ENGINEERING COMPANY LIMITED

- 17) Except as mentioned in point No. 16 above, the Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act, during the financial year.
- 18) The directors have disclosed their interest in other firms / Companies to the Board of Directors pursuant to the provisions of the Act and rules made thereunder.
- 19) The Company has not issued any shares, debentures or other securities during the financial year.
- 20) The Company has not bought back any shares during the financial year.
- 21) The Company has not redeemed any preference shares or debentures during the financial year.
- 22) There were no transactions necessitating the Company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.
- 23) The Company has not invited / accepted any deposits including unsecured loans falling within the purview of sections 58A during the financial year.
- 24) The Company has not made any borrowings during the financial year ended 31st March, 2003 which attract compliance of the provisions of Section 293(1)(d) of the Act.
- 25) The company has not made any loans or investments, or given guarantees or provided securities to other bodies corporate as per section 372A of the Act and consequently no entries have been made in the register kept for the purpose.
- 26) The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
- 27) The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
- 28) The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
- 29) The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
- 30) The Company has not altered its Articles of Association during the financial year.
- 31) There was / were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was

imposed on the Company during the financial year, for the offences under the Act.

- 32) The Company has not received any money as security from its employees during the financial year.
- 33) The Company has not constituted for its employees, Providents Fund scheme of its own, as per the meaning of section 418 of the Act.

For J. J. Gandhi & Co.
Company Secretaries

Place : Vadodara
Date : 3rd May, 2003

J. J. Gandhi
Proprietor

ANNEXURE 'A'

Registeres as maintained by the Company

1. Register of Memmbers u/s 150
2. Register of Directors, Managing Director, Manager and Secretary u/s 303
3. Register of Transfers
4. Register of Directors shareholding u/s 307
5. Register of Contracts u/s 301.
6. Register of cintracts, companies and firms in which directors etc. are interested u/s 301(3)
7. Minutes of Meeting of Board of Directors
8. Minutes of General Meeting

ANNEXURE 'B'

Forms and Returns as filed by the Company with the Registrar Director., Cenral Government or other authorities during the financcial year ending on 31st March, 2003.

Sr. No.	Form No.	Filed under section	For	Date of Document	Filed with normal/ additional filing fees on
1	Balance Sheet	220(1)	Balance sheet and its attachment	31/03/2002	04/07/2002
2	Schedule V	159	Annual Return	20/06/2002	04/07/2002
3	Form 32	303	Intimation of Resignation of Company Secretary	22/03/2003	22/03/2003
4	Form 32	303(2)	Intimation of Resignation of Director	24/10/2002	28/10/2002

