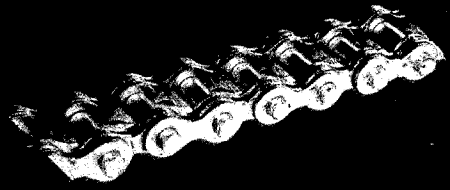
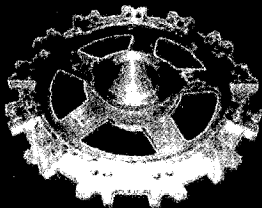
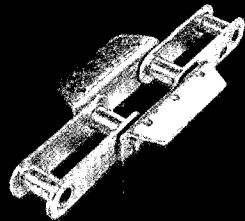


42nd Annual Report 2008-2009



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 Anil D. Gandhi	Director
Shri Ashok Krishnadas	Director
Shri Bhulabhai D. Patel	Director
Smt. Daksha S. Amin	Director
Shri Kailashchandra K. Seksaria	Director
Shri Knut Bovenkamp	Director
Shri Suryakant M. Patel	Director

AUDITORS

THACKER BUTALA DESAI

Chartered Accountants
Navsari, Gujarat.

BANKERS

STATE BANK OF INDIA
CORPORATION BANK

REGISTERED OFFICE

Anand - Sojitra Road
Vallabh Vidyanagar 388 120 (Gujarat)
INDIA.



NOTICE

Notice is hereby given that the 42nd Annual General Meeting of the shareholders of **ROLCON ENGINEERING COMPANY LIMITED** will be held on Thursday, the 25th June-2009 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 2009, the profit & Loss Account for the year ended on that date, together with report of the Board of Directors and Auditors thereon.
- 2 To declare dividend.
- 3 To appoint a Director in place of Mr.Ashok Krishnadas, who retires by rotation, and being eligible, offers him for reappointment.
- 4 To appoint a Director in place of Mr.Suryakant M. Patel, who retires by rotation, and being eligible, offers him for re-appointment.
- 5 To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

- 6 Appointment of Mrs.Daksha S. Amin as a Director retires by rotation. To consider the following resolution as an ordinary resolution, with or without modification(s) if any.
"Resolved that Mrs.Daksha S. Amin, be and is hereby appointed as Director of the Company, retires by rotation".

By Order of the Board

Suresh H Amin
Managing Director

Place: Vallabh Vidyanagar

Date: 23rd April-2009

ANNEXURE TO THE NOTICE - EXPLANATORY STATEMENT UNDER SECTION - 173(2) OF THE COMPANIES ACT, 1956.

Item No.-6

Appointment of Mrs.Daksha S. Amin, as rotational Director

The Board of Directors of the Company has appointed Mrs.Daksha S. Amin as an Additional Director on 23rd April-2009. As per the provision of section 260 of the Companies Act, 1956 and the provisions of Memorandum and Articles of Association of the Company, Mrs.Daksha S. Amin would continue till the date of the next Annual General Meeting of the Company.

A Notice under Section 257 of the Companies Act, 1956 along with deposit of Rs.500.00 has been received from a member proposing the appointment of Mrs.Daksha S. Amin as Director of the Company.

Mrs.Daksha S. Amin is having rich experience in the General Administration and also has Technical Expertise of the Company's Business. She is also holding Directorship in M/s.Sudeep Rub-Chem Pvt. Ltd., M/s.Maruti Rubber Product Pvt. Ltd., and M/s.Cyto Pvt. Ltd. Her appointment as a Director would be substantial beneficial to the Company.

The Board of Directors commends the resolution. None of the Directors except Mrs.Sushila S Patel, Shri.Sureshbhai H Amin, Shri.Ashishbhai S Amin and Mrs.Daksha S. Amin are concerned and interested in the proposed resolution.

By Order of the Board

Suresh H Amin
Managing Director

Place : Vallabh Vidhyanagar

Date : 23rd April-2009

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 instrument of proxy in order to be effective must be deposited at the Registered Office of the Company, duly completed and signed not later than 48 hours before the meeting.
- 3 An explanatory Statement as required under section 173 (2) of the Companies Act, 1956 relating to the Special Business is annexed hereto.
- 4 The Register of Members and Share Transfers Books of the Company will remain closed from 22nd June-2009 to 25th June-2009. (both days inclusive).
5. Subject to the provisions of the Section 206A of the Companies Act, 1956 dividend as recommended by the Board of Directors, if declared at the meeting, will be payable on or after 25th June-2009 to those members whose names appear on the Register of Member as on 25th June-2009.

By Order of the Board

Suresh H Amin
Managing Director

Place : Vallabh Vidhyanagar

Date : 23rd April-2009

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present their report on the business and operations of your Company together with the Audited Statement of Accounts and the Auditors' Report for the financial year ended 31st March-2009. The financial highlights for the year under review are given below:

WORKING RESULTS:

	Rupees in lacs	
	2008-09	2007-08
Income	3317.15	3101.33
Gross Profit	376.71	346.41
Less: Depreciation	103.39	86.87
Profit before Tax	273.32	259.54
Less: Provision for Taxation	105.71	90.03
Fringe Benefit Tax	4.31	5.12
Deferred Tax Assets	-12.22	0.00
Profit after Tax	175.52	164.39

Add:

a) The amount brought forward from the last Year's account	217.87	110.17
b) Excess / Short Provision of the earlier years	10.45	1.31
Total available	382.94	273.25

APPROPRIATIONS:

a) Proposed Dividend	30.24	30.24
d) Provision for Corporate Tax On Dividend	5.14	5.14
e) General Reserve	20.00	20.00
f) Balance carried forward	327.56	217.87
	382.94	273.25

DIVIDEND :

Your Director has recommended a dividend of Rs. 4.00 per share, aggregating to (40 %) for the current year. The dividend payout, if approved, will result in outflow of Rs. 35.38 Lacs inclusive of Rs. 5.14 Lacs for dividend tax.

PRODUCTION:**Chains and Sprockets:**

The year under review has been another landmark year for your Company with all time high production, sales and profits. For the first time in



the history of the Company, Company has achieved sales target to **Rs.3317.15** Lacs as against Rs.3101.33 Lacs for the previous year and profit before tax has reached to **Rs.273.32** Lacs as against Rs.259.54 Lacs for the previous year.

WIND MILL :

During the year the Wind Mill has generated 162408 Units. Against the units generated at Lamba, Madhya Gujarat Vij Co. Ltd., has given credit for equal units in consumption every month.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 your Directors confirms that:

- 1 the applicable accounting standards were followed in the preparation of annual accounts for the year ended 31st March-2009.
- 2 the accounting Policies are applied consistently to give a true and fair view of the state of affairs of the Company as on 31st March-2009 and of the Profit of the Company for the year ended on that date.
- 3 proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 and for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities.
- 4 the Annual Accounts have been prepared on a "going concern" basis.

CORPORATE GOVERNANCE

Provisions 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.3.00 crore as well as the net worth of Company is below Rs.25.00 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.

FIXED DEPOSITS:

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as at the balance sheet date. 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 Strength of your Company lies in its team of highly competent and highly motivated personnel and because of these industrial relations during the year has been cordial. Your Directors wish to place on record their appreciation for the devoted services rendered by the employees.

DIRECTORS:

The Board of Directors has appointed Mrs.Daksha S. Amin as an Additional Director on 23rd April-2009. The Board Welcomes Mrs.Daksha S. Amin. The Board is of the confident that Company will be substantially benefited by varied experience and acumen of Mrs.Daksha S. Amin.

The Company has received the notice from the Shareholder together with requisite deposit under Section 257 of the Companies Act 1956, for the appointment of Mrs.Daksha S. Amin as a rotational Director of the Company. The proposal for the appointment of Mrs.Daksha S. Amin, has been incorporated in the notice calling 42nd Annual General Meeting.

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Shri.Ashok Krishnadas and Shri.Suryakant M. Patel retire by rotation at the ensuing Annual General Meeting and they being eligible offers themselves for re-appointment.

AUDITORS:

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

ACKNOWLEDGEMENT:

Your Directors place on record their appreciation for overwhelming co-operation and assistance received from investors, customers, business associates, bankers, as well as regulatory and governmental authorities. Your Directors also thank the employees at all levels, who, through their dedication, co-operation, support and smart work, have enabled the Company to achieve growth.

On behalf of the Board

SUSHILA S. PATEL
CHAIRPERSON

Place: V.V.NAGAR.

Date: 23rd April-2009

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-2009.

A. CONSERVATION OF ENERGY:

Energy conservation measures taken:

- 1) Wind Driven Ventilation Plant which also enables the Plant to be well lit and results in power consumption.
- 2) Switch off the Heat Treatment Section during work break.
- 3) Installation of additional capacitor resulted in improved power factor.
- 4) Implementing & changing the delta connection to star connection in most of all the electric motors, resulted in to saving of electric energy.
- 5) Impact of the measures of 1,2 & 3 above for reduction of energy consumption and consequent impact on the cost of production of goods. Saving in fuel cost was achieved.

B. TECHNOLOGY ABSORPTION:

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

1) Research & Development (R & D)

- (a) The Company has installed latest CNC MACHINE AND HEAVY DUTY PRESS & FURNACES, Surface Finishing Machine and accessories for automation and for mass production.
- b) Future plan of action:
R & D is striving to improve quality of the chain to the latest standards and for achieving this have installed Spectroscope image analysis software with camera and metallurgical microscope and also new testing & measuring equipments will be

continuously installed as and when necessary.

- | | | |
|------|--|--------|
| (c) | Expenditure on R & d (Rs. In Lacs) | |
| i) | Capital | 4.05 |
| ii) | Recurring | Nil |
| iii) | Total | 4.05 |
| iv) | Total R & D Expenditure as Percentage of total turnover. | 0.12 % |

2) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

- a) Latest technology for manufacture of Chains and Sprockets which has been implemented as per International Standard in consultation with our technical collaborator M/s. KOBO KTB GmbH + CO. KG, GERMANY.
- b) Company has obtain ISO 9001-2000 certificate for industrial Chain and Sprocket separately from TUV (RWTUV Systems GmbH) GERMANY.
- c) API license No. 7F-0017 issued by American Petroleum Institute to use API monogram on chain use in Oil Exploration activity by ONGC & Oil India 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. Efforts are being made to increase the export to different countries.
- (b) Total foreign exchange used and earned:

Used : Rs.22,72,519/-

Earned: Rs. 3,01,91,513/-

On behalf of the Board

SUSHILA S. PATEL
CHAIRPERSON

Place: V.V.NAGAR

Date : 23rd April-2009



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 Limited,
Vallabh Vidyanagar,
Anand-Gujarat, India.**

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, 2008 and ended on 31st March, 2009. 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 registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and entries therein have been recorded.
- 2 The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Register of Companies at the time stated in the above annexure.
- 3 The Company being a Public Limited Company, comments are not required.
- 4 The Board of Directors duly met four times on 2nd June-2008, 25th July-2008, 25th October-2008, 28th January-2009 in respect of which meetings, proper notices were given and the proceedings were properly recorded.
- 5 The Company closed its Register of members from 21st July-2008 to 24th July-2008 (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-2008 was held on 24th July-2008 after giving due notice to the members of the Company and the resolutions passed thereat duly recorded in Minutes Book maintained for the purpose.
- 7 No Extra Ordinary General Meeting was held during the year under review.
- 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 complied with the provisions of section 297 of the Act in respect of the 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 preview 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 transfer of securities.
- ii) The Company has deposited the amount for unpaid dividend in separate Bank Accounts specially opened for the purpose with Corporation Bank. During the year, the Company has also sent reminders to the shareholders for claiming their unpaid dividend and the responses from some of the Shareholders have been received against which Company has paid the dividend.
- (iii) The Company has paid/posted warrants by issue of Cheques and demand draft for dividends to all the members of the Company within 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 complied with the requirements of Section 217 of the Act.
- 14 The Board of Directors of the Company is duly constituted. During the year, Mrs.Daksha S. Amin is appointed as an Additional Director and requisite formalities for filing of Form-32 is being done.
- 15 As the Company has already appointed Managing Director and Joint Managing Director with the approval of the Shareholders, the terms of which are valid, hence no re-appointment either of Managing Director or Joint Managing Director were made.
- 16 The Company has not appointed any sole selling agents during the financial year.
- 17 The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
- 18 The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant of the Act and the 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, rights share and bonus shares pending registration of transfer to shares.

- 23 The Company has not invited/accepted any deposits including unsecured loans falling within the preview of Sections 58A during the financial year.
- 24 The Company has sanctioned bank finance / overdraft and other facilities of Rs.75.00 Lacs from Corporation bank, V.V.Nagar. As the total limit dose not exceed to the limit as specified in terms of the provisions of Section 293 (1) (d) of the Act, as such no approvals of the shareholder are required.
- 25 The Company has not made any loans or investment 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 provision 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 of the objects of the Company during the year under scrutiny.
- 28 The Company has not altered the provision 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 Associations during the year under scrutiny.
- 31 As per the information given by the management, no prosecution has been 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 security deposits from its employees during the financial year.
- 33 The Company has not constituted for its employees, Provident Fund scheme of its own, as per the meaning of Section 418 of the Act.

For, Kashyap Shah & Co.
Company Secretaries

(Kashyap Shah)
Proprietor

Place : Vadodara

Date : 23rd April, 2009