



BOARD OF DIRECTORS

Smt. Sushila S. Patel	Chairperson
Shri Suresh H. Amin	Managing Director
Shri Ashish S. Amin	Joint Managing Director
Shri Ashok Krishnadas	Director
Shri Kailashchandra K. Seksaria	Director
Shri Knut Bovenkamp	Director
Smt. Daksha S. Amin	Director
Shri Anil D. Gandhi	Director
Dr. Satish G. Parekh	Director

AUDITORS

THACKER BUTALADESAI
Chartered Accountants
Navsari, Gujarat.

BANKERS

STATE BANK OF INDIA
CORPORATION BANK

REGISTERED OFFICE

Anand - Sojitra Road
Vithal Udyognagar 388 121
Ta. & Dist. Anand (Gujarat) INDIA.



NOTICE

Notice is hereby given that the 46th Annual General Meeting of the shareholders of **ROLCON ENGINEERING COMPANY LIMITED** will be held on **Thursday, the 18th July, 2013, at 3.00 p.m.** at the Registered Office of the Company at Vithal Udyognagar, Ta. & Dist. Anand, Gujarat-388121 to transact the following business;

ORDINARY BUSINESS:

- 1 To consider and adopt the Audited Balance Sheet as at 31st March 2013, the Statement of Profit and Loss 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 Smt. Sushila S. Patel, who retires by rotation, and being eligible, offers herself for re-appointment.
- 4 To appoint a director in place of Smt. Daksha S. Amin, who retires by rotation, and being eligible, offers herself for re-appointment.
- 5 To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

- 6 Appointment of Dr. Satish G Parekh as a Director retires by rotation.
To consider the following resolution as an ordinary resolution, with or without modification(s) if any.
“Resolved that Dr. Satish G Parekh, be and is hereby appointed as Director of the Company, retires by rotation”.

By Order of the Board
Suresh H Amin
Managing Director

Place: Vithal Udyognagar
Date: 3rd May, 2013

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 Monday 15th July 2013 to Thursday 18th July 2013. (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 18th July 2013 to those members whose names appear on the Register of Member as on 18th July 2013.

By Order of the Board
Suresh H Amin
Managing Director

Place : Vithal Udyognagar
Date : 3rd May, 2013

Item No.-6

Appointment of Dr. Satish G Parekh, as rotational Director

The Board of Directors of the Company has appointed Dr. Satish G Parekh as an Additional Director on 7th September-2012. As per the provision of section 260 of the Companies Act, 1956 and the provisions of Memorandum and Articles of Association of the Company, Dr. Satish G. Parekh 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/- has been received from a member proposing the appointment of Dr. Satish G Parekh as director of the Company.

Dr. Satish G Parekh, Master Degree holder in Mechanical Engineering from Germany with specialization in Mechanical material handling solids and had been working in Germany from 1967 till 2004 with renowned companies such as Miag, Buhler Miag, Waeschle Ravensburg, Germany, Jansens and Dieprink Zaandam / Holland, Anlagenbau, Germany and held various important senior position in Corporate including position of Executive Director and Chief Coordinator in Finolex Industries, Pune. In view of Rich academic background coupled with industrial / corporate experience at senior position Dr.Satish G Parekh would of substantial help / value addition for the Company to achieve new height in terms of turnover and profit.

The Board of Directors commends the resolution. None of the Directors are concerned and interested in the proposed resolution.

By Order of the Board
Suresh H Amin
Managing Director

Place: Vithal Udyognagar
Date: 3rd May, 2013

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, 2013. The financial highlights for the year under review are given below:

WORKING RESULTS:

	Rupees in lacs	
	<u>2012-13</u>	<u>2011-12</u>
Income	3951.20	3874.21
Profit Before Depreciation & Tax	298.79	318.36
Less: Depreciation	<u>130.63</u>	<u>129.98</u>
Profit before Tax	168.16	188.38
Less:		
Provision for Taxation	58.50	71.67
Deferred Tax Assets	-3.34	-10.58
(Excess) / Short		
Provision of the earlier years	2.32	-0.81
Profit after Tax	<u>110.68</u>	<u>128.10</u>
Add:		
a) The amount brought forward from the last Year's account	562.00	475.26
Total available	<u><u>672.68</u></u>	<u><u>603.36</u></u>
APPROPRIATIONS :		
a) Proposed Dividend	22.68	22.68
b) Provision for Corporate Tax On Dividend	3.85	3.68
c) General Reserve	15.00	15.00
d) Balance carried forward	631.15	562.00
TOTAL	<u><u>672.68</u></u>	<u><u>603.36</u></u>

DIVIDEND:

Your directors has recommended a dividend of Rs.3.00 per share, aggregating to (30%) for the current year. The dividend payout, if approved, will result in outflow of Rs. 26.53 Lacs inclusive of Rs. 3.85 Lacs for dividend tax.



REVIEW OF PERFORMANCE

Chains and Sprockets:

Despite of the global recession, the year under review has achieved another landmark year for your Company with all time high sales. For the first time in the history of the Company, Company has touched sales target to Rs.3889.32 Lacs as against Rs.3828.55 Lacs of the previous year but Profit before depreciation and tax stood at Rs. 298.79 Lacs in Current Financial Year, a decrease of 6.15 percent over the preceding year. Profit after tax for F.Y. 2012-13 was Rs. 168.16 lacs a decrease of 10.73 percent over F.Y. 2011-12.

WIND MILL:

During the year the Wind Mill has generated 151203 Units. Against the units generated at Lamba, Gujarat Electricity Board has given credit for equal units in consumption every month.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- 1 The applicable accounting standards were followed in the preparation of annual accounts of the year ended 31st March, 2013 along with proper explanation relating to material departure.
- 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 2013 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:

Provision of clause 49 of Listing Agreement in connection with Corporate Governance are not applicable to the company, since the paid up capital of the Company is less than Rs. 3.00 crores as well as the net worth of Company is below Rs.25 Crores.

CREDIT RATING:

The Company has rating from SME Rating Agency of India limited as MSME 3, which indicates security of the Company as "Above Average".

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 Dr. Satish G Parekh as an Additional Director on 7th September-2012. The Board welcomes Dr. Satish G Parekh. The Board is of the confident that Company will be substantially benefited by varied experience and acumen of Dr. Satish G Parekh.

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 Dr. Satish G Parekh as a rotational director of the Company. The proposal for the appointment of Dr. Satish G Parekh has been incorporated in the notice calling 46th Annual General Meeting.

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Smt. Sushila S. Patel and Smt. Daksha S. Amin will retire by rotation at the ensuing Annual General Meeting and they being eligible offers themselves for re-appointment.

AUDITORS:

Thacker Butala Desai, Chartered Accountants, 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: Vithal Udyog Nagar
Date: 3rd May, 2013

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-2013.

A. CONSERVATION OF ENERGY:

Energy conservation measures taken:

- 1) Monitoring closely high energy consuming equipments.
- 2) Installation of capacitors bank for achieving optimum power factor.
- 3) Use of Stabilizers on entire factory lighting thereby achieving overall reduction in energy consumption.
- 4) Optimum uses of compressors & monitoring air losses
- 5) Impact of the measures of 1, 2, 3 & 4 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 Form -B of the Annexure to the rules

- 1) RESEARCH & DEVELOPMENT (R & D)
 - (a) During the Company has installed latest Centerless Grinding Machine, Key Setting Machine, Verticle Turning Lathe Machine, and Induction heating Equipment for Plate Heating to improve production processes & to achieve accuracy and increase in production.
 - (b) R & D is striving to improve quality of the chain to the latest standards and for achieving this, we have already installed Latest Equipments and new Testing & Measuring Equipments viz. Fatigue Testing Machine, Wear Testing Machine, Spectroscope, Ultrasonic Tester, Magnetic Crack Detector etc..



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 DONGHUA GmbH & Co. KG. GERMANY.

Company has obtained ISO 9001-2008 certificate for industrial Chain and Sprocket separately from TUV (RWTUV SYSTEMS GmbH) GERMANY.

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.10,747,243/-

Earned: Rs.10,204,349/-

On behalf of the Board
Sushila S. Patel
Chairperson

Place: Vithal Udyognagar

Date: 3rd May, 2013

COMPLIANCE CERTIFICATE

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

Registration No. of the Company: 04-1439

Nominal Capital: Rs.15,000,000/-

To
The Members
Rolcon Engineering Company Limited,
Vithal Udyognagar,
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, 2012 and ended on 31st March, 2013 (Financial Year). 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 Registrar 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 five times on 11th May, 2012, 26th July, 2012, 7th September 2012, 2nd November, 2012 and 28th January, 2013 in respect of which meetings, proper notices were given and the proceedings were properly recorded.
- 5 The Company closed its Register of members from Monday, 16th July, 2012 to Thursday, 19th July, 2012 (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-2012 was held on 19th July, 2012 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 issued duplicate share certificates after complying requisite provisions of Companies (Issue of Share Certificates) Rules, 1960.
- 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 Share Holders 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. There are few cases where in the Dividend warrants have not been cleared/return from the postal authority. It is informed by the management of the Company that the reminder letters to such share holders have been sent. The appropriate amount against unclaimed dividend has been set-aside to secure payment to such shareholders.
- (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 During the year, the Company has appointed Dr. Satish Parekh as an Additional Director of the Company who shall be retiring from the office the Director on the day of Annual general meeting.
- 15 The Company has re-appointed Mr. Suresh Amin as Managing Director and Mr. Ashish Amin as Joint Managing Director of the Company at the Annual General Meeting in terms of the applicable provisions of Section 198, 269, 309 read with schedule XIII of the Companies Act 1956.
- 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 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.
- 25 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.
- 26 The Company has not altered the provisions of the Memorandum with respect of the objects of the Company during the year under scrutiny.
- 27 The Company has not altered the provision of the Memorandum with respect to name of the Company during the year under scrutiny.
- 28 The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
- 29 The Company has not altered its Articles of Associations during the year under scrutiny.
- 30 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.
- 31 The Company has not received any security deposits from its employees during the financial year.
- 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, Surendra Tamboli & Associates

Company Secretaries

(Surendra Tamboli)

Proprietor

Place : Vadodara

Date : 3rd May, 2013

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, 2013.

Sr. No.	Form No./ Return	Filed U/s.	For	Date of Filing	Whether filed within prescribed time Yes/No.	If delay in filing, whether requisite additional fees paid Yes/No.
1.	Compliance Certificate	383A (1) Form -66- Form CC	The Financial Year ended 31-03-2012	21/07/12	Yes	N.A
2.	Annual Return Form 20B	159	The Financial Year ended 31-03-2012	22/08/12	Yes	N.A.
3.	Form 32	267	Appointment of Director.	08/09/12	Yes	N.A.
4.	Annual Financial Results Form 23AC, ACA(XBRL)	220	Appointment of Director.	11/01/13	Yes	N.A.



Independent Auditors' Report

TO,
THE SHAREHOLDERS,
ROLCON ENGINEERING CO. LTD.,
VITHAL UDYOGNAGAR

Report on the Financial Statements

We have audited the accompanying financial statements of **ROLCON ENGINEERING COMPANY LIMITED**, which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained

is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act 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 the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection(3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on 31st March, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For, THACKER BUTALA DESAI,
Chartered Accountants

M.T.Desai
Partner

(Membership No. 030911)
(Firm Regi. No. 110864W)

Place: Navsari

Date : 10th May, 2013

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our Report of even date)

- (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 has 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.
- (e) 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 4 (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 given to us, each of these transactions 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) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (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 is 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 is 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 during the year under review.
- (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. Therefore, the question of disclosure and verification of end use of money so raised does not arise.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statement and as per information and explanations given by the management, no material frauds on or by the Company were noticed or reported during the year under review.

For, THACKER BUTALA DESAI.
Chartered Accountants

M.T.Desai
Partner

(Membership No. 030911)
(Firm Regi. No. 110864W)

Place: Navsari

Date : 10th May, 2013

BALANCE SHEET AS AT 31ST MARCH, 2013 (Amt. in Rs.)

PARTICULARS	Note No	As at March 31,	
		2013	2012
		Amount	Amount
<u>I. EQUITY AND LIABILITIES:</u>			
(1) Shareholders' Funds			
a) Share Capital	1	7,560,000	7,560,000
b) Reserves & Surplus	2	120,231,503	111,817,276
		127,791,503	119,377,276
(2) Non-Current Liabilities			
a) Long-term borrowings	3	227,675	909,247
b) Other Long term liabilities	4	NIL	NIL
c) Long term provisions	5	NIL	NIL
		227,675	909,247
(3) Current Liabilities			
a) Short-term borrowings	6	4,267,706	1,009,581
b) Trade payables	7	59,171,509	51,757,358
c) Other current liabilities	8	15,422,453	18,056,181
d) Short-term provisions	9	4,490,298	4,458,926
		83,351,966	75,282,046
Total		211,371,144	195,568,569
<u>II. ASSETS :</u>			
(1) Non-current Assets			
a) Fixed assets	10		
(i) Tangible assets		66,488,585	58,192,407
(ii) Intangible assets		NIL	NIL
b) Non-current investments	11	7,500	13,750
c) Deferred Tax Assets (Net)	12	2,390,709	2,056,817
d) Other Non current Assets	13	2,250,509	2,929,088
		71,137,303	63,192,062
(2) Current Assets			
a) Inventories	14	20,667,536	22,292,544
b) Trade receivables	15	58,578,240	67,712,742
c) Cash and Bank Balances	16	57,872,052	39,694,006
d) Short-term loans and Advances	17	1,512,631	1,139,755
e) Other current assets	18	1,603,382	1,537,460
		140,233,841	132,376,507
Total		211,371,144	195,568,569

The accompanying notes are an integral part of Financial Statements
As per our report of even date attached herewith

For, **THACKER BUTALA DESAI**
Chartered Accountants

M.T.Desai
Partner
(Membership No. 030911)
(Firm Regi. No. 110864W)

Place : Navsari
Date : 10th May, 2013

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

Place : Vithal Udyognagar
Date : 3rd May, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(Amt. in Rs.)

PARTICULARS	Note No	Year ended March 31	
		2013	2012
		Amount	Amount
I. Revenue from Operations			
a) Sales :			
Chains		334,365,660	322,915,984
Sprockets		77,217,268	77,283,496
Exports		11,754,902	10,203,920
		423,337,830	410,403,400
less : Excise Duty		42,215,079	35,901,913
		381,122,751	374,501,487
b) Other Operating Revenue	19	7,809,032	8,353,119
II. Total Revenue form Operations (a+b)		388,931,783	382,854,606
III. Other Income		6,188,177	4,565,964
IV. Total Revenue	(II+III)	395,119,960	387,420,570
V. Expenses :			
a) Cost of Materials Consumed	21	192,874,759	190,800,202
b) Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	22	(590,698)	1,113,179
c) Other Operating Expenses	23	70,069,875	70,223,784
d) Employee Benefit Expenses	24	56,281,560	47,900,383
e) Finance Costs	25	696,809	406,810
f) Depreciation & Amortisation Expenses	10	13,062,957	12,997,843
g) Other Expenses	26	45,908,951	45,140,551
Total Expenses (a+b+c+d+e+f+g)		378,304,211	368,582,752
VI. Profit before exceptional and extraordinary items and tax	(IV-V)	16,815,749	18,837,818
VII. Exceptional items		NIL	NIL
VIII. Profit before extraordinary items and tax	(VI-VII)	16,815,749	18,837,818
IX. Extraordinary items	(VIII-IX)	NIL	NIL
X. Profit before tax		16,815,749	18,837,818
XI. Tax expense.			
a) Current Tax		5,850,000	7,167,000
b) Deferred Tax Charge / (Credit)		(333,892)	(1,057,822)
c) Short/(Excess) Provision for Taxes of Earlier Years		231,967	(81,689)
XII. Profit (Loss) for the period from Continuing Operations	(X-XI)	11,067,674	12,810,330
XIII. Profit /(Loss) from Discontinuing Operations		NIL	NIL
XIV. Tax Expense of Discontinuing Operations		NIL	NIL
XV. Profit/(Loss)from Discontinuing Operations After Tax	(XIII-XIV)	NIL	NIL
XVI. Profit / (Loss) for the period	(XII-XV)	11,067,674	12,810,330
XVII. Earning per equity share :			
(a) Basic	31	14.64	16.94
(b) Diluted	31	14.64	16.94

The accompanying notes are an integral part of Financial Statements
As per our report of even date attached herewith

For, THACKER BUTALA DESAI
Chartered Accountants

M.T.Desai
Partner
(Membership No. 030911)
(Firm Regi. No. 110864W)
Place : Navsari
Date : 10th May, 2013

Chairperson : Sushila S.Patel
Managing Director : S.H.Amin
Jt.Managing Director : A.S.Amin
Directors : A. D. Gandhi
 : Ashok Krishnadas
 : K.K.Seksaria
 : Daksha S. Amin
 : S. G. Parekh

Place : Vithal Udyognagar
Date : 3rd May, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amt. in Rs.)

PARTICULARS	Year ended March 31	
	2013	2012
	Amount	Amount
(A) Cash Flow From Operating Activities :		
1. Net Profit Before Tax	16,815,749	18,837,818
2. Adjustments For :		
(i) Depreciation and Amortisation	13,062,957	12,997,843
(ii) Interest Expenses	422,842	191,822
(iii) Interest/Dividend Income	(4,365,084)	(3,609,690)
(iv) Unrealised Foreign Exchange (Gain) / Losses	42,261	(223,747)
(v) Loss / (Profit) on Sale of Investment	Nil	Nil
(ix) Loss / (Profit) on Sale of Assets	(107,599)	Nil
Operating Profit before Working Capital Changes (1+2)	25,871,125	28,194,046
3. Adjustments for Working Capital changes :		
<u>(i) Trade & Other Receivables</u>		
* (Increase) / decrease in Trade receivables	9,134,502	(11,137,214)
* (Increase) / decrease in Short term Loans and Advances	(372,876)	582,423
* (Increase) / decrease in Other Current Assets	(65,922)	252,773
* (Increase) / decrease in Other Non-Current Assets	678,579	(913,834)
<u>(i) Trade & Other Payables</u>		
* (Increase) / decrease in Trade Payables	7,414,151	(6,030,187)
* (Increase) / decrease in Short term Provisions	31,372	(147,602)
* (Increase) / decrease in Current Liabilities	(2,633,728)	5,270,375
<u>(iii) (Increase) / decrease in Inventories</u>	1,625,008	(1,304,523)
Cash Generated From Operations	41,682,211	14,766,258
4. Less : Direct Taxes Paid	(7,044,746)	(6,852,802)
5. Misc. Expenditure	Nil	Nil
Net Cash From Operating Activities [A]	34,637,465	7,913,456
(B) Cash Flow From Investing Activities :		
Purchase of Fixed Assets	(21,486,536)	(12,636,244)
Sale of Fixed Assets	235,000	Nil
Sale of Investments	Nil	Nil
Interest Received	4,363,959	3,609,690
Dividend Received	1,125	Nil
Net Cash From Investing Activities [B]	(16,886,452)	(9,026,554)
(C) Cash Flow From Financing Activities :		
Proceeds From Long Term Borrowings	227,675	515,447
Proceeds From Other Borrowings	3,258,125	1,009,581
Interest Paid	(422,842)	(191,822)
Dividend Paid (Incl. tax thereon)	(2,635,926)	(2,644,686)
Net Cash From Financing Activities [C]	427,032	(1,311,480)
(D) NET INCR./ (DECR.) IN CASH & CASH EQUIVALENTS (A+B+C)	18,178,046	(2,424,579)
(E) Cash & Cash Equivalents at beginning of the year	39,694,006	42,118,585
(F) Cash & Cash Equivalents at the end of the year	57,872,052	39,694,006

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amt. in Rs.)

PARTICULARS	Year ended March 31	
	2013	2012
	Amount	Amount
1. Components of Cash & Cash Equivalents		
Cash on hand	71,018	79,821
Cheques on hand	Nil	Nil
Balances with banks		
- In Current Accounts	14,506,370	4,999,158
- In Margin Money	Nil	Nil
- In Fixed Deposit Account	43,232,676	34,583,157
- Unclaimed share application Money lying in escrow account	Nil	Nil
- Unclaimed Dividend Account	61,988	31,870
2. Cash and cash equivalents include amount not available for immediate use		
a) In Margin Money and Fixed Deposit Accounts	12,000,242	6,000,000
b) Unclaimed Dividend Account	61,988	31,870
3. Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised		
4. The above cashflow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.		

As per our report of even date attached herewith

For, **THACKER BUTALA DESAI**
Chartered Accountants

M.T.Desai
Partner
(Memberhip No. 030911)
(Firm Regi. No. 110864W)

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

Place : Navsari
Date : 10th May, 2013

Place : Vithal Udyognagar
Date : 3rd May , 2013

NOTE 1 : SHARE CAPITAL

(Amt. in Rs.)

PARTICULARS	As at March 31,			
	2013		2012	
	Number	Amount	Number	Amount
<u>Authorised</u>				
Equity Shares of Rs. 10/- each	1,460,000	1,460,000	1,460,000	14,600,000
10% Redeemable Cumulative Preference Share of Rs. 100/- each	4,000	400,000	4000	400,000
Total		15,000,000		15,000,000
<u>Issued, Subscribed & Paid-Up</u>				
Equity Shares of Rs. 10/- each fully paid up	756,000	7,560,000	756,000	7,560,000
Subscribed but not fully Paid-up	N.A.	N.A.	N.A.	N.A.
Total	756,000	7,560,000	756,000	7,560,000

PARTICULARS	Equity Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	756,000	7,560,000	-	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	756,000	7,560,000	-	-

Name of Shareholders holding more than 5% of Equity Shares	As at March 31,			
	2013		2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares :				
Sushilaben S.Patel	80,725	10.68	80,725	10.68
Dakshaben S. Amin	93,520	12.37	93,520	12.37
Oriental Insurance Company	75,600	10.00	75,600	10.00
National Insurance Company	54,000	7.14	54,000	7.14
Suresh H. Amin	65,725	8.69	36,499	4.82
Neha M. Patel	70,920	9.38	70,920	9.38
Rupal N. Patel	47,280	6.25	47,280	6.25
Malay S. Shah	63,040	8.34	63,040	8.34
Ashish S. Amin	43,350	5.74	43,350	5.74

PARTICULARS	Aggregate No. of Shares As at March 31,				
	2013	2012	2011	2010	2009
Equity Shares :					
Fully paid up pursuant to contract (s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus Shares	-	-	-	-	-
Shares bought back	-	-	-	-	-
Preference Shares :					
Fully paid up pursuant to contract (s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus Shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

Unpaid Calls	Amount
By Directors	-
By Officers	-

Right, preferences and restrictions attached to shares :

Equity Shares : The company has one class of equity shares having a par value of Rs. 10 per shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Director is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTE 2 : RESERVES & SURPLUS

(Amt. in Rs.)

PARTICULARS	As at March 31,	
	2013	2012
	Amount	Amount
(a) Capital Redemption Reserve:		
Opening Balance	400,000	400,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	400,000	400,000
(b) General Reserves :		
Opening Balance	55,216,806	53,716,806
(+) Current Year Transfer	1,500,000	1,500,000
(-) Written Back in Current Year	-	-
Closing Balance	56,716,806	55,216,806
(c) Surplus :		
Opening Balance	56,200,470	47,526,066
(+) Net Profit/(Net Loss) For the Current Year	11,067,674	12,810,330
(-) Proposed Dividend	2,268,000	2,268,000
(-) Tax on Dividend	385,447	367,926
(-) Transfer to Reserves	1,500,000	1,500,000
Closing Balance	63,114,697	56,200,470
Total (a+b+c)	120,231,503	111,817,276

NOTE 3 : LONG TERM BORROWINGS

Secured		
Term Loans from Banks		
HDFC Vehicle Loans	227,675	909,247
Terms of Repayment :		
Repayable in Equated Monthly Installments (EMI)		
Secured by : Hypothecation of respective Vehicles		
Total	227,675	909,247

NOTE 4 : OTHER LONG TERM LIABILITIES

Deposits	-	-
Total	-	-

NOTE 5 : LONG TERM PROVISIONS

(a) Provisions or employee benefits	-	-
(b) Other Provisions of Long Term Nature	-	-
Total	-	-

NOTE : 6 SHORT TERM BORROWINGS

(Amt. in Rs.)

PARTICULARS	As at March 31,	
	2013	2012
	Amount	Amount
Secured		
Over Draft/Cash Credit from Banks		
(I) Overdraft from HDFC Bank (Against Lien of Fixed Deposits)	994,342	1,009,581
(II) Overdraft from Indian Bank (Against Lien of Fixed Deposits)	3,273,013	-
(III) Cash Credit from Corporation Bank (Against Hypothecation of Inventories & Book Debt)	351	-
Total	4,267,706	1,009,581

NOTE : 7 TRADE PAYABLES

(a) Trade Payables for Goods		
Due to SME	-	-
Due to Others	52,779,114	43,732,770
Due to Subsidiary	-	-
(b) Advance From Customers		
Due to SME	-	-
Due to Others	5,346,721	7,019,628
Due to Subsidiary	-	-
(c) Trade Payables for Expenses		
Due to SME	-	-
Due to Others	1,045,674	1,004,960
Due to Subsidiary	-	-
Total	59,171,509	51,757,358

NOTE 8 : OTHER CURRENT LIABILITIES

Secured		
Current Maturity of Long Term Borrowings	636,239	920,100
Unsecured		
Other Payables	14,786,214	17,136,081
Total	15,422,453	18,056,181

NOTE 9 : SHORT TERM PROVISIONS

(a) Provisions for employee benefits		
Bonus	1,836,851	1,823,000
(b) Dividend Payable		
Proposed Dividend	2,268,000	2,268,000
Dividend Distribution Tax	385,447	367,926
Total	4,490,298	4,458,926

note 10 : FIXED ASSETS

(Amt. in Rs.)



Fixed Assets	GROSS BLOCK AT COST				ACCUMULATED DEPRECIATION				NET BLOCK	
	Balance as at 1 April 2012	Additions	Deduction during the year	Balance as at 31 March 2013	Balance as at 1 April 2012	Depreciation charge for the year	Deduction during the year	Balance as at 31 March 2013	Balance as at 31 March 2013	Balance as at 31 March 2012
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
a. Tangible Assets :										
Land										
Land (Free Hold Wind Mill)	493,702	-	-	493,702	-	-	-	493,702	493,702	493,702
Land (Free Hold)	19,579	-	-	19,579	-	-	-	19,579	19,579	19,579
Buildings										
Office Buildings	3,308,816	444,410	-	3,753,226	1,588,125	100,175	-	2,064,925	1,720,690	1,720,690
Factory Buildings	27,201,378	10,858,637	-	38,060,015	7,716,780	2,072,512	-	28,270,722	19,484,598	19,484,598
Plant And Equipments										
Plant & Machineries	117,829,991	8,780,538	142,064	126,468,465	93,613,599	8,280,527	142,064	24,716,403	24,216,392	24,216,392
Flameless Furnace	2,119,000	-	-	2,119,000	1,821,178	82,854	-	214,968	297,822	297,822
Turbine Air Ventilators	965,249	174,825	-	1,140,074	816,233	44,121	-	279,719	149,016	149,016
Wind Electric Generators	9,903,789	-	-	9,903,789	9,877,380	7,923	-	18,486	26,408	26,408
Gas Cylinders	147,732	-	-	147,732	147,623	43	-	65	109	109
Computer										
Computer Systems	2,337,620	105,360	-	2,442,980	2,019,683	140,489	-	282,807	317,937	317,937
Furniture & Fixtures										
Furniture & Fixtures	3,338,209	723,716	-	4,061,925	2,023,955	293,878	-	1,744,092	1,314,253	1,314,253
Ele. Fittings & Fixtures	2,332,339	-	-	2,332,339	1,028,330	181,388	-	1,122,621	1,304,009	1,304,009
Electrical Installations	2,687,192	140,648	-	2,827,840	1,392,175	184,103	-	1,251,562	1,295,017	1,295,017
Vehicles										
Vehicles	12,903,442	-	1,046,315	11,857,127	7,705,240	1,328,269	918,914	3,742,532	5,198,202	5,198,202
Office Equipment										
Office Equipments	3,239,934	234,902	-	3,474,836	1,791,083	218,023	-	1,465,730	1,448,851	1,448,851
Air Conditioners	1,745,471	23,500	-	1,768,971	839,648	128,651	-	800,672	905,823	905,823
Total	190,573,442	21,486,536	1,188,379	210,871,599	132,381,034	13,062,957	1,060,978	144,383,013	66,488,585	58,192,407
b. Intangible Assets	-	-	-	-	-	-	-	-	-	-
c. Capital Work in Progress	-	-	-	-	-	-	-	-	-	-
d. Intangible assets und devt.	-	-	-	-	-	-	-	-	-	-
Total	190,573,442	30,249,744	9,951,587	210,871,599	132,381,034	13,062,957	1,060,978	144,383,013	66,488,585	58,192,407

Disclosure pursuant to Note No. I (iv) and J (iii) of Part I of Schedule VI to the Companies Act, 1956

PARTICULARS	As at March 31,				
	2013	2012	2011	2010	2009
	Amount	Amount	Amount	Amount	Amount
Assets details :					
Balance as at 1 April	Nil	Nil	Nil	Nil	Nil
Impairment / Revaluation	Nil	Nil	Nil	Nil	Nil
Balance as at 31 March	Nil	Nil	Nil	Nil	Nil

PARTICULARS	As at March 31,	
	2013	2012
	Amount	Amount
A Trade Investments	-	-
Total (A)	-	-
B Other Investments		
Investments in Equity Instruments	7,500	13,750
Total (B)	7,500	13,750
Total (A+B)	7,500	13,750

Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	7,500	13,750
Aggregate Market value of quoted investments	-	-

A. Details of Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully Paid	Extent of Holding (%)		Amount (Rs.)		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' Basis of Valuation
			2013	2012			2013	2012	2013	2012		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	Investment in Equity Instruments											
	The Karamsad Urban Co-Operative Bank	Other	-	600	Unquoted	Fully Paid			-	6,000	Yes	-
	Th Anand Urbank Co-Operative Bank Ltd.	Other	-	10	Unquoted	Fully Paid			-	250	Yes	-
	Th Charotar Gas Sahkari Mandli Ltd.	Other	15	15	Unquoted	Fully Paid			7,500	7,500	Yes	-
(b)	Investments in Govt. or Trust securities	-	-	-	-	-			-	-	-	-
(c)	Investments in Mutual Funds	-	-	-	-	-			-	-	-	-
	Total								7,500	13,750		

NOTE 12 : DEFERRED TAX ASSET (NET)

(Amt. in Rs.)

PARTICULARS	As at March 31,	
	2013	2012
	Amount	Amount
Deferred Tax Assets	2,390,709	2,056,817
Less : Deferred Tax Liabilities	-	-
Total	2,390,709	2,056,817

NOTE 13 : OTHER NON CURRENT ASSETS

Unsecured, considered good :		
Deposits	1,544,119	1,545,880
Advance for Capital Expenditure	706,390	1,383,208
Total	2,250,509	2,929,088

NOTE 14 : INVENTORIES

Stock-in trade (as taken, valued and certified by the Management)		
a. Raw Materials	17,036,000	19,251,706
b. Semi-Finished Goods	887,174	725,010
c. Finished Goods	2,744,362	2,315,828
Total	20,667,536	22,292,544

NOTE 15 : TRADE RECEIVABLES

Unsecured, considered good :		
a. Trade receivables outstanding for a period less than six months from the date they are due for payment	54,297,539	61,195,102
b. Trade receivables outstanding for a period exceeding six months from the date they are due payment	4,280,701	6,517,640
Total	58,578,240	67,712,742

Trade Receivable stated above include debts due by :

Directors*	-	-
Other officers of the Company*	-	-
Firm in which director is a partner*	-	-
Private Company in which director is a member	-	-
Total	-	-

*Either severally or jointly

NOTE 16 : CASH AND BANK BALANCES

(Amt. in Rs.)

PARTICULARS	As at March 31,	
	2013	2012
	Amount	Amount
I. Cash & Cash Equivalents :		
a. Balances with banks	37,568,600	15,531,028
This includes :		
Unpaid Dividend A/c (C.Y. Rs. 61988/-, P.Y. Rs. 31870/-)		
Margin Money (C.Y. Rs. Nil, P.Y. Rs. Nil)		
Security against Borrowings (C.Y. Rs. 12000242/-, P.Y. Rs. 6000000/-)		
Security against Guarantees (C.Y. Rs. Nil, P.Y. Rs. Nil)		
Security against Other Commitments (C.Y. Rs. Nil, P.Y. Rs. Nil)		
Bank deposits with less than 3 months maturity (C.Y. Rs. 11000000/-, P.Y. Rs. 4500000/-)		
b. Cheques, drafts on hand	-	-
c. Cash on hand	71,018	79,821
d. Others (specify nature)	-	-
II. Other Balances :		
Fixed Deposit Maturing after 3 months but before 12 months	20,232,434	24,083,157
This includes :		
Security against Borrowings (C.Y. Rs. Nil, P.Y. Rs. Nil)		
Total	57,872,052	39,694,006

NOTE 17 : SHORT TERM LOANS & ADVANCES

Unsecured, considered good :		
a. Advance Recoverable in Cash or Kind	-	669,651
b. Loans & Advances to Staff	39,000	74,197
c. Inter Corporate Deposit	-	-
d. Advance to Suppliers - Others	-	-
e. Advance Payment of Income Tax (Net of Provisions)	1,473,631	395,907
Total	1,512,631	1,139,755

Short Term Loans & Advance stated above include advance given to :

Directors*	-	-
Other officers of the Company*	-	-
Firm in which director is a partner*	-	-
Private Company in which director is a member	-	-
Total	-	-

*Either severally or jointly

NOTE 18 : OTHER CURRENT ASSETS

a. Interest Receivable	1,016,377	1,088,060
b. Cenvat Receivable (For Capital Goods)	400,960	308,240
c. Cenvat Receivable (For Other)	186,045	141,160
Total	1,603,382	1,537,460

NOTE 19 : OTHER OPERATING REVENUE

(Amt. in Rs.)

PARTICULARS	Year ended March 31,	
	2013	2012
	Amount	Amount
Job Work income	281,839	294,047
Scrap Sales	7,527,193	8,059,072
Total	7,809,032	8,353,119

NOTE 20 : OTHER INCOME

Interest Income	4,363,959	3,609,690
Rent Income	30,000	30,000
Dividend Income	1,125	-
Net gain/loss on sale of Asset	107,599	-
Foreign Exchange Variation	-	223,747
Income from Wind Electric Generators	952,035	495,920
Bad Debt Written Off Recovered	208,343	206,607
Sales Tax Refund	518,791	-
Other Income	6,325	-
Total	6,188,177	4,565,964

NOTE 21 : COST OF MATERIAL CONSUMED

Opening Stock	19,251,706	16,834,004
Add : Purchases during the Year	190,659,053	193,217,904
Sub Total	209,910,759	210,051,908
Less : Closing Stock	17,036,000	19,251,706
Total	192,874,759	190,800,202

NOTE 22 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

Opening Stock : Semi - Finished Good	725,010	490,189
Finished Goods	2,315,828	3,663,828
	3,040,838	4,154,017
Closing Stock : Semi - Finished Good	887,174	725,010
Finished Goods	2,744,362	2,315,828
	3,631,536	3,040,838
(Increase)/ Decrease in Stock	(590,698)	1,113,179

NOTE 23 : OTHER OPERATING EXPENSES

Power & Fuel	27,733,547	28,110,365
Stores, Tools, Oil, & Packing Materials Consumed	19,952,881	19,543,053
Machining Charges	18,341,195	18,382,525
Clearing & Forwarding Expenses	888,541	824,460
Freight Inwards	3,153,711	3,359,442
Others	-	3,940
Total	70,069,875	70,223,784

NOTE 24 : EMPLOYEE BENEFIT EXPENSES

(Amt. in Rs.)

PARTICULARS	Year ended March 31,	
	2013	2012
	Amount	Amount
Managerial Remuneration	3,179,000	2,970,000
Salaries & Wages	41,110,694	36,450,141
Contribution to Provident Fund	4,110,796	3,889,176
Staff Welfare Expenses	1,927,479	1,118,855
Exgratia / Bonus / Contribution to Superannuation Fund	2,483,591	2,289,716
Gratuity	3,470,000	1,182,495
Total	56,281,560	47,900,383

NOTE 25 : FINANCE COST

Interest : Fixed Period Loan	144,147	148,883
Others	278,695	42,939
Bank Charges	273,967	214,988
Total	696,809	406,810

NOTE 26 : OTHER EXPENSES

Rent	1,108,388	1,006,730
Rates & Taxes (Includes Wealth Tax C.Y. Rs.1790/-, P.Y. Rs.660/-)	203,056	220,168
Stationery, Printing, Postage, Telephone etc.	2,861,873	2,411,722
Insurance Premium (Net)	603,863	617,600
Works & Office Expenses	1,175,201	1,132,672
Advertisement	250,848	302,266
Forwarding & Transport Charges	4,262,990	4,107,207
Commission to Distributors/Agents	10,387,776	7,620,094
Professional, Consultation & Legal Fees	3,361,291	3,211,203
Travelling & Conveyance	8,286,630	8,182,716
Computer Expenses	270,339	528,774
<u>Repairs and Maintenance :</u>		
1) Machineries	2,535,569	2,388,438
2) Buildings	3,465,048	5,436,855
3) Others.	3,909,217	4,934,709
Payment to Auditors	123,690	127,215
Donation	127,000	112,000
Subscription & Membership Fees	94,197	91,816
Garden Expenses	164,432	142,211
Liquidated Damages	886,948	623,544
Bad Debts Written off	72,455	45,722
Director Sitting Fees	115,000	42,500
Foreign Exchange Variation (Loss)	42,261	-
Service Tax	263,167	188,789
Sales Tax / Central Excise	29,477	86,341
Bank Charges - Others	691,502	869,329
Interest Expense - Others	-	210,461
Tender Fees	4,186	2,720
Festival expense	56,600	58,850
Security Service	555,948	437,898
Total	45,908,951	45,140,551

NOTE 27 : 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 & Amortisation :

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 arrived at on the following basis:

Raw Material and Stores :-

Weighted Average Cost

Stock in Process :-

Raw Materials at Weighted Average Cost & absorption of Labour and Overheads

Finished Goods :-

Raw Materials at Weighted Average Cost & absorption of Labour and Overheads

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 a period or periods are credited or charged to the Statement of Profit and Loss.

- (3) Monetary items denominated in foreign currencies at the year-end are restated at the year-end rates.

g) Retirement Benefits:

1. The **Gratuity liability** is determined based on the Actuarial Valuation done by Actuary as at Balance Sheet date in context of the Revised AS-15 issued by the ICAI, as follows:

PARTICULARS	Gratuity Funded Rs. in Lacs
Expense recognized in the Statement of Profit and Loss Account for the year ended March 31, 2013	
Current Service Cost	8.14
Interest Cost	20.28
Employer Contribution	—
Expected return on Plan Assets	- 6.75
Net Actuarial (Gains) / Losses	26.88
Past Service Cost	—
Settlement Cost	—
Total Expense	48.55
Net Asset / (Liability) recognized in the Balance Sheet at March 31, 2013	
Present value of Defined Benefit Obligation as at March 31, 2013	248.58
Fair value of plan assets as at March 31, 2013	54.17
Funded status {Surplus / (Deficit) }	-194.41
Net asset / (liability) as at March 31, 2013	-194.41
Change in Obligation during the Year ended March 31, 2013	
Present value of Defined Benefit Obligation at beginning of the year	253.50
Current Service Cost	8.14
Interest Cost	20.28
Past Service Cost	—
Employer Contributions	—
Actuarial (Gains) / Losses	12.71
Benefits Payments	- 46.04
Present value of Defined Benefits Obligation at the end of the year	248.58
Change in Assets during the year ended March 31, 2013	
Plan assets at the beginning of the year	72.93
Assets acquired in amalgamation in previous year	—
Settlements	—
Expected return on plan assets	6.75
Contributions by Employer	34.70
Actual benefits paid	- 46.04
Actuarial (Gains) / Losses	- 14.16
Plan Assets at the end of the year	54.17

Actuarial Assumptions:

Discount Rate:	8.00%
Expected Rate of Return on Plan Asset:	8.50 %
Mortality Rates:	LIC (1994-96) Ultimate Published Table of Rates
Withdrawals Rates:	3% at younger age reducing To 1% at older age
Retirement Age:	58 years
Rate of Escalation in Salary (p.a.):	6.00 %
Liability of Defined Benefit Obligation as at 31-03-2013	Rs. 19,441,104
Profit & Loss Charge for the year ended 31-03-2013	Rs. 4,854,623

The Company has covered Rs.5,417,317/- out of Total Liability of Rs.19,441,104/- by paying yearly premium to Life Insurance Corporation of India over the past years. And the Company has charged Rs.3,470,000/- towards contribution paid to LIC to Statement of Profit & Loss for the year ended 31-03-2013 as per consistent past practice.

2. Liability in respect of Superannuation Benefits extended to eligible employees is contributed by the Company to Life Insurance Corporation of India against a Master Policy @ 15% of the Basic Salary of all the eligible employees.

3. The Company's contribution Rs. 4,110,796/- (P.Y. Rs. 3,889,176/-) paid / payable for the year to Provident Fund is charged to the Statement of Profit & Loss.

4. Liability in respect of Leave Encashment is provided on actual payment basis.

h) Investment:

Investments are generally of Long Term nature and are stated at cost unless there is a other than temporary diminution in their value as at the date of Balance Sheet.

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 VAT / CST.
- 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.
- 4) Consistent with past practice Insurance Claim is accounted for as and when the same has been admitted by the Insurance authorities.

j) Contingent Liabilities:

There is no any Contingent Liability

NOTE 28 : PAYMENT TO AUDITORS (PAID ON 31/03/2012)

	Rs.	Rs.
As Audit Fees	60,000	60,000
For Tax Audit Fees	25,000	25,000
In other capacity	36,000	36,000
Re-imbusement of Expenses	2,690	6,215
TOTAL	123,690	127,215

Payment to Auditors Rs.123,690/- is excluding Service Tax of Rs. 14,523/- (Previous Year Rs. 14,523/-)

Beside above, an amount of Rs.40,000/- (P.Y. Rs.40,000/-) is paid for handling Income Tax matters to a firm in which one the partner is interested.

NOTE 29 : TRANSACTIONS WITH RELATED PARTIES - AS 18

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 Relationship	Nature of Transaction	Transaction During The Year
1.	Sudeep-Rub-Chem Pvt. Ltd.,	Directors are Member in the company	Purchase	737,100
2.	Mr. S.H.Amin	Managing Director	Remuneration	1,529,000
3.	Mr. A.S.Amin	Jt. Managing Director	Remuneration	1,650,000
4.	Mrs. A. A. AMIN	Jt. Managing Director's Wife	Remuneration	251,282
5.	Cyto Pvt. Ltd.	Directors are Member in the company	Payment for Amenity provided For Board Meeting	22,500

NOTE 30 : SEGMENT INFORMATION

4) Segment information for the year ended 31st March 2013.

Sr. No.	Particulars	Rs. (In Lacs)
1.	Segment Revenue	
	(A) Industrial Chain	3175.10
	(B) Sprocket Wheel	714.22
	Total	3889.32
	Less : Inter Segment Revenue	--
	Net Sales / Income from Operations	3889.32
2.	Segment result (Profit & Loss before tax and interest)	
	(A) Industrial Chain	94.54
	(B) Sprocket Wheel	80.59
	Total	175.13
	Less	
	(A) Finance Costs	6.97
	(B) Other un-allocable expenditure net off un-allocable income	---
	TOTAL PROFIT BEFORE TAX	168.16
3.	Capital Employed (Segment Assets - segment Liabilities)	
	(A) Industrial Chain	1265.91
	(B) Sprocket Wheel	12.00
	(C) Un-allocable Corporate Assets less Liabilities	---
	Total Capital Employed in Company	1277.91

NOTE 31 : EARNING PER SHARE :

	<u>Current Year</u>	<u>Previous Year</u>
	<u>Rs.</u>	<u>Rs.</u>
Basic Earning Per Share	14.64	16.94
Diluted Earning Per Share	14.64	16.94
Face 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	11,067,674	12,810,330
Weighted average number of share during the year	756,000	756,000

NOTE 32 :

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.

NOTE 33 : INFORMATION PURSUANT TO THE PROVISIONS OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956 (As Certified By The Management)

A. Turnover :

	Current Year		Previous Year	
	Unit/Qty.	Value Rupees	Unit/Qty.	Value Rupees
Industrial chains	69870 Mtrs.	311,210,968	83772 Mtrs.	301,865,921
Spares	97661 Nos.		73,572 Nos.	
Sprocket Wheels	4027 Nos. 116 Sets	69,911,783	7592 Nos. 86 Sets	72,635,566
		<u>381,122,751</u>		<u>374,501,487</u>

B. Raw Materials Purchased :

	Unit/Qty.	Value	Unit/Qty.	Value
	Tons	Rupees	Tons	Rupees
Flats	1255.208	64,197,217	1308.825	64,318,591
Round Bars	649.692	46,053,336	773.424	47,634,661
Plates	441.741	22,560,022	401.927	21,926,348
Other components	-	41,899,591	-	41,800,689
Others	-	15,948,887	-	17,537,615
		<u>190,659,053</u>		<u>193,217,904</u>

C. Raw Materials Consumed:

	Unit/Qty.	Value	Unit/Qty.	Value
	Tons	Rupees	Tons	Rupees
Flats	1260.454	64,459,517	1292.570	62,953,766
Round Bars	683.558	48,220,634	721.343	44,230,097
Plates	428.480	21,894,014	409.615	22,258,683
Other components	-	41,823,307	-	42,878,465
Others	-	16,477,287	-	18,479,191
		<u>192,874,759</u>		<u>190,800,202</u>

D. Stocks :

Opening : Industrial Chains	655 Mtr + 890 Nos.	2,315,828	680 Mtr +890 Nos.	3,663,828
Sprocket Wheels	NIL	NIL	NIL	NIL
Closing : Industrial Chains	213 Mtr + 1 Lot	2,642,162	655 Mtr +890 Nos.	2,315,828
Sprocket Wheels	20 Nos.	102,200	NIL	NIL



NOTE 34 : VALUE OF IMPORTS ON CIF BASIS DURING THE YEAR IN RESPECT OF :

	<u>Current Year</u>	<u>Previous Year</u>
	Rupees	Rupees
Raw Materials	8,916,856	15,631,838
Stores and Spares	NIL	NIL
Capital Goods	NIL	NIL

NOTE 35 : EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF :

Travelling	1,141,220	841,580
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NOTE 36 : VALUE OF RAW MATERIALS CONSUMED :

	Value	% of Total	Value	% of Total
	Rupees	Consumption	Rupees	Consumption
Imported	8,916,856	4.62	15,631,838	8.19
Indigenous	183,957,903	95.38	175,168,364	91.81
	<u>192,874,759</u>	<u>100.00</u>	<u>190,800,202</u>	<u>100.00</u>

NOTE 37 : VALUE OF STORES & SPARES CONSUMED :

Imported	NIL	0.00	NIL	NIL
Indigenous	19,952,881	100.00	19,543,053	100.00
	<u>19,952,881</u>	<u>100.00</u>	<u>19,543,053</u>	<u>100.00</u>

NOTE 38 : REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND TO NON-RESIDENT SHAREHOLDERS.

	Current Year	Previous Year
For The Financial Year	2011-12	2010-11
No. of Shareholders	Four	Four
No. of Shares held	212,760	212,760
	Rupees	Rupees
Net amount of Dividend Remitted	638,280	638,280

NOTE 39 : EARNINGS IN FOREIGN EXCHANGE - EXPORT OF GOODS ON FOB BASIS :

	Rupees	Rupees
Industrial Chains	10,838,484	7,475,036
Sprocket Wheels	946,104	2,692,806
	<u>11,784,588</u>	<u>10,167,842</u>

NOTE 40 : The Figures have been rounded upto a Rupee. Parties Balances are subject to their confirmations and reconciliation and consequential adjustments, if any.

NOTE 41 : PROPOSED DIVIDEND

The Board of Directors have proposed equity dividend of Rs.3.00 (P.Y Rs.3.00) per equity share of Rs.10.00 each. The aggregate amount of equity dividend proposed to be distributed is Rs.26,53,447/- (P.Y. Rs.26,35,926/-) including Dividend Distribution Tax of Rs.3,85,447/- (P.Y. Rs.3,67,926/-)

NOTE 42 : Previous year figures have been regrouped and recast wherever necessary to make them comparable with current year's figures.

NOTE 43 : Note No. 1 to 42 form an integral part of Financial Statements.

Signautre to Balance Sheet, Statement of Profit & Loss and Note 1 to Note 43

As per our report of even date attached herewith

	Chairperson	: Sushila S.Patel
	Managing Director	: S.H.Amin
For, THACKER BUTALA DESAI	Jt.Managing Director	: A.S.Amin
Chartered Accountants	Directors	: A. D. Gandhi
		: Ashok Krishnadas
M.T.Desai		: K.K.Seksaria
Partner		: Daksha S. Amin
(Membership No. 030911)		: S. G. Parekh
(Firm Reg. No. 110864W)		

Place : Navsari

Date : 10th May, 2013

Place : Vithal Udyognagar

Date : 3rd May, 2013

Proxy Form

ROLCON ENGINEERING COMPANY LIMITED

Registered Office : Anand-Sojitra Road, Vithal Udyognagar 388 121, 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 46th Annual General Meeting of the Company to

be held on Thursday, 18th day of July, 2013 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

