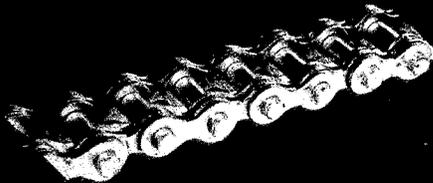
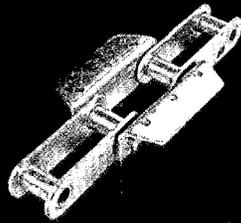
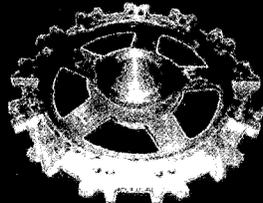


42nd Annual Report 2008-2009



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	
	<u>2008-09</u>	<u>2007-08</u>
Income	3317.15	3101.33
Gross Profit	376.71	346.41
Less: Depreciation	<u>103.39</u>	<u>86.87</u>
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	<u>-12.22</u>	<u>0.00</u>
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	<u>10.45</u>	<u>1.31</u>
Total available	<u>382.94</u>	<u>273.25</u>

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	<u>327.56</u>	<u>217.87</u>
	<u>382.94</u>	<u>273.25</u>

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

ANNEXURE 'A'

Registers as maintained by the Company

1. Register of Members u/s 150
2. Register of Transfers
3. Register of Directors, Managing Director, Manager and Secretary u/s 303
4. Register of Director Shareholding u/s 307
5. Register of contracts, companies and firms in which Directors etc. are interested u/s 301 (3)
6. Register of charges u/s 143
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 Register of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2009.

Sr. No.	Form No./ Return	Filed u/s.	For	Date of Filing	Whether filed within prescribed time Yes/No.	If delay in filling, whether requisite additional fees paid Yes/No.
1.	Annual Return	159 Form- 20B	The Financial Year ended 31-03-2008	17-09-08	Yes	N.A.
2.	Balance Sheet	220 (1) Form 23AC	The Financial Year ended 31-03-2008	07-08-08	Yes	N.A.
3.	Compliance Certificate	383A (1) Form -66-Form CC	The Financial Year ended 31-03-2008	19-08-08	Yes	N.A.
4.	Form 8	125	Registration of Charges	18-11-08	Yes	N.A.



AUDITORS' REPORT

**TO,
THE SHAREHOLDERS,
ROLCON ENGINEERING CO. LTD.,
VALLABH VIDYANAGAR**

We have audited the attached Balance Sheet of **ROLCON ENGINEERING COMPANY LIMITED** as at 31st March, 2009 and also the Profit & Loss Account Cash Flow Statement of the Company for the year ended on that date annexed thereto. These Financial Statements are the responsibility of Company's management. Our responsibility is to express an opinion on these financial statement based on our audit.

We have conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles, used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We further report that:

- (1) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (2) 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.

- (3) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
- (4) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of the Section 211 of the Companies Act, 1956.
- (5) On the basis of written representation received from the Directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as a Director in terms of clause (g) of sub-section (1) to section 274 of the Companies Act, 1956.
- (6) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March- 2009 ;
 - (b) In the case of Profit & Loss Account, of the profit of the Company for the year ended on that date and
 - (c) In the case of Cash Flow Statement of the cash flows for the year ended on that date.

As required by the amended Companies (Auditors' Report) Order, 2003, issued by the Company Law Board in terms of Section 227 (4A) of The Companies Act, 1956, and on the basis of such checks, as were considered appropriate, we further state that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- (b) Fixed Assets have been physically verified by the management at reasonable intervals, no material discrepancies were noticed on such verification
- (c) No substantial part of Fixed Assets have been disposed off during the year;
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management;
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) According to information and explanation given to us, the discrepancies noticed on verification between the physical stock and book were not material.
- (iii) (a) The Company has not granted any Loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (iii) (b) to (d) of the order are not applicable.
- (b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956. Accordingly, the provision of clauses (iii) (f) and 4 (iii) (g) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials, including components, plant and machinery, equipment and other assets and with regard to the sales of goods & services. We have not noticed any continuing failure to correct major weakness in internal control system.
- (v) (a) In our opinion and according to the information and explanations given to us, the Company has entered the particulars of contracts or arrangements that need to be entered in to a register in pursuance of section 301 of the Act.
- (b) According to the information and explanations give to us, each of these transaction made in pursuance of such contracts or arrangements have been made at price which are reasonable having regard to the prevailing market price at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an Internal Audit System commensurate with the size and nature of its business.
- (viii) According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956, for any of the products of the Company.
- (ix) (a) According to the records of the Company, the Company is regular in-depositing undisputed statutory dues including Provident Funds, Investor Education and Protection Fund, Income Tax, Central Sales/ Vat Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities. We are



informed that the Employees State Insurance Scheme is not applicable to the Company. No undisputed amount payable in respect thereof were outstanding at year end for a period of more than 6 months from the date they become payable.

- (b) According to the books of accounts and records as produced and examined by us in accordance with the generally accepted auditing practices in India, there are no dues of Income Tax, CST, VAT, Wealth Tax, Custom Duty and Cess which have not been deposited on account of any dispute.
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) According to our audit procedure and on the basis of information and explanations given by the management, the Company has not defaulted in repayment of dues to any Financial Institution or Bank. The Company has not issued any Debenture.
- (xii) The Company has not granted any loans against security by way of pledge of shares, debentures and other securities, so the question of deficiency does not arise.
- (xiii) As the Company is a manufacturing company, the provisions of any special statute applicable to chit fund are not applicable. Accordingly, the provision of sub-clause 4C(xiii) of the order are not applicable.
- (xiv) The Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4 (xiv) of the order are not applicable
- (xv) The Company has not given any
- guarantee for loans taken by others from banks or Financial Institutions. Therefore, the question of terms and conditions whereof are prejudicial to the interest of the Company does not arise.
- (xvi) In our opinion and according to the information and explanations given to us, the term loans obtained during the year under review have been applied for the purpose for which they were obtained.
- (xvii) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year. Therefore, the question of creation of securities or charges in respect thereof does not arise.
- (xx) The Company has not made any public issue during the year.
- (xxi) On the basis of verification of books, no fraud on or by the Company has been noticed or reported during the year.

For **THACKER BUTALA DESAI**
Chartered Accountants

M.T.Desai

Partner

MEMBERSHIP NO.-30911

Place: NAVSARI

Date: 6th MAY-2009

BALANCE SHEET AS AT 31st MARCH, 2009

	<u>Schedule</u>	<u>Current Year Rupees</u>	<u>Previous Year Rupees</u>
<u>SOURCES OF FUNDS:</u>			
Share Capital	1	7560000	7560000
Reserves & Surplus	2	83372497	70403720
		<u>90932497</u>	<u>77963720</u>
<u>LOANS:</u>			
Secured	3	294145	3643788
Unsecured		3323633	3746873
Deferred Tax Liability		0	1009282
		<u>94550275</u>	<u>86363663</u>
<u>APPLICATION OF FUNDS:</u>			
Fixed Assets - Gross Block		Rs. 144057281	
Less: Dep.		Rs. 103643889	
Net Block	4	40413392	41166111
Investments	5	2013750	2013750
Deferred Tax Assets		212795	0
Current Assets, Loans and Advances	6	108251739	106736592
Less: Current Liabilities and Provisions	7	56341401	63552790
Net Current Assets		<u>51910338</u>	<u>43183802</u>
		<u>94550275</u>	<u>86363663</u>
Notes Forming Part of Accounts	15		

As per our Report of even date attached
For THACKER BUTALA DESAI
Chartered Accountants

M.T.Desai
Partner
(Membership No.30911)

Place : Navsari
Date : 6th MAY-2009

For and on behalf of Board
Chairperson : **Sushila S. Patel**
Managing Director : **S. H. Amin**
Jt. Managing Director : **A. S. Amin**
Directors : **Ashok Krishnadas**
: **S. M. Patel**
: **K.K.Seksaria**
: **A. D. Gandhi**
: **D. S. Amin**

Place : V.V.NAGAR
Date : 23rd APRIL-2009



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2009

	<u>Schedule</u>	<u>Current Year Rupees</u>	<u>Previous Year Rupees</u>
<u>INCOME:</u>			
SALES - Gross		361357627	357015794
Less Excise Duty		36102117	47754461
Less Sales Tax / VAT / CST		7134802	13075147
Net Sales	8	318120708	296186186
Other Income	9	13593809	13946969
		<u>331714517</u>	<u>310133155</u>
<u>EXPENDITURE:</u>			
Consumption of Material and Other Charges	10	178248302	163228914
Power and Fuel		20612594	16726507
Emp. Remuneration and Benefits	11	35465493	34495641
Administrative, Selling and General Expenses	12	37622438	38675361
Machining Charges		20028917	21432327
Interest	13	1032555	68625
Bank Charges		982461	725567
Depreciation		10338685	8686963
		<u>304331445</u>	<u>284039904</u>
Increase/Decrease in Stock	14	50376	138879
		<u>304381821</u>	<u>284178783</u>
		27332695	25954372
<u>PROFIT BEFORE TAXATION</u>			
Provision for Taxation		10570925	9017225
<u>PROFIT AFTER TAXATION APPROPRIATION</u>			
Add:- Balance brought forward		21786914	11017061
<u>Less :</u>			
Deferred Tax Liabilities		-1222077	162545
Provision for Fringe Benefit Tax		431660	512199
Old Balance W.OFF		348000	0
Excess/Short Provision For Taxation		697481	45379
		<u>38293620</u>	<u>27324843</u>
<u>PROFIT AVAILABLE FOR APPROPRIATION</u>			
Proposed Dividend		3024000	3024000
Corporate Tax on Proposed Dividend		513929	513929
General Reserve		2000000	2000000
Surplus Carried To Balance Sheet		32755691	21786914
		<u>38293620</u>	<u>27324843</u>
Notes Forming Part of Accounts	15		

As per our Report of even date attached
For, THACKER BUTALA DESAI
Chartered Accountants

M.T.Desai
Partner
(Membership No.30911)

Place : Navsari
Date : 6th MAY-2009

For and on behalf of Board
Chairperson : **Sushila S. Patel**
Managing Director : **S. H. Amin**
Jt. Managing Director : **A. S. Amin**
Directors : **Ashok Krishnadas**
: **S. M. Patel**
: **K.K.Seksaria**
: **A. D. Gandhi**
: **D. S. Amin**

Place : V.V.NAGAR
Date : 23rd APRIL-2009

SCHEDULES FORMING PART OF THE BALANCE SHEET.

	<u>Current Year Rupees</u>	<u>Previous Year Rupees</u>
<u>SCHEDULE 1 : SHARE CAPITAL</u>		
(A) Authorised Share Capital		
14,60,000, Equity Share of Rs. 10/- each	14600000	14600000
4,000, 10% Redeemable Cumulative Preference Share of Rs. 100/- each	400000	400000
	<u>15000000</u>	<u>15000000</u>
(B) Issued, Subscribed and Paid-Up Capital		
7,56,000 Equity Shares of Rs. 10/- each fully paid up.	7560000	7560000
Of the above		
i) 39,400 Equity Shares were allotted as fully paid up pursuant to contract without payment being received in cash		
ii) 6,16,000 Equity Shares of Rs. 10/- each have been issued as Bonus Shares by way of capitalisation of reserve.		
	<u>7560000</u>	<u>7560000</u>
<u>SCHEDULE 2: RESERVES AND SURPLUS</u>		
Capital Redemption Reserve:		
As per last Balance Sheet	400000	400000
General Reserve		
As per last Balance Sheet	48216806	46216806
Add: Transferred from Profit & Loss A/C	2000000	2000000
	<u>50216806</u>	<u>48216806</u>
Profit and Loss Accounts :		
	32755691	21786914
	<u>83372497</u>	<u>70403720</u>
<u>SCHEDULE 3: LOANS</u>		
SECURED LOANS		
Corporation Bank (Secured By Hypothetacion of Plant & M/c)	294145	3643788
	<u>294145</u>	<u>3643788</u>
UNSECURED LOANS :		
H.D.F.C. BANK	695751	0
I.C.I.C.I. Bank	2627882	3746873
	<u>3323633</u>	<u>3746873</u>

SCHEDULE 4 : FIXED ASSETS

ASSETS (Rupees)	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	As at 1st April 2008 (Rupees)	Additions during the year (Rupees)	Deduction Adjustment during the year (Rupees)	As at 31st March 2009 (Rupees)	As at 1st April 2008 (Rupees)	On Deduction Adjustment (Rupees)	For the year (Rupees)	As at 31st March 2009 (Rupees)	As at 31st March 2009 (Rupees)	AS AT 31st March 2008
Land (Free hold)	490404	22877	0	513281	0	0	0	0	513281	490404
Factory Building	6605495	4466772	0	11072267	2620789	0	635028	3255817	7816450	3984706
Office Building	2773838	106985	0	2880823	1253540	0	78052	1331592	1549231	1520298
Plant & Machinery	93030982	2984583	0	96015565	71159007	0	6323063	77482070	18533495	21871973
Furniture & Fixtures	1698580	96942	0	1795522	1309845	0	72640	1382485	413037	388735
Electric Installations	1773876	118771	0	1892647	828195	0	146927	975122	917525	945681
Electric Fittings & Fixtures	1469031	179243	0	1648274	375906	0	157066	532972	1115302	1093125
Elect. Heat. Flameless Fur.	2119000	0	0	2119000	1021791	0	305244	1327035	791965	1097209
Air Conditioners	966350	109010	48200	1027160	602713	42500	59755	619968	407192	363637
Office Equipments	1990997	261518	11000	2241515	1037538	10500	149973	1177011	1064504	953459
Computers	1494683	334365	0	1829048	1038856	0	245771	1284627	544421	455827
Vehicles	9758116	1048245	1032017	9774344	2418192	894875	1978583	3501900	6272444	7339922
Wind Mill Electric Generators	9903789	0	0	9903789	9793791	0	32998	9826789	77000	109998
Gas Cylinders	378800	0	0	378800	376657	0	857	377514	1286	2143
Turbine Air Vantilators	965249	0	0	965249	416255	0	152730	568985	396264	548994
TOTAL	135419189	9729311	1091217	144057281	94253075	947875	10338685	103643889	40413392	41166111
	119850522	21247104	5678437	135419189	89777958	4211845	8686962	94253075	41166111	

Notes: (1) Figures have been regrouped and recast wherever necessary.



SCHEDULE 5 : INVESTMENTS (AT COST)**Investment in Mutual Funds:**

	<u>Current Year</u> Rupees	<u>Previous Year</u> Rupees
(I) UTI Infrastructure Advantage Fund-1,00,000 Units (Market Value as on 31/03/2009 Rs.5.83 Lacs,Prev. Year Rs.8.67 Lacs)	1000000	1000000
(II) Franklin Templeton Investment- 48,899 Units (Market Value as on 31/03/2009 Rs.2.76 Lacs, Prev. Year Rs.4.91 Lacs)	500000	500000
(III) Reliance Mutual Fund - 50,000 Unit (Market Value as on 31/03/2009 Rs.3.43 Lacs, Prev. Year Rs.5.13 Lacs)	500000	500000

Investment in Shares:

(I) 600 Shares of The Karamsad Urban Co-Operative Bank of Rs. 10/- each	6000	6000
(II) 10 Shares of The Anand Urban Co_Op.Bank Ltd. Of Rs.25/- each	250	250
(III) 15 Shares of The Charotar Gas Sahkari Mandali Ltd of Rs. 500/- each	7500	7500
	<u>2013750</u>	<u>2013750</u>

SCHEDULE 6: CURRENT ASSETS, LOANS AND ADVANCES**A Current Assets : Inventories:**

Stock-in-Trade (as taken, valued and certified by the Managing Director)

i) Raw Materials (At Cost)	8666224	11423086
ii) Semi-Finished Goods (lower of cost or realisable value)	1749465	1803245
iii) Finished Goods (lower of cost or realisable value)	86328	82924
	<u>10502017</u>	<u>13309255</u>

Sundry Debtors: (Unsecured, Considered Good)

I) Outstanding for a period exceeding six months	9691747	1047851
II) Others	22708181	40464389
	<u>32399928</u>	<u>41512240</u>

Cash and Bank Balances :

a) Cash on Hand	113435	94909
b) <u>Balance with Scheduled Bank</u>		
1) In Current Account	20630738	12601353
2) In Deposit Account	39365421	30828286
c) <u>Balance with Non Scheduled Bank</u>		
1) In Current Account		
The kalupur Com. Co-Op. Bank Ltd. ANAND	49650	49650
(Maximum Balance Rs.49650/- Previous year Rs.49650/-)		
The Anand Urban Co-Op Bank Ltd.	17336	17336
(Maximum Balance Rs.17336/- Previous year Rs.17336/-)		
2) In Deposit Account		
The Anand Urban Co-Op. Bank Ltd., Anand.	89309	198360
	<u>60265889</u>	<u>43789895</u>



B Loans and Advances (Unsecured, Considered Good)	Current Year Rupees	Previous Year Rupees
a) Advances recoverable in cash or kind or for value to be received	1310203	930088
b) Advances to Staff	146200	210300
c) Deposits (Includes intercorporate deposits - NIL)	2009436	2087629
d) Interest Receivable A/C	0	105072
e) Balance with Central Excise	453436	1061925
f) Balance with L.I.C. OF INDIA	0	1640443
g) Sundry Receivable A/C	0	348000
h) Cenvate Receivable (Capital Goods)	321260	0
I) Advance Income -Tax (Less Provisions)	843369	1741745
	<u>5083904</u>	<u>8125202</u>
	<u>108251739</u>	<u>106736592</u>

SCHEDULE 7: CURRENT LIABILITIES AND PROVISIONS

A Current Liabilities :		
Sundry Creditors	40662728	52199818
T.D.S.	22350	261121
Due to Distributors/Agents	2391512	1274870
Advance from Customers	9631798	6184052
Deposits (Security)	95000	95000
	<u>52803387</u>	<u>60014861</u>
B Provisions :		
Proposed Dividend	3024000	3024000
Corporate Tax On Proposed Dividend @ 16.995 %	513929	513929
Provision for Fringe Benefit Tax (Net of Advance Tax)	85	0
	<u>3538014</u>	<u>3537929</u>
	<u>56341401</u>	<u>63552790</u>

SCHEDULE 8 : SALES

Chain	225902118	218500265
Sprocket	62027077	64631866
Export	30191513	13054054
	<u>318120708</u>	<u>296186186</u>

SCHEDULE 9 : OTHER INCOME

Service Tax	0	858451
Rectification Adjustment	686525	0
Insurance Claim	6295	120588
Interest	2954987	2992530
Income from Wind Electric Generators	749509	636719
Miscellaneous Income	10250	57075
Scrap Sales	7813236	7846422
Rent	1800	1800
Profit on Sale of Assets	39408	455240
Foreign Exchange Rate Variation	1126957	501615
Non Refundable Central Excise A/C	197342	429961
Engineering Charges	7500	46569
	<u>13593809</u>	<u>13946969</u>

SCHEDULE 10 : CONSUMPTION OF RAW MATERIALS & OTHER CHARGES

OPENING STOCK	11423086	7395071
Add: Purchases	155828052	149624579
	<u>167251138</u>	<u>157019650</u>
Less: Closing Stock	8666224	11423086
	<u>158584914</u>	<u>145596564</u>
Stores, Tools, Oil, & Packing Materials Consumed	17114812	14643068
Other Manufacturing Expenses	2548576	2989282
	<u>178248302</u>	<u>163228914</u>

SCHEDULE 11: EMPLOYEES' REMUNERATION & BENEFITS

Managerial Remuneration & Commission	2645688	2567521
Salaries, Wages and Bonus	28306684	27247382
Contribution to Provident Fund	2757388	2523195
Staff Welfare Expenses	855628	688569
Contribution to Superannuation Fund	160885	214214
Gratuity	729120	1254760
Workmen Compensation	10100	0
	<u>35465493</u>	<u>34495641</u>

SCHEDULE 12 : ADMINISTRATIVE, SELLING & GENERAL EXPENSES

Rates & Taxes	530793	319855
Festival Expense	61974	0
Insurance	545906	487432
Travelling	4606465	4859098
Advertisement	179808	216130
Computer Expense	863221	0
Forwarding & Transport Charges	3246707	2216935
Repairs and Maintenance of:		
1) Buildings	5483860	8839378
2) Machinery	4782406	4811999
3) Others.	504937	614385
Stationery, Printing, Postage, etc.	2537141	2496337
Legal & Professional Fees	2519886	2211981
Audit Fees (Payment to Auditors)	77000	77000
Directors Fees	42500	42500
Warranty Charges	499222	0
Commission to Distributors/Agents	7200634	5823615
Donation	410000	420100
Garden Expenses A/c	151986	212590
Rent Paid	773910	697840
Liquidated Damages	383460	210925
Bad Debts Written off	82239	2600222



Miscellaneous Expenses

Security Services	553648	165338
Membership & Subscription	332393	147824
Sales Tax / Central Excise	116032	134415
Service Tax Paid	259124	0
Tender Fees	29183	21887
Works & Office Exps.	848003	1047576
	<u>37622438</u>	<u>38675361</u>

SCHEDULE 13: INTEREST

On Loans	1032555	68625
	<u>1032555</u>	<u>68625</u>

SCHEDULE 14: INCREASE / DECREASE IN STOCK

Opening Stock: Semi -Finished Goods	1803245	1958098
Finished Goods	82924	66950
	<u>1886169</u>	<u>2025048</u>
Closing Stock : Semi Finished Goods	1749465	1803245
Finished Goods	86328	82924
	<u>1835793</u>	<u>1886169</u>
Increase/Decrease in Stock	<u>50376</u>	<u>138879</u>

**SCHEDULES FORMING PART OF THE
BALANCE SHEET AND PROFIT & LOSS
ACCOUNT**

**SCHEDULE: 15
NOTES TO THE ACCOUNTS**

1) Accounting Policies:

Significant accounting policies adopted in the preparation and presentation of accounts are as under:

a) Basis of Accounts:

Accounts have been prepared on the basis of historical cost. The Company adopts the accrual system of accounting and the accounts are prepared on a going concern concept.

b) Fixed Assets:

Fixed assets are stated at cost less depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to working condition for its intended use. Financing cost if any relating to the acquisition of fixed assets for the period up to the completion of fixed assets for its intended use are included in the cost of the asset to which they relate.

c) Depreciation:

Depreciation has been provided on WDV on all assets at the rates specified in Schedule XIV of the Companies Act, 1956 & Depreciation is provided on pro-rata basis:

- i) From the date of additions on additions to fixed assets during the year and
- ii) Up to the date of disposal on disposal of fixed assets during the year.

d) Inventories:

Inventories are valued at the lower of cost or estimated net realizable value. The cost of inventories is generally arrived at on the following basis:

- Raw Material and stores :-
Monthly moving weighted average at cost
- Stock in Process :-
At lower of the cost or realizable value
- Finished Goods :-
At lower of the cost or realizable value

e) Accounting of Cenvat Credit:

Cenvat credit is taken on the basis of purchases and consumed at the time of clearance.

f) Foreign Currency Transaction:

- (1) Transaction in foreign currencies are generally recorded by applying to the foreign currency amount, the exchange rate existing at the time of the transaction.
- (2) Gains or losses on settlement, in a subsequent period of transactions entered into in an earlier period are credited or charged to the Profit and Loss Account.

g) Retirement Benefits:

Retirement benefits to employees are provided for, payments to gratuity, superannuation and provident funds. The gratuity liability is determined based on percentage of the annual wages bill specified by Life Insurance Corporation of India under the Group Gratuity Scheme. Liability in respect of Superannuation benefits extended to certain employees is contributed by the Company to Life Insurance Corporation of India against a Master Policy at the rate of 15% of the Basic Salary.

h) Investment:

Investments are stated at cost.

i) Revenue Recognition:

- 1) Sale of goods is generally recognised on dispatch to customers and excludes the amounts recovered towards Excise Duty, Packing and Forwarding and Sales Tax.
- 2) Interest revenues are recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- 3) Consistent with past practice dividends from investments in Shares are recognised as and when the same are received.

j) Contingent Liabilities :

There is no any Contingent Liability

2) Payment to Auditors (paid/payable)

	31.03.2009	31.03.2008
	Rs.	Rs.
As Audit Fees	50,000	50,000
For Taxation Matters	5,000	5,000
In other capacity (F.B.T.)	7,000	7,000
Tax Audit Fee	15,000	15,000
	<u>77,000</u>	<u>77,000</u>

Payment to Auditors Rs.77,000/- is excluding Service Tax of Rs.7,931/- (Previous Year Rs.9,517/-)



- 3) As required by the Accounting Standard 18 "Transactions with Related Parties", the Company has entered into following transactions during the year under review

Sr No.	Name	Nature of Transaction	Transaction During The Year
1.	Sudeep-Rub-Chem Pvt. Ltd.,	Purchase	2,00,534/-
2.	Mr. S.H.Amin	Remuneration & Commission	15,20,844/-
4.	Mr. A.S.Amin	Remuneration & Commission	15,20,844/-
5.	Mrs. A. A. AMIN	Remuneration	96,000/-

- 4) Segment information for the year ended 31st March 2009.

Sr. No.	Particulars	Rs. (In Lacs)
1.	Segment Revenue	
	(A) Industrial Chain	2613.87
	(B) Sprocket Wheel	703.28
	Total	3317.15
	Less : Inter Segment Revenue	---
	Net Sales / Income from Operations	3317.15
2.	Segment result (Profit & Loss before tax and interest)	
	(A) Industrial Chain	174.90
	(B) Sprocket Wheel	108.75
	Total	283.65
	Less	
	(A) Interest	10.32
	(B) Other un-allocable expenditure net off un-allocable income	---
	TOTAL PROFIT BEFORE TAX	273.33
3.	Capital Employed (Segment Assets - segment Liabilities)	
	(A) Industrial Chain	897.32
	(B) Sprocket Wheel	12.00
	(C) Un-allocable Corporate Assets less Liabilities	---
	Total Capital Employed in Company	909.32

5) Deferred Taxation

Deferred Tax Assets and Liabilities are recognized as per Accounting Standard

AS-22 on Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India. During the year 2008-2009, the Deferred Tax Assets / Liabilities provided for Rs.1222077/-.

6) Earning Per Share :

	<u>Current Year</u>	<u>Previous Year</u>
	<u>Rs.</u>	<u>Rs.</u>
Basic Earning Per Share	22.17	22.40
Diluted Earning Per Share	---	---
Nominal Value Per Share	10.00	10.00

Earning Per Share is Calculated by dividing the profit/loss attributable to the Equity Shareholders by weighted average number of Equity share outstanding during the period. The number used in calculating Basic and Diluted Earning per Equity share are as stated below:

	<u>Current Year</u>	<u>Previous Year</u>
	<u>Rs.</u>	<u>Rs.</u>
Profit/(Loss) after Taxation	16761770	16937147
Weighted average number of share outstanding during the year	756000	756000

- 7) The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) **claiming their status as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is nil.**

- 8) The figures have been rounded upto a Rupee. Parties Balance are subjected to their confirmation.

- 9) Previous year figures have been regrouped and recast wherever necessary.

9. Managerial Remuneration

(I) Managerial Remuneration under Section- 198 of the Companies Act-1956

Sr. Particulars	2008-2009	2007-2008
1 Remuneration	2100000	1620000
2 Perquisite	210000	162000
3 Commission on Net Profit	335688	785521
4 Contribution towards P.F., Gratuity & Superannuation	396000	337015
TOTAL	3041688	2904536

(II) Computation of Net Profit in accordance with Section 309 (5) of the Companies Act, 1956.

NET PROFIT AS PER PROFIT & LOSS A/C 27332695 25954372

Add:

Provision For Depreciation 10338685 8686963
Managerial Remuneration 3041688 2567521
Directors' Fees 42500 42500
40755569 37251356

Less:

Depreciation as per Section 309(5) of the Companies Act, 1956 10338685 8686963
Net Profit as per Section 309(5) of the Companies Act, 1956 **30416884 28564393**

Commission :

(1) Managing Director(Shri S.H.Amin) at 1.5% on Rs.30416884/- = 456253/- but, limited in terms of Section 198 appointment 130044 428466
(2) Joint Managing Director(Shri A.S.Amin) at 1.25% Rs.30416884/- = 380211/- but, limited in terms of Section 198 appointment. 205644 357055

335688

785521

Managerial remuneration for the Managing Director and Joint Managing Director Amounting Rs.3041688/- (Previous Year Rs.2904536/-) Includes estimated money value of benefit Rs.210000/- (Previous Rs.162000/-) and commission Rs.335688/- (Previous Year Rs.785521/-)



10. INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 4C & 4D OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956 (As Certified By The Managing Director)

<u>A. TURNOVER :</u>	Current Year		Previous Year	
	Unit/Qty.	Value Rupees	Unit/Qty.	Value Rupees
Industrial chains	72448 Mtr	250760790	70589	224590710
spares	66472 Nos		63282 Nos	
Sprocket Wheels	5343 Nos	67359918	6849 Nos	71595476
		<u>318120708</u>		<u>296186186</u>

B. Raw Materials Consumed :

	Current Year		Previous Year	
	Unit/Qty. Tons	Value Rupees	Unit/Qty. Tons	Value Rupees
Flats	1281.999	54581207	1475.215	47934845
Strips	30.430	1855345	24.408	1177541
Pipes & Tubes (Mtrs.)	15750	1728138	18380	1862120
Round Bars/Angles	793.976	44755464	993.182	41961183
Plates	369.785	18138062	548.859	22565430
Cast/Iron Steel	168.397	12368193	171.608	10198652
Bearings (nos.)	12096	710734	18108	1497423
Other components		24447771		18399370
		<u>158584914</u>		<u>145596564</u>

C. Stocks :

Opening : Industrial Chains	380 Mtr +890 Nos.	82924	380 Mtr +890 Nos.	66950
Sprocket Wheels	0	0	0	0
Closing : Industrial Chains	380 Mtr +890 Nos.	86328	380 Mtr +890 Nos.	82924
Sprocket Wheels	0	0	0	0

D. Capacity and Production :

	Current Year			Previous Year		
	Capacity		Actual	Capacity		Actual
	Licensed	Installed	Production	Licensed	Installed	Production
Industrial Chain--	500000 Mtr	500000 Mtr.	72448 Mtrs.	500000 Mtr.	500000 Mtr.	70589 Mtrs.
			66472 Nos.			63282 Nos.
Sprocket Wheels-	30000 Nos.	30000 Nos.	5343 Nos	30000 Nos.	30000 Nos.	6849 Nos.

E. Value of imports on CIF basis during the year in respect of :

	<u>Current Year</u> Rupees	<u>Previous Year</u> Rupees
Raw Materials	3,067,482	1,617,397
Stores and Spares	NIL	NIL
Capital Goods	NIL	NIL

F. Expenditure in Foreign Currency on account of :

Travelling	\$ 2200	\$ 5800
	Euro 1300	Euro 2000

G. Value of Raw Materials Consumed :

	<u>Current Year</u>		<u>Previous Year</u>	
	Value Rupees	% of Total Consumption	Value Rupees	% of Total Consumption
Imported	3,067,482	1.93	1,617,397	1.11
Indigenous	155,517,432	98.07	143,979,167	98.89
	<u>158,584,914</u>	<u>100.00</u>	<u>145,596,564</u>	<u>100.00</u>

H. Value of stores & Spares Consumed :

Imported	0	0.00	0	0
Indigenous	17,114,812	100.00	14643068	100.00
	<u>17,114,812</u>	<u>100.00</u>	<u>14,643,068</u>	<u>100.00</u>

I. Remittance in foreign Currency on account of dividend to Non-Resident Shareholders.

	<u>Current Year</u>	<u>Previous Year</u>
No. of shareholders	Four	Four
No. of Shares held	212760	212760
	Rupees	Rupees
Net amount of dividend remitted	851040	212760

J. Earnings in Foreign Exchange Export of Goods on FOB basis :

	<u>Rupees</u>	<u>Rupees</u>
Industrial Chains	24703298	6090445
Sprocket Wheels	5275703	6963609
	<u>29979021</u>	<u>13054054</u>



11) BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.

I Registration Details

Registration No.: **1439**
State Code No.: **4**
Balance Sheet Date **31-03-2009**

II Capital Raised During the year

Rs./Thousands

Public Issue NIL
Right Issue NIL
Bonus Issue NIL
Private Placement NIL

III Position of Mobilisation and Development of fund

Total Liabilities 94550
Total Assets 94550

Source of Funds

Paid-up Capital 7560
Reserves & Surplus 83372
Secured Loans 294
Unsecured Loans 3324

Application of Funds

Net Fixed Assets 40413
Investments 2014
Net Current Assets 51910
Misc. Expenditure NIL
Accumulated Losses NIL

IV Performance of Company

Turnover (including Other Income) 331715
Total Expenditure 304382
Profit/Loss Before Tax 27333
Profit/Loss After Tax 16762
Earning per Share in Rs. 22.17
Dividend Rate % 40.00

V Generic Names of Three Principal Product/Services of the Company

Item Code No. (ITC Code)	Product Description
731511.00	Industrial Chains
848340.00	Sprockets

12) Schedules 1 to 15 form an integral part of the Balance Sheet and Profit and Loss Account. Signatures to notes on Balance Sheet and Profit and Loss Account and Schedules 1 to 15.

For and on behalf of Board

Chairperson : **Sushila S.Patel**
Managing Director : **S.H.Amin**
Jt.Managing Director : **A.S.Amin**
Directors : **Ashok Krishnadas**
: **S. M. Patel**
: **K.K.Seksaria**
: **A. D. Gandhi**
: **D. S. Amin**

As per our Report of even date attached
For, THACKER BUTALA DESAI
Chartered Accountants

M.T.Desai

Partner (Membership No. 30911)

Place : Navsari

Date : 6th MAY-2009

Place : Vallabh Vidyanagar
Date : 23rd APRIL-2009

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009

	Amount Rupees <u>31.03.2009</u>	Amount Rupees <u>31.03.2008</u>
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax	273.33	259.54
Adjustments For :		
Depreciation	103.39	86.87
Investments	0.00	20.00
Interest/Dividend Income	-29.55	29.93
Unrealised Foreign Exchange (Gain / Losses)	-11.27	5.02
Profit / Loss Disposal / Write Off of Fixed Assets (Net)	-0.39	4.55
Interest Paid	10.33	0.69
Operating Profit before Working Capital Charges Adjustment For :		
<u>Adjustments For working capital changes :</u>		
Sundry Debtors	91.12	46.01
Inventories	28.07	36.73
Other Loans And Advances	30.41	22.77
Sundry Creditors	-72.11	48.98
Income Tax Paid / Provision	-108.82	94.34
Net Cash From Operating Activities	<u>314.51</u>	<u>176.73</u>
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase Of Fixed Assets	-97.29	-212.47
Sale Of Fixed Assets	1.43	14.67
Purchase Of Investments	0.00	-20.00
Interest Received	29.55	29.93
Net Cash Used In Investing Activities	<u>-66.31</u>	<u>-187.87</u>
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds From Issue of Share Capital	0.00	0.00
Proceeds From Long Term Borrowings	0.00	36.44
Repayment of Long Term Borrowings	-37.73	0.00
Interest Paid	-10.33	0.69
Dividend Paid	-30.24	7.56
Tax On Dividend Paid	-5.14	1.28
Net Cash Used In Financing Activities	<u>-83.44</u>	<u>26.91</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	164.76	15.76
Cash and Cash Equivalents at beginning of the year	437.90	422.14
Cash and Cash Equivalents at the end of the year	602.66	437.90

As per our Report of even date attached

For, THACKER BUTALA DESAI

Chartered Accountants

M. T. Desai

Partner (Membership No.-30911)

Place : Navsari

Date : 6th MAY-2009

For and on behalf of Board

Chairperson

: **Sushila S. Patel**

Managing Director

: **S. H. Amin**

Jt. Managing Director

: **A. S. Amin**

Director

: **Ashok Krishnadas**

: **S. M. Patel**

: **K. K. Seksaria**

: **A. D. Gandhi**

: **D. S. Amin**

Place :

Vallabh Vidyanagar

Date :

23rd APRIL-2008



To
The Board of Directors
Rolcon Engineering Co. Ltd.
Anand-Sojitra Road,
Vallabh Vidyanagar 388 120

We have examined the attached Cash Flow Statement of Rolcon Engineering Company Limited for the year ended 31st March,2009. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the listing agreement and is based on and in agreement with the corresponding Profit & Loss Accounts and Balance Sheet of the Company.

For. THCKER BUTALA DESAI

Chartered Accountants

M.T.Desai

Partner

(Membership No.-30911)

Place : Navsari

Date : 6th MAY-2009

Proxy Form

ROLCON ENGINEERING COMPANY LIMITED

Registered Office : Anand-Sojitra Road, Vallabh Vidyanagar 388 120, Gujarat, India.

Folio No. _____ DP ID No. _____ Client ID No. _____
No. of Shares held _____

I/We _____
_____ of member/members of the above
named Company hereby appoint Mr./Mrs. _____
of _____ or _____ failing
him/her, Mr./Mrs. _____ of _____

as my/our proxy to vote for me/us and on my/our behalf at 42nd Annual Meeting of the Company to be held on Thursday, 25th day of June, 2009 at 3:00 p.m. or any adjournment thereof.

Address _____

Signature

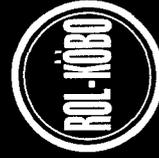
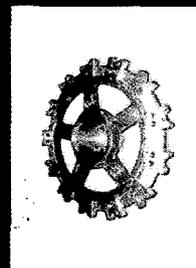
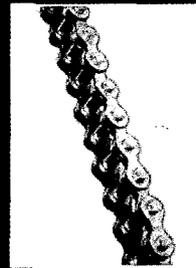
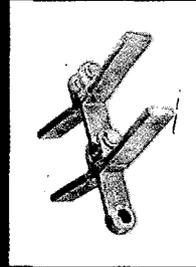
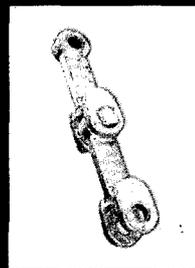
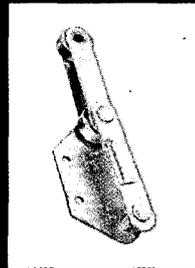
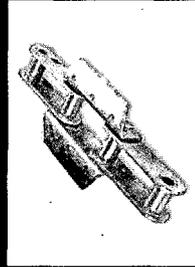
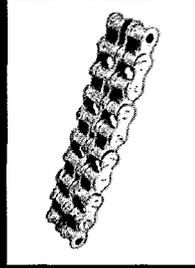
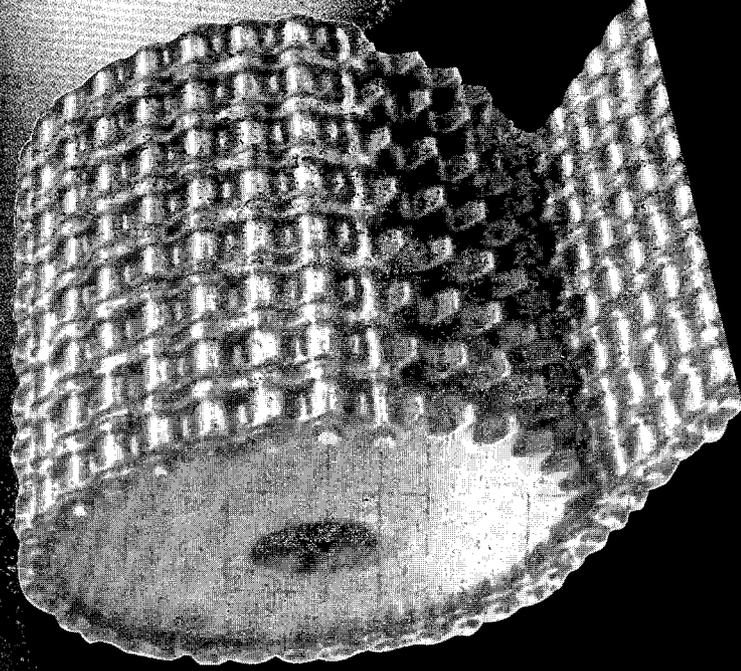
affix
Rs. 1
Revenue
Stamp

This form is to be used in favour of/against* the Resolution. Unless otherwise instructed, the proxy will act as he thinks fit.

*Please Strike out whichever is not desired.

Note : The proxy form duly signed across the revenue stamp of One Rupee should reach at the Company's Registered office at least 48 hour before the date of the meeting.

Proxy Form



ROLCON ENGINEERING COMPANY LIMITED

Vallabh Vidyanagar - 388 120