



ROSELABS INDUSTRIES LIMITED

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**17th ANNUAL REPORT
2008-2009**

ROSELABS INDUSTRIES LIMITED



ROSELABS INDUSTRIES LIMITED

BOARD OF DIRECTORS :- **Shri Pawankumar Agarwal** Chairman-Managing Director
Shri Ramawtar Jangid Director
Shri Bhupendra Panchal Director
Smt. Rosydevi P. Agarwal Director

AUDITORS :- **M/s. A. L. Thakkar & Co.**
Chartered Accountants
Ahmedabad.

BANKERS :- **Bank of Baroda**
Bhadra Branch,
Ahmedabad.

REGISTERED OFFICE & FACTORY :- 123/1, Saijpur Gopalpur, Pirana Road, Piplej,
Dist. Ahmedabad - 382 405.

REGISTRAR & SHARE TRANSFER AGENTS :- Link Intime India Pvt. Ltd.
(formerly known as Intime Spectrum Registry Ltd.)
211, Sudarshan Complex,
Nr. Mithakhali Under Bridge,
Navrangpura, Ahmedabad - 380 009.

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NOTICE

NOTICE is hereby given that the **SEVENTEENTH ANNUAL GENERAL MEETING** of the members of **ROSELABS INDUSTRIES LIMITED**, will be held on Wednesday, the 30th September, 2009 at 11.00 A.M. at 123/1, Saijpur Gopalpur, Pirana Road, Piplej, Dist: Ahmedabad - 382 405, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the period ended as on 31st March, 2009, Balance Sheet as on that date and the Report of the Directors' and Auditors thereon.
2. To appoint a Director in place of Shri Bhupendra Panchal who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and fix their remuneration.

Regd. Office :
123/1, Saijpur Gopalpur,
Pirana Road, Piplej,
Ahmedabad - 382 405.

By Order of the Board
For Roselabs Industries Limited

Pawankumar Agarwal
Chairman - Managing Director

Dated : 17th July, 2009

NOTES

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

- (b) The Register of Members and Share Transfer Books of the Company will remain closed from 28th September, 2009 to 30th September, 2009 (both days inclusive).
- (c) Members holding shares of the Company under more than one Ledger Folio are requested to send to the Registrar & Share Transfer Agents of the Company, details of all such folios together with the Share Certificates for consolidating the folios into one. The Share Certificates will be returned to the shareholders after making the requisite endorsement thereon.
- (d) All correspondence relating to Change of Address & Shares of the Company may please be addressed to the Company's Registrar and Share Transfer Agents M/s. Link Intime India Pvt. Ltd. at 211, Sudarshan Complex, Nr. Mithakhali Under Bridge, Ahmedabad- 380009.
- (e) Members are requested to bring their copy of the Annual Report to the Meeting, as copies of the Report will not be distributed at the Meeting.
- (f) Members seeking further information about the Accounts and/or Operations of the Company, are requested to send their queries to the Company at its Registered Office atleast TEN days before the date of the Meeting.

ROSELABS INDUSTRIES LIMITED



ANNEXURE FORMING PART OF AGM NOTICE

DETAILS OF DIRECTORS WHO ARE PROPOSED TO BE RE - APPOINTED/ APPOINTED PURSUANT TO PROVISIONS OF CLAUSE 49 OF THE LISTING AGREEMENT ARE GIVEN BELOW:

Name of Director	Shri Bhupendra Panchal
Date of Birth	12.03.1965
Date of initial appointment	15.03.2007
Qualification	B. Com.
Expertise in specific functional area	Management
No. of shares held in the company	Nil
List of other companies in which holds Directorship as on 31.03.2009	Nil
Chairmanship/ membership of committee of Director of the company	Member – Audit Committee
Chairmanship/ membership of committee of Director of other company	Nil

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Dated : 17th July, 2009

By Order of the Board
For Roselabs Industries Limited

Pawankumar Agarwal
Chairman - Managing Director

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**DIRECTORS' REPORT**

Dear Shareholders,

The Directors are pleased to present the 17th Annual Report together with Audited Financial Accounts for the year ended 31st March, 2009:

1.	(Rs. in Thousand)	
	Current Year 2008 - 09 Rupees	Previous Year 2007 - 08 Rupees
Sales	61598.553	85030.58
Profit before making provisions		
For Interest, Depreciation and Taxation	9123.826	2966.68
Less		
1. Interest	110.688	317.95
2. Depreciation	708.561	2203.78
3. Provision for Taxation	0.00	40.00
4. Fringe Benefit Tax	0.00	46.81
5. Income Tax of earlier Year	15.95	56.88
Profit /loss for the year	(8288.627)	301.24

02. The general recessionary trend in domestic market for the products in which the Company is dealing made the financial year 2008-2009 a difficult for many companies. Your Company incurred the loss for the Financial year 2008-2009, due to general recessionary trend prevailing in the market all over the world and heavy cost of administrative and other expenses and less sales. Your directors are hopeful to achieve better results in future.

As you are aware there was disposal of the Company's Fixed Assets relating to manufacturing unit of Dyes during the year under review as approved by the members of the Company through Postal Ballot.

During the year under review the name of the Company was changed from Roselabs Limited to "ROSELABS INDUSTRIES LIMITED: w.e.f. 7th April, 2009.

In view of loss incurred your Directors do not recommend any dividend.

03. The Shares of the Company are listed at Bombay Stock Exchange Limited. Listing fees have been duly paid to the Stock Exchange.
04. All properties and insurable interests of the Company including Building, Plant and Machineries, Stocks, Spares etc. wherever necessary and to the extent required, have been adequately insured.
05. Shri Bhupendra Panchal, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. Your Directors recommend his reappointment.
06. Pursuant to Section 217(2AA) of Companies Act, 1956, it is hereby confirm:
- that in the preparation of the annual accounts financial year ended 31st March, 2009, the applicable accounting standards have been followed and there is no material departures from the same;
 - that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that year;
 - that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for

ROSELABS INDUSTRIES LIMITED

safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) that the Directors have prepared the annual accounts for the financial year ended 31st March, 2009 on 'a going concern' basis.
07. The information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, is given in the Annexure to this Report.
 08. Provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company, and hence the information is not given.
 09. The Company has constituted an Audit Committee pursuant to the provision of the Section 292A of the Companies Act, 1956, and as required under Clause 49 of Listing Agreement, details of which is given separately in the Report of Corporate Governance.
 10. As required under Clause 49 of the Listing Agreement executed with Stock Exchanges, a separate report on Corporate Governance is attached and forming part of the Annual Report for the year 2008-2009.
 11. A separate Report on Management Discussion and Analysis is attached herewith and form part of the Directors' Report.
 12. You are requested to appoint Auditors for the Current Year to hold office from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
The Company has received Certificate U/s 224(1B) of the Companies Act, 1956 from M/S A. L. Thakkar & Co., the Auditors of the Company signifying that the reappointment if made, at the ensuing Annual General Meeting, will be within the limits specified. The report of the Auditor is self explanatory and have been suitably dealt with in the notes to accounts.
 13. The relationship with the employees continued to be cordial throughout the year.
 14. Your Directors express their gratitude to the continuous support of the Financial Institutions, Banks, Central and State Governments, Office of the Industries Commissioner, valued Customers and devoted workers for their continuous contribution to the growth and progress of Company.

The Directors also take this opportunity to thank the shareholders for the confidence reposed in the management.

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Ahmedabad - 382 405.

For and on Behalf of the Board of Directors

Date : 17th July, 2009.

Pawankumar Agarwal
Chairman - Managing Director



ANNEXURE TO THE DIRECTORS' REPORT

Information as required under Section 217 (1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Directors' Report) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2009.

A. CONSERVATION OF ENERGY

The Company has formed a strong technical department headed by a senior personnel to continuously monitor energy consumption and plan and execute energy conservation schemes. Effective measures are being taken for overall technological upgradation of plant and machinery.

Total energy consumption and energy consumption per unit of production.

A) POWER AND FUEL CONSUMPTION

(Amount In Rupees)

	Current Year 2008-09	Previous Year 2007-08
1) Power & Fuel	3,23,898	9,20,418

B) TECHNOLOGY ABSORPTION :**a) Research and Development**

- i) Specific areas in which R & D carried out by the Company: The Research & Development efforts of the Company are directed towards quality control and improvement of in-house expertise. No expenditure has been incurred by the firm during the year.
- ii) Benefits derived as a result of the above R & D: Improvement in product quality and cost effectiveness.

b) Technology Absorption and innovation:**i) Efforts in brief made towards technology absorption, adoption and innovation:**

The Company has been putting emphasis to train its technical personnel in house by way of providing training to them for the latest technology available.

ii) Benefits derived as a result of the above efforts:

It has resulted in a better quality of product which has been brought to the International Standard, besides improving the productivity and reducing the wastages.

III) Information regarding technology imported during the last five years:

Not Applicable.

C) FOREIGN EXCHANGE EARNINGS / OUTGO

Not Applicable.

ROSELABS INDUSTRIES LIMITED**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to Clause 49 of Listing Agreement, a Management Discussion & Analysis report is given below:-

INDUSTRY STRUCTURE AND DEVELOPMENTS

The general recessionary trend in domestic market made the financial year 2008-2009 a difficult for many companies. Your Company incurred the loss for the Financial year 2008-2009, due to general recessionary trend prevailing in the market all over the world and heavy cost of administrative and other expenses and less sales. Your directors are hopeful to achieve better results in future.

The company has discontinued the business relating to manufacturing of Dyes and ventured into trading of vat dyes, chemicals, pharmaceuticals and related activities. Hence there was disposal of the Company's Fixed Assets relating to manufacturing unit of Dyes.

OUTLOOK ON OPPORTUNITIES, THREATS, RISK AND CONCERNS

The manufacturing of dyes off late, has been a business of stiff competition with cheaper import and the big players. To continue the same may endanger losses in future.

In view of same the Directors of the Company discontinued with the manufacturing of dyes and ventured into trading of vat dyes, chemicals, pharmaceuticals and related activities.

The company is in position to compete with the its competitors by better product development as well as customer services.

RISK MANAGEMENT

The Company has laid down the procedures to inform the Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of properly defined framework.

SEGMENT REPORTING

During the year under review the Company has carried on the Trading Business of pharmaceuticals in addition to the Dye and Chemicals, the disclosure of segment information in pursuance to accounting standard is set out in the Notes to the Audited Accounts – Point No. 11 forming parts of the Accounts.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company is committed to maintaining high standards of internal controls designed to provide accuracy of information, efficiency of operations, and security of assets. The company has adequate internal controls commensurate with the size and nature of its operations to ensure orderly and efficient conduct of business.

These controls ensure the safeguarding of assets, prevention and detection of fraud and error, the accuracy and completeness of the accounting records, timely preparation of reliable financial information and adherence to companies policies, procedures and legal obligations. The audit

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committee of the Board of Directors meets periodically to review the performance as reported by the auditors

FINANCIAL PERFORMANCE

The company's turnover for the Financial year 2008-2009 is Rs. 61598553/- as compared to the previous year of Rs. 85030580/-. The loss for the current Financial Year is Rs.8288627/-. The income was adversely affected by heavy cost of Administrative and Other expenses.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT

No other material development on the Human Resource/ Industrial Relations Front during the year.

CAUTIONARY STATEMENT

Management Discussion and Analysis report are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. Actual results could differ materially from those expressed or implied. Important factors that could make a deference to the Company's operation include global and Indian market conditions, changes in the Government Regulations, Tax regimes, WTO Regulations and such other factor.

The Company assumes no responsibility to publicly amend, modify or revise any of these statements on the basis of any subsequent developments, information or events.

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For and on Behalf of the Board of Directors

Pawankumar Agarwal

Chairman - Managing Director

Date : 17th July, 2009.

ROSELABS INDUSTRIES LIMITED

**REPORT ON CORPORATE GOVERNANCE:**

As required under clause 49 of the Listing Agreement, a separate report on Corporate Governance is given below for the financial year ended 31st March, 2009 along with certificate of auditors of the Company.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company conducts its affairs in a fair, transparent and professional manner. Your Company has always followed fair business and corporate practices. The Company believes that adherence of good corporate governance is a milestone for survival and long term growth.

2. BOARD OF DIRECTORS:**(i) Composition of Board:**

Board of Directors of the Company consists four Directors. Shri Pawankumar Agarwal is Executive Chairman of the Company. None of the directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees including Roselabs Limited.

The composition of the Board, attendance at Board Meeting (BM) held during the financial Year under review and last Annual General Meeting (AGM) and No. of Directorship and membership/Chairmanship in other public Companies are given below:

Sr. No.	Name of the Directors	Category	Attendance For F.Y. Ended 31.03.2009		Other Directorship	No. of Position held in The Company (Chairman)	Committee held in Company (Member)
			(BMs)	(AGM)			
1	Shri Pawankumar Agarwal	NI-E	8	Yes	1	NIL	2
2	Shri Ramawtar Jangid	IND-NE	8	Yes	1	2	2
3	Shri Bhupendra Panchal	IND-NE	8	Yes	NIL	NIL	1
4	Smt Rosydevi Agarwal *	NI-NE	7	Yes	NIL	NIL	NIL

NE : Non Executive, E: Executive, NI : Non Independent, IND : Independent

During the financial year under review, **Eight** Board Meetings were held on 30th April, 2008, 13th May, 2008, 4th July, 2008, 17th July, 2008, 31st July, 2008 and 25th October, 2008, 30th January, 2009, and 4th February, 2009.

3. AUDIT COMMITTEE:**(i) COMPOSITION OF COMMITTEE:**

As a measure of good corporate governance and to provide assistance to the Board of Directors in overseeing the Boards responsibilities your company had constituted an Audit Committee. The Committee covers matters specified as per Clause 49 of the Listing Agreements.

At present consist followings members of the Committee:

Sr. No.	Name of the Members	Designation
1.	Shri Ramawtar Jangid	Chairman of the Committee
2.	Shri Bhupendra Panchal	Member of the Committee
3	Shri Pawankumar Agarwal	Member of the Committee

The terms of reference of the audit committee mandated by your board of directors which is also in line with the statutory and regulatory requirement are:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.