

38th Annual Report



ROLCON ENGINEERING COMPANY LIMITED

ROL-KOBO MARK OF THE LEADERS FOR CHAINS & SPROCKETS

ROLCON ENGINEERING COMPANY LIMITED

BOARD OF DIRECTORS :

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

AUDITORS :

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 38th Annual General Meeting of the Shareholders of **ROLCON ENGINEERING COMPANY LIMITED** will be held on Wednesday the 8th June, 2005 at 3.00 p.m. at the Registered Office of the Company at Vallabh Vidyanagar to transact the following business.

ORDINARY BUSINESS :

1. To consider and adopt the Audited Balance Sheet as at 31st March 2005, 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 Smt. Sushilaben S. Patel, who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint a Director in place of Shri. Bhulabhai D. Patel, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Shri. Kailashchandra K. Seksaria, who retires by rotation and being eligible offers him self for re-appointment.
6. To appoint Auditors and to fix their remuneration.

Place : Vallabh Vidyanagar

By order of the Board

Date : 23rd April, 2005

Suresh H. Amin

(Managing Director)

NOTICE :

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 6th June, 2005 to 8th June, 2005 (both days inclusive).
3. The dividend when declared will be made payable on or before 13th June, 2005 to those Shareholder, whose names appear on the Register of Members of the Company on 8th June, 2005 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 2005-2006 have been paid.

Place : Vallabh Vidyanagar

By order of the Board

Date : 23rd April, 2005

Suresh H. Amin

(Managing Director)

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure to submit their 38th Annual Report together with the Audited Statement of Accounts for the year ended March, 31st 2005.

WORKING RESULTS :

	(Rupees in Lacs)	
	2004-05	2003-04
Gross Profit	110.22	89.33
Less : Depreciation	33.97	33.40
Profit before Tax	76.25	55.93
Less : Provision for Taxation	28.50	21.00
Profit after Tax	47.75	34.93

Add :

a) The amount brought forward from the last Year's account	49.52	47.02
b) Excess/Short Provision of the earlier years	5.44	0.85

Total available

102.71	81.10
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APPROPRIATION

a) Proposed Dividend	22.68	22.68
b) Provision for Corporate Tax On Dividend	2.96	2.90
c) General Reserve	10.00	6.00
d) Balance carried forward	67.07	49.52
	102.71	81.10

DIVIDEND :

Your Directors recommend a 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 :

Chain and Sprockets :

The Companies sales and other income for the year amounted Rs. 1646.72 lacs against Rs.1467.00 lacs of the previous year.

Wind Mill :

During the year the mill has generated 194614 units. Against the units generated at Lamba, Gujarat Electricity Board has given credit for equal units in consumption every month.

ROLCON ENGINEERING COMPANY LIMITED

DIRECTORS:

Smt. Sushilaben S. Patel, Shri Bhulabhai D. Patel, Shri Kailashchandra 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 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.

Corporate Governance

- Provision of clause 49 of listing Agreement in connection with Corporate Governance are not applicable to the company, since the paid up capital of the Company is less than Rs. 3 Crore as well as the net worth of Company is below Rs. 25 Crores.

* 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 - Shrish 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.

Place : Vallabh Vidyanagar

On behalf of the Board

Date : 23rd April, 2005

Sushila S. Patel

(Chairperson)

ANNEXURE TO THE DIRECTOR'S REPORT

INFORMATION AS PER SECTION 217 (1) (E) READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31st MARCH, 2005.

A. CONSERVATION OF ENERGY:

(a) Energy conservation measures taken :

- 1) Auto transformer (Voltage/Current Reducers) have been installed on the factory lighting feeders.
- 2) Compressed air leakages have been completely stopped resulting in saving in electrical energy consumption.

The continues and cautious efforts will save energy cost to the company

B. TECHNOLOGY ABSORPTION:

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

1) Research & Development (R & D)

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

The Company has installed special purpose fully automatic bandsaw and drilling machine to achieve precision chain components and to cut down production time and reduce idle machine hours.

- b) 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.

ROLCON ENGINEERING COMPANY LIMITED

- c) Expenditure on R & D (Rs. In Lacs)
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|--------------------------------|-----|
| 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) Company is authorised to use ISO 9001 :2000 Certification for chain & sprocket issued by M/s. ABS Quality Valuation Inc.
- b) API license No. 7F-0017 issued by American Petroleum Institute to use API monogram on chain use in Oil Exploration activity by ONGC & Indian Oil Corporation.

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.
- b) Total foreign exchange used and earned :

Used :Rs. 8,99,235 /-

Earned : Rs. 24,73,963 /- (FOB)

Place : Vallabh Vidyanagar **On behalf of the Board**

Date : 23rd April, 2005

Sushila S. Patel

(Chairperson)

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 Member

Rolcon Engineering Company Ltd.

Vallabh Vidyannagar

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 there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year beginning from 1st April 2004 and ending on 31st March, 2005, in our opinion and to the best of our information and according to the examinations carried out by us and 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 the under and all enteries therein have been duly recorded,
2. The Company has duly field 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 28th April 2004, 9th July, 2004, 28th October, 2004 and 28th January, 2005 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 9th August 2004 to 11th August 2004 (both days in clusive) 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, 2004 was held on 11th August, 2004 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 speciafied 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 failling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board Directors, Members of 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 seperate Bank Accountant 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 Cheques and Demand Draft for dividends to all the members of the company within a period of 30 days days from the dae 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.

ROLCON ENGINEERING COMPANY LIMITED

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| <p>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 duing the financial year.</p> <p>15. The Company has not appointed any Managing Director / Whole -time Director / Manager during the fianancial year.</p> <p>16. The Company has not appointed any sole-selling agent during the financial year.</p> <p>17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Directors, Registrar and or such authorities prescribed under the various provisions of the Act. during the financial year.</p> <p>18. The directors have disclosed their interest in other firms / Companies to the Board of Directors pursuant to the provisions of the Act and ruiles mad thereunder.</p> <p>19. The company has not issued any shares, debentures or other securities during the financial year.</p> <p>20. The Company has not brought back any shares during the financial year.</p> <p>21. The Company has not redeemed any preference shares or debentures during the financial year.</p> <p>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.</p> <p>23. The Company has not invited / accepted any deposits including unsecured loan falling within the preview of sections 58A during the financial year.</p> <p>24. The Company has not made any borrowing during the financial year ended 31st March, 2005 which attract compliance of the provisions of sections 293 (1) (d) of the Act.</p> <p>25. The Company has not made any loans or investment or given guarantees or provided securities to other bodies corporate as per section 372 A of the Act and consequently no enteries have been made in the register kept for the purpose.</p> <p>26. The Company has not altered the provisions of the Memorandum with respect situation of the Company during the year under security.</p> | <p>27. The Company has not altered the provision of the Memorandum with respect to name of the Company during the year under security.</p> <p>28. The Company has not altered the provision of the Memorandum with respect to share capital of the company during the year under security.</p> <p>29. The Company has not altered its Articles of Association during the financial year.</p> <p>30. There was / were no prosecution initiated against of show cause notices received by the Company and no fines or penalties or any other punishments was imposed on the Company during the financial year, for the offences under the Act.</p> <p>31. The Company has not received any money as security from its employees during the financial year.</p> <p>32. The Company has not constituted for irs employees, Provident Fund scheme of its own, as per the meaning of section 418 of the Act.</p> |
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Place : Baroda

For, Surendra Tamboli & Associates

Date : 16th May, 2005

Company Secretaries

S. U. Tamboli

(Proprietor)

ANNEXURES "A"

Registeres as maintained by the Company.

1. Register of Member 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 Contractors u/s. 301
6. Register of contracts, 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.