



SE/AGM/ /2020-21

September 1, 2020

To,
CORPORATE COMPLIANCE CELL (LISTING)
BSE LTD.,
P. J. TOWERS,
25TH FLOOR, DALAL STREET,
BOMBAY-400001.

Ref: - Scrip Code/ SYMBOL: - 505807 / ROLCOEN

Dear Sir/Mam,

Sub.: 53rd Annual Report

Pursuant to the Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements) Amendment, 2018, 53rd Annual Report for F.Y. 2019-20 attached herewith along with Agenda to be transacted at Annual General Meeting of the Company.

Please find the above in order and take on your record.

Thanking you,

Yours faithfully,
For, ROLCON ENGINEERING CO. LTD.,


DHARMESH CHAUHAN
COMPANY SECRETARY AND COMPLIANCE OFFICER
M.NO.: A40003



Encl.: a/a.



ISO : 9001 : 2015
Certi No. 04 100 067292

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

CIN : L29259GJ1961PLC001439,
Phone : 02692-230766/230866,
Fax: 02692-236480 / 236453
Web:- www.rolconengineering.com
Email:- rolcon@rolconengineering.com



53RD
ANNUAL REPORT
2019-20



CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Suresh H. Amin	Chairman & Whole Time Director
Shri Ashish S. Amin	Managing Director
Shri Ashok Krishnadas Parikh	Director
Shri Kailashchandra K. Seksaria	Director
Shri Wolfgang Fuchs	Director
Shri Mahesh H. Joshi	Director
Shri Kiran M. Patel	Director
Dr. Arpita A. Amin	Director
Smt. Harshila H. Patel	Director

KMPS

Shri Navin U Patel	Chief Financial Officer
Shri Dharmesh Chauhan	Company Secretary

AUDITOR

M/s. JHS & Associates LLP
Chartered Accountants
C-701, Merry Ellen,
Ceasars Cross Road,
Amboli, Andheri (W),
Mumbai - 400058

BANKERS

State Bank of India
Corporation Bank
Bank of Maharashtra

REGISTRAR & SHAR E TRANSFER AGENT

LINK INTIME INDIA PVT. LTD.

REGISTERED OFFICE

Anand – Sojitra Road,
Vallabh Vidyanagar - 388 120,
Anand, Gujarat, India

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NOTICE

Notice is hereby given that the **53rd Annual General Meeting** of the Shareholders of ROLCON ENGINEERING COMPANY LIMITED, (CIN: L29259GJ1961PLC001439) will be held on Wednesday, September 30, 2020, at 4:00 p.m. IST through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone financial Statements of the Company for the financial year ended March 31, 2020 and the Reports of the Board of Directors and auditors thereon.
2. To Declare Dividend of Rs. 1.5 (15%) per equity share, for the financial year 2019-20.
3. To Appoint a Director in place of Shri Suresh H. Amin (DIN:00494016), who retires by rotation and, being eligible, offer himself for re-appointment.

SPECIAL BUSINESS:

4. Appointment of Smt. Harshila H. Patel (DIN: 08690119), as an Independent Women Director. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Smt. Harshila H. Patel (DIN: 08690119), who was appointed on February 7, 2020 by Board of Directors as an additional and Independent Director of the Company up to ensuing Annual General Meeting, pursuant to the provisions of Sections 149, 152 and 161 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder [including any statutory modification (s) or re-enactment thereof for the time being in force] article of association of the company read with Schedule IV to the Companies act 2013, approvals and recommendations of the nomination and remuneration committee, and that of the Board, be and is hereby appointed as an independent director, not liable to retire by

rotation, for the period of five (5) years up to March 31, 2025.

RESOLVED FURTHER THAT the Board of Director be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer (s)/authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution

NOTES:

1. In view of the continuing Global COVID-19 pandemic, the Ministry of Corporate affairs ("MCA") vide its Circular numbers 20/2020, 14/2020, 17/2020 and Circular number SEBI /HO/ CFD /CMD1 /CIR /P/2020/79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.
2. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto. The venue of the meeting shall be deemed to be the Registered Office of the Company at Vallabh Vidyanagar-388120, Gujarat.
3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC/OAVM, the facility for appointment of proxies by the members will not be available.
4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").

5. Institutional/ Corporate Shareholders (i.e. other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered Email Address to kvaghela26@gmail.com with a copy marked to Company on Email Address to rolcon@rolconengineering.com.

6. **DIVIDEND** : Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows-

Members having valid PAN 7.5% or as notified by the Government of India

Members not having PAN / valid PAN 20% or as notified by the Government of India
--

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2020-21 does not exceed Rs. 5,000/- and in cases where members provide Form 15G / Form 15H subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to

claim a lower/Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower/ Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member
- Copy of Tax Residency Certificate (TRC) for the FY 2020-21 obtained from the revenue authorities of the country of tax residence, duly attested by member
- Self-declaration in Form 10F
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess)

The aforementioned documents are required to Email on rolcon@rolconengineering.com on or before September 15, 2020.

7. Members wishing to claim dividends that remain unclaimed are requested to correspond with the Company Secretary, at the Company's registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.
8. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment

at this AGM is annexed.

9. The Register of Members and Share Transfers Books of the Company will remain closed from September 24, 2020 to September 30, 2020 (Both days Inclusive).

10. **Remote E-voting:**

The Company is pleased to provide Remote E-voting facility through **InstaVote** as an alternative, for all members of the Company to enable them to cast their votes electronically on the resolutions mentioned in the notice of 53rd Annual General Meeting of the Company.

Remote E-Voting Instructions for shareholders:

The voting period begins on September 27, 2020 at 09.00 a.m. and ends on September 29, 2020 at 05.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 23, 2020, may cast their vote electronically.

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: -

A. User ID: Enter your User ID

Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**

Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders/ members holding shares in **CDSL demat account shall provide either 'C' or 'D', above**

Shareholders/ members holding shares in **NSDL demat account shall provide 'D', above**

Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

Click "confirm" (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on 'Login' under '**SHARE HOLDER**' tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.
4. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
7. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.
8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorized representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

If you have forgotten the password:

Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'

Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.

- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case shareholders/ members have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

Process and manner for attending the Annual General Meeting through VC (InstaMeet):

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

Select the "**Company**" and '**Event Date**' and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**

Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (Annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMeet website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request **3 days in advance** with the company on the Email: rolcon@rolconengineering.com marked copy to scrutinizer on the Email: kvaghela26@gmail.com
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/moderator during the meeting, shareholders/members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. The Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

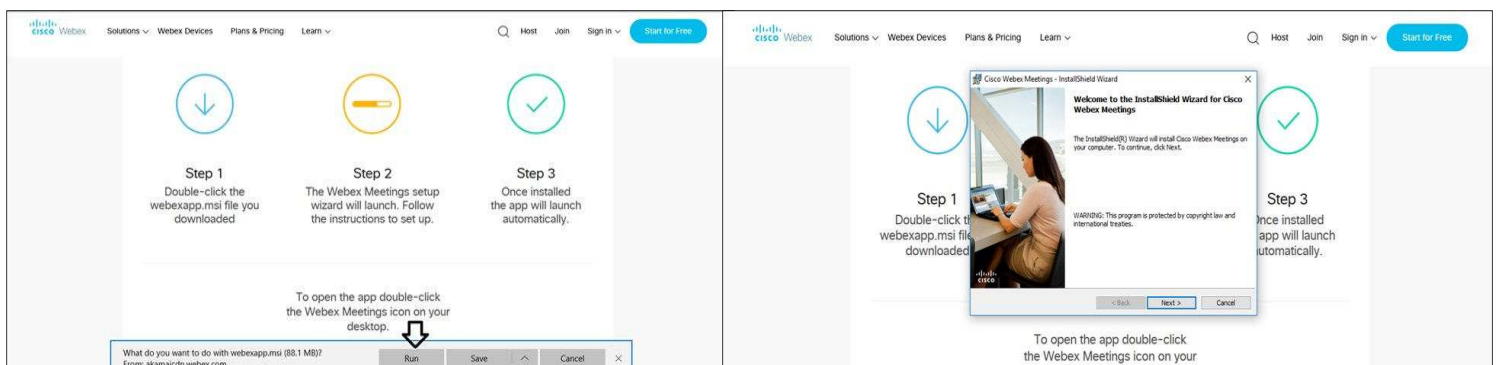
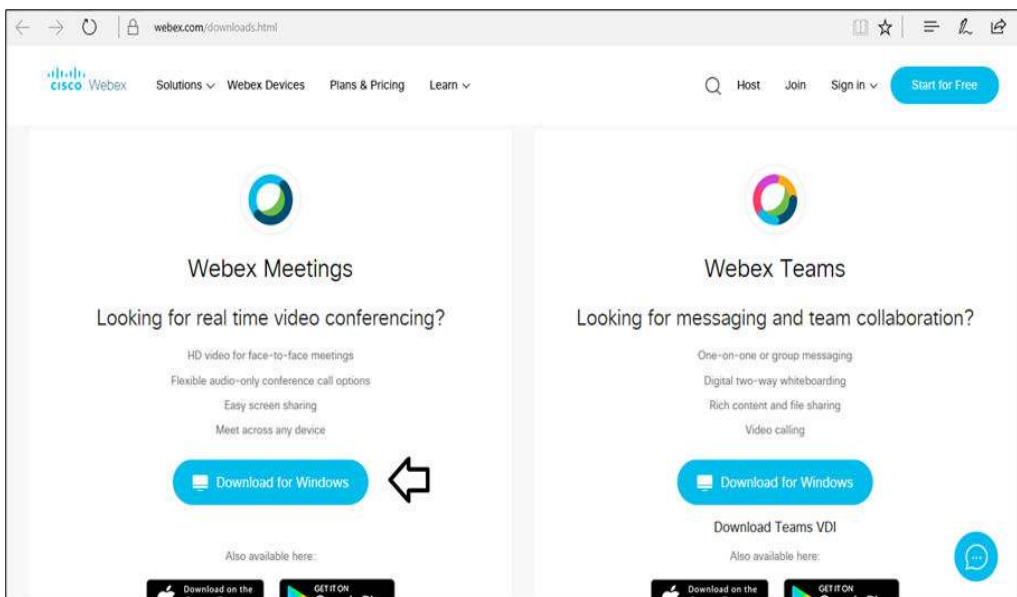
In case shareholders/ members have any queries regarding login/e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175. **InstaMeet Support Desk, Link Intime India Private Limited.**

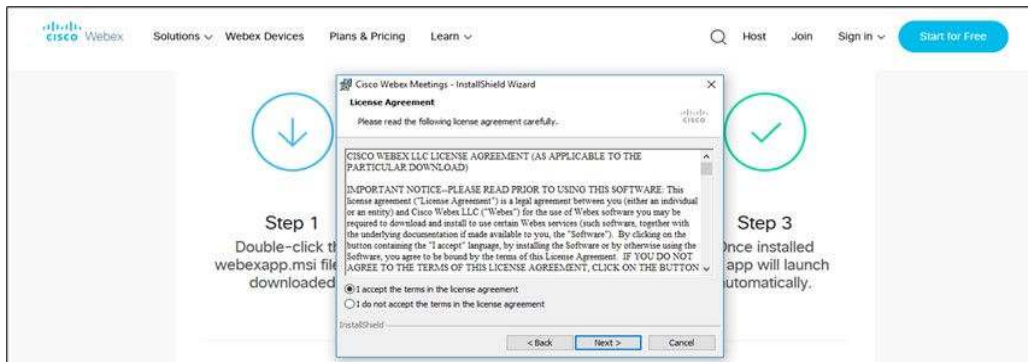
Annexure

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

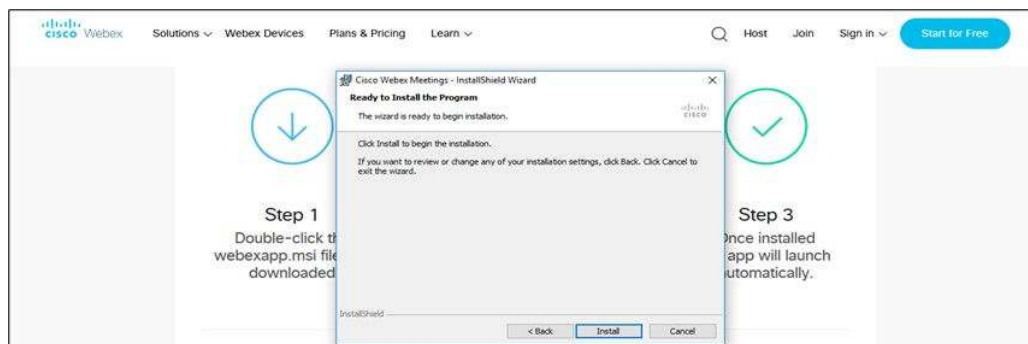
Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>





Step 1
Double-click the
webexapp.msi file
downloaded

Step 3
Once installed
app will launch
automatically.



Step 1
Double-click the
webexapp.msi file
downloaded

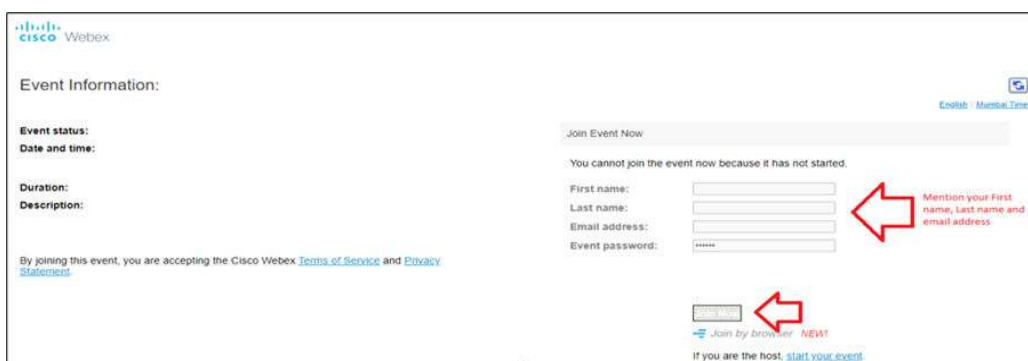
Step 3
Once installed
app will launch
automatically.

OR

B) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or <u>Run a temporary application</u> .

Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



OTHER INSTRUCTIONS:

1. Shri Kiran Vaghela, Practicing Company Secretary, Proprietor of M/s. Kiran Vaghela & Associate, Anand (C.P.No: 18617) has been appointed as the Scrutinizer to Scrutinize the E-Voting process (InstaMeet and InstaVote) in a fair and transparent manner.
2. The Scrutinizer shall, within a period not exceeding two working days from the conclusion of the e- voting period, after conclusion of Annual general Meeting, unblock the votes in the presence of at least two witnesses (not in the Employment of the Company) and make out a scrutinizer's Report of the votes cast in the favor or against, if any, forthwith to the chairman of the Company.
3. Member can opt for only one mode of voting i.e. either through E-voting or Vote during VC/OAVM as per instruction mentioned above. If a member cast his/her vote by both modes, then voting done through E-voting shall be prevail and the vote during VC/OAVM shall be treated as invalid. The result declared along with scrutinizer's report shall be placed on the Company's websites www.rolcon@rolconengineering.com and on the website of the: <https://instavote.linkintime.co.in> within 2 days of the passing of the resolutions at the 53rd AGM of the Company and Communicated to the BSE Ltd where the Shares of the company are listed.

For and on Behalf of Board of Directors of
Rolcon Engineering Company Limited

Sd/-
Ashish. S. AMIN
Managing Director
DIN: 01130354

Vallabh Vidyanagar
August 25, 2020.

Explanatory Statement

The Explanatory Statement, as requires under the section 102 of the companies Act, 2013, set out all material fact relating to the special business (if any).

Item No. 4:

The Board, based on the recommendation of the nomination and remuneration committee, at its meeting held on February 07, 2020, appointed Smt. Harshila H. Patel (DIN: 08690119) as an Additional and Independent Director of the company with effect from February 07, 2020 up to ensuing Annual General Meeting Pursuant to the provisions of Section 161 of the Companies Act, 2013 and applicable rules made thereunder, The Company has received from her all statutory disclosures/declarations including, (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

In the opinion of the Board, she is an entrepreneur with extensive and in-depth business understanding and will bring tremendous value to the Board and to the Company. She fulfils the conditions for independence specified in the Act, the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other laws / regulations for the time being in force, to the extent applicable to the Company.

The resolution seeks the approval of members for the appointment of Smt. Harshila H. Patel (DIN: 08690119) as an independent director of the Company up to March 31, 2020 pursuant to Sections 149, 152 and other applicable provisions

of the Act and the Rules made thereunder (including any statutory modification (s) or re-enactment(s) thereof) and her office shall not be liable to retire by rotation.

As per the provisions of Section 161 of the Act, an additional director appointed by the Board shall hold office up to the date of the ensuing annual general meeting and shall be appointed as a director by the members. The Board, at its meeting held on February 07, 2020, appointed Smt. Harshila H. Patel (DIN: 08690119) as an additional and independent director who holds office up to the ensuing AGM. Accordingly, her appointment is placed for the approval of members. In compliance with the General circular number 20/2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

None of the Directors, Key Managerial Personnel of the Company or their relatives except Smt. Harshila H. Patel (DIN: 08690119), is in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board of Directors recommend the ordinary Resolution set forth in Item No. 4 for approval of the Members.

For and on Behalf of Board of Directors of
Rolcon Engineering Company Limited

Sd/-
Ashish. S. AMIN

Managing Director
DIN: 01130354

Vallabh Vidyanagar
August 25, 2020.

Information on the Directors Recommended for Appointment/Re-appointment as required under regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

Particulars	Shri Suresh H. Amin	Smt. Harshila H. Patel
DIN	DIN: 00494016	DIN: 08690119
Date of Birth	August 13, 1936	August 8, 1968
Date of Appointment	April 28, 1982	February 7, 2020
Qualification	Mechanical Engineering, Master Degree (M.s.) from Brunschweing University, West Germany	B.Sc. (Home Sci.)
Expertise in the Function area	Engineering and Wide Management Experience	Marketing Management Administration & Planning.
Relation with Director inter-se	Shri Ashish S. Amin (Son) Dr. Arpita Amin (Daughter in -law)	NIL
Directorship in other Listed/ public company As on March 31, 2020.	NIL	NIL
Memberships / Chairmanships of committees of other Listed/ public companies as on March 31, 2020.	NIL	NIL
Number of Share held in com- pany as on March 31, 2020.	2,01,823	100

BOARD'S REPORT

TO,
THE MEMBERS OF,
ROLCON ENGINEERING CO. LTD.

Your Directors takes pleasure in presenting the 53rd Annual report together with the Audited Financial Statements and Auditors' Report for the financial year ended March 31, 2020. The financial highlights for the year under review are given below:

STATE OF AFFAIRS:

(Rs. in Lakh)

Particulars	F.Y. 2019-20	F.Y.2018-19
Revenue	3627.50	3920.48
Other Income	59.29	55.92
Total Income	3686.79	3976.40
Expenses		
Operating Expenditure	3504.86	3779.51
Depreciation and amortisation Expenses	92.12	91.46
Total Expenses	3596.98	3870.97
Profit Before Finance Cost and Tax	89.81	105.43
Finance Cost	5.78	9.90
Profit Before tax (PBT)	84.03	95.53
Tax Expenses	34.73	(47.63)
Profit For the year	49.3	143.15
Attributable to:		
Shareholders of the Company	49.3	143.15
Opening Balance of retained Earning	379.26	255.22
Closing Balance of retained Earing	418.56	379.26
Equity share capital	75.60	75.60
Reserve	1027.73	978.42
EPS (in Rs.)	6.52	18.94

Disclosure of material impact of COVID-19 pandemic

The novel coronavirus (COVID-19) pandemic is spreading around the world rapidly. The Virus has not just affected the human, but business of almost all type of entities too, the scope of which currently is undetermined.

Impact on Production and Function of Corporate Office

Company's plants and office located at Vallabh Vidyanagar, (Gujarat) had been closed since March 23, 2020 due to immediate shutdown restrictions imposed by national government then partially resumed with limited workforce w.e.f. May 5, 2020 in line with the directions issued by the Central Government, State Government and local Authorities. While disruptions of production affected to the extent in estimation of last quarter planning and schedules. Also, up to some extent capacity remain under-utilized.

Employee safety

Start working by Providing safety and healthy environment to the employee was the biggest challenge. The Company has implemented strict measures of ensuring social distancing, hygiene practices and deep cleaning of premises to ensure the safety of our workers, admin staff and the community at workplace.

Sales and Revenue

Since force majeure has approximate impact on forecasted sales figures resulting less amount of sales in last month of financial year which has ultimate effect on Revenue of the Company for the F.Y. 2019-20.

Preparation and Disclosure of Financial Result

As a result of disruptions in the Financial Function and lockdown at the end of the financial year statutory Audit, preparation of financial statements and disclosure Under Regulation 33 of SEBI (LODR) 2015, has fairly delayed than usual time but extension allowed by governments and authorities to comply ensures that company was almost in same line as with other corporate activity in this regard. Further, No such event or material event identified as per Ind AS 10 (Event after reporting period i.e. March 31, 2020)

IMPACT ON FINANCIAL YEAR 2020-21

Demand and Supply

Looking to the scenario in the market due to COVID -19 pandemic Money market has been slow down company expect less number of orders and replacement order will be more in survival condition in the economy for the first two quarter of F.Y. 2020-21 compare to previous year. In addition to that Export may reduce due to cross border lockdown which is still in order and world economy has severely affected.

Management is experiencing some difficulties in supply chain due to pandemic has some great impact of transportation and logistics specially from other states, although expecting better in coming days. Also, shipment will be below Break Even Point for the ensuing quarter.

Liquidity crunches /Trade receivables /cash flow miss-match uneven

In COVID 19 pandemic Cash Cycle of market shall undergo change from liquidity point of view and expected in conservative approach which may affect the bills receivables and Liquidity crunches.

Investment policy of the Company and Financial Assets

As we witness the gravity of COVID - 19 has caused on volatility in global and international market rendering its fair value of Investment. Investment in Mutual fund, Equity and Debt is carried out by its fair value of market. Future indexes is expected sliding movement consequently loss in real value of investment. More, Liquidity on hand would be more important and thus company has change its Investment policy looking conservative from liquidity point of view rather than increase in it on the basis of supportable forecasts of future economy considering the current circumstances.

Additionally, Company has given Disclosures under Regulation 30(3) and para B of Part A of Schedule III of SEBI (LODR) 2015 and shall make continues effort to provide the same to valuable stakeholders. Further,

The Company will continue to closely monitor the situation and take appropriate action as per the regulatory advice.

DIVIDEND

The Board of Directors has Recommend dividend @15% i.e. Rs.1.5 per equity share of Rs.10/- for F.Y. 2019-20

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

Detail of the loan, Guarantees and investments covered under provision of section 186 of the company Act, 2013

Particular	Amount (Rs. in Lakh)
Investment in mutual fund	42.87
Investment in Equity Instruments	0.18

DIRECTORS

- Shareholders has re-appointed Shri Kailashchandra K Seksaria (DIN: 00115565), Shri Mahesh H Joshi (DIN: 00856573) and Shri Ashok K Parikh (DIN: 00359634) as an Independent Directors of the Company by passing special resolution in Annual General Meeting held on July 16, 2019 pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 to hold office for a second term of five (5) consecutive years effective from May 16, 2019 to Conclusion of Annual General Meeting for the Financial Year 2023-24 on the Board of the Company.
- Shareholders has appointed Dr. Arpita A. Amin (DIN: 01927591), as Non-Independent, Non-Executive Director by passing Ordinary Resolution in Annual General Meeting held on July 16, 2019.
- Board has appointed Smt. Harshila H Patel (DIN: 08690119), as an Additional Independent Director on its meeting held on February 7, 2020 till the Ensuing Annual General Meeting.
- All Independent Directors have given Declarations that they meet the criteria of Independence as laid down under section 149 (6) of the Companies Act, 2013.
- None of the Directors of your company is disqualified as per section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures, as required under various provision of Companies Act, 2013 and SEBI (LODR) Regulation-2015.

BOARD EVALUATION

All the Board Members have evaluated the performance of Board as whole, Individual Performance of each Board member and Managing Director, Chairman and Board Committees of the Company. In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, considering the views of executive directors and non-executive directors.

NOMINATION & REMUNERATION COMMITTEE AND POLICY

Our Nomination & Remuneration Committee is formulated by the Company with the following Composition

- Shri Kiran M. Patel -
Chairman of the N & R Committee
- Dr Arpita A. Amin -
Member of the N & R Committee
- Shri M H Joshi -
Member of the N & R Committee

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The detailed remuneration policy is available on the company's website www.rolconengineering.com.

AUDIT COMMITTEE

The Audit Committee helps Board monitor the management's financial reporting process and ensures that Disclosures are accurate, timely and at highest level. It also oversees the Work of internal and independent Auditors.

Audit Committee is formulated by the Company with the following Composition;

1. Shri Kiran M. Patel -
Chairman of the Audit Committee
2. Shri Ashish S. Amin -
Member of the Audit Committee
3. Shri M H Joshi -
Member of the Audit Committee

MEETINGS

The Details of the meetings of Board of Directors, Audit Committee and Nomination & Remuneration Committee held for the F.Y. 2019-20 are given in **Annexure-A**

DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your directors make the following statements in the terms of the section 134(3) I of the Company Act, 2013:

1. That in the preparation of the Annual financial statements for the year ended March 31, 2020, the applicable Accounting standards have been followed along with proper explanation relating to material departures, if any;
2. That such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2020 and of the profit of the Company for the year ended on that date;
3. That Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013 and for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
4. That the Annual Accounts have been prepared on a going concern basis;
5. That the proper internal financial controls were in place and that the financial control were adequate and were operating effectively;
6. That the systems to ensure compliance with

the provision of all applicable laws were in place and were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on at arm's length basis and were in the ordinary course of business.

All related party transactions were placed before the Audit Committee as also the Board for approval. Prior approval of the board and Audit Committee were obtained on a quarterly basis for the transactions which were of a foreseen and repetitive nature if any.

The details are given in **Annexure-B**

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism/ Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. Further, a dedicated helpline has been set up by the company in Line management. The helpline can be contacted to report any suspected or confirmed incident of fraud/misconduct. Details of the Policy are available on the company's website www.rolconengineering.com.

CODE OF CONDUCT

The Board has framed and approved code of conduct for Board of Directors and senior management of the company in Compliance with Regulation 17(5) of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

AUDITORS

At the 52nd AGM held on July 16, 2019 the Members approved appointment of M/s JHS & Associates-LLP, Chartered Accountants (133288W/W100099), as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 57th AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for Amendment) Act,

2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 53rd AGM.

The Auditor's Report for the financial year 2019-20 does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDIT

Pursuant to provision of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s. Kiran Vaghela and Associates (C.P.No. 18617), Anand, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor of the company is annexed herewith as **Annexure-C**.

The Secretarial Auditor's Report for the financial year 2019-20 does not contain any qualification, reservation or adverse remark .

ANNUAL SECRETARIAL COMPLIANCE REPORT

As per BSE circular LIST/COMP/12/2019-20 dated May 14, 2019, the company is claiming exemption under Regulation 15(2) of SEBI (LODR) Regulations, 2015 accordingly company is not required to submit Annual Secretarial Compliance Report to stock exchange.

CORPORATE GOVERNANCE

Pursuant to the SEBI circular dated September 15, 2014 and Regulation 15(2) contained in Chapter IV to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated 2nd September, 2015 in Connection with Corporate Governance is not applicable to the company, since the paid-up capital of the company is less than Rs. 10 Crores and Net Worth of the company is below Rs. 25 Crores as on last day of previous financial year.

ENERGY CONSERVATION, CHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.

The information on Conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure-D**.

FIXED DEPOSIT

Your Company has not accepted any Fixed Deposits during the year.

DETAILS OF ORDER PASSED BY THE REGULATORS

There were no significant and material orders passed by the regulators or courts or Tribunals Impacting the Going Concern Status and Company's Operation in the future.

EXTRACT OF ANNUAL RETURN

The Details forming the part of the extract of the Annual Return in the Form MGT-9 is attached herewith as **Annexure-E**.

PARTICULARS OF EMPLOYEES

There is no employee whose details is required to be disclosed pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.

The Company has safe and healthy work environment that enables its employees to work without fear, prejudices, gender bias and Sexual harassment and also set up guideline in line with the requirement of The Sexual Harassment of Women at workplace (Prevention, Prohibition & Redressal) Act, 2013.

Company has not received any complaints during the financial year.

ACKNOWLEDGEMENT

Your Directors place on record their sincere 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.

For and on behalf of Board's Directors of
Rolcon Engineering Company Limited

Sd/-
Suresh H. AMIN
Chairman & WTD
DIN: 00494016

Vallabh Vidyanagar
August 6, 2020.

ANNEXURE – 'A' TO BOARD'S REPORT

Board of Director's Meeting	
Type of Meeting	Date
Board Director's Meeting	May 16, 2019
	August 06, 2019
	November 14, 2019
	February 7, 2020
Audit Committee Meeting	May 16, 2019
	August 06, 2019
	November 14, 2019
	February 7, 2020
Nomination & Remuneration Committee Meeting	May 16, 2019
	February 7, 2020

S For and on Behalf of Board of Directors of
 Rolcon Engineering Company Limited

Sd/-

Suresh H. AMIN

Chairman & WTD

DIN: 00494016

Vallabh Vidyanagar
 August 6, 2020.

ANNEXURE – 'B' TO BOARD'S REPORT
Form No. AOC – 2
Related Party Transaction

(Pursuant to Clause (h) of Sub – Section (3) of section 134 of the Act and Rules 8(2) of the Companies (Accounts) Rules, 2014.)

A. There was no Contracts or Arrangements or transactions entered during the year ended March 31, 2020 which was not at arm's length basis.

B. Details of Material Contracts or Arrangements or transactions at arm's Length basis are as follows: (Amt in Lakhs)

Name of the Related Party	Nature of Relationship	Duration of Contract/ Arrangement/ Transaction	Approval by Board/ Committee meeting	Value of Contract/ Arrangement/ Transaction (Rs.)	Advance Amount paid if Any
Rent payment: CYTO Pvt. Ltd.	Significant Influence	On Going	Board Meeting	1.68	NIL
Purchase of Materials: Sudeep Rub-Chem Pvt. Ltd	Significant Influence	On Going	Board Meeting	0.74	NIL
Rent payment: Shri Suresh H. Amin	Significant Influence	On Going	Board Meeting	4.60	NIL
Rent payment: Shri Ashish S. Amin	Significant Influence	On Going	Board Meeting	6.78	NIL

For and on Behalf of Board of Directors of
 Rolcon Engineering Company Limited
 Sd/-

Suresh H. AMIN

Chairman & WTD

DIN: 00494016

Vallabh Vidyanagar
 August 6, 2020.

ANNEXURE – 'C' TO BOARD'S REPORT**Form No. MR-3****SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED MARCH 31,
2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Rolcon Engineering Company Limited
Vallabh Vidyanagar.

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ROLCON ENGINEERING COMPANY LIMITED (hereinafter called the company). Secretarial Audit was conducted in accordance with the Guidance Notes issued by the Institute of Company Secretaries of India and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minutes, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2020 Complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and the other

records maintained by ROLCON ENGINEERING COMPANY LIMITED for the financial year ended on March 31, 2020 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. As informed to us, there were no FDI transactions in the Company during the year under review.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Company has appointed SEBI registered Category-I Registrar and Share Transfer Agent.

We further report that there were no actions/ events in pursuance of the following regulations requiring compliance thereof by the Company during the period of this report:

- a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

6. Other Applicable Acts

As informed to us, there are no laws which have specific applicability to the Company other than general laws applicable to the industry generally, namely;

- a) Factories Act, 1948
- b) Payment of Wages Act, 1936, and rules made there under,
- c) The Minimum Wages Act, 1948, and rules made there under,
- d) Employees' State Insurance Act, 1948, and rules made there under,
- e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
- f) The Payment of Bonus Act, 1965, and rules made there under,
- g) Payment of Gratuity Act, 1972, and rules made there under,

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with BSE Limited.
- iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulation, 2015.

During the Period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards, etc. mentioned above:

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at ,

least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. However, there were no any dissenting views.

We further report that there are adequate systems and processes on the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For, KIRAN VAGHELA & ASSOCIATES

Company Secretaries

sd/-

KIRAN VAGHELA

(Proprietor)

M.No:A39229/C.P.No.:18617

UDIN: A039229B000220201

Anand,
May 9, 2020

Note: This report is to be read with our letter of even date which is annexed as **ANNEXURE-1** and forms an integral part of this report.

ANNEXURE-1

To,
The Members,
Rolcon Engineering Company Limited
Vallabh Vidyanagar.

For KIRAN VAGHELA & ASSOCIATESCompany Secretaries
sd/-**KIRAN VAGHELA**
(Proprietor)M.NO.:A39229/C.P.No.:18617
UDIN.: A039229B000220201

Our report of even date is to be read along with this letter.

Anand,
May 9, 2020

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

ANNEXURE – 'D' TO BOARD'S REPORT**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

(Pursuant to the section 134(3) (m) of the Companies Act, 2013 read with Rules 8(3) of the Companies (Accounts) Rules, 2014).

A. CONSERVATION OF ENERGY

Energy conservation measures taken:

1. Monitoring closely high energy consuming equipment.
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

1. The Company is using 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, and same has been fully absorbed.
2. Company has obtained ISO 9001-2015 certificate for industrial Chain and Sprocket separately from TUV (RWTUV SYSTEMS GmbH) GERMANY.
3. The Company is continuously improving its quality and installed Latest equipment and new Testing & Measuring Equipment viz. Fatigue Testing Machine, Wear Testing Machine, Spectroscope, Ultrasonic Tester, Magnetic Crack Detector etc.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned:

Used : 1,05,44,791/-

Earned : 1,17,30,154/-

For and on behalf of Board's Directors of
Rolcon Engineering Company Limited

Sd/-
Suresh H. AMIN
Chairman & WTD
DIN: 00494016

Vallabh Vidyanagar
August 6, 2020.

ANNEXURE – ‘E’ TO BOARD’S REPORT
FORM NO. MGT- 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.
I. REGISTRATION & OTHER DETAILS:

1	CIN	L29259GJ1961PLC001439
2	Registration Date	March 17, 1967
3	Name of the Company	Rolcon Engineering Company Limited
4	Category/Sub-category of the Company	Company having Share Capital
5	Address of the Registered office & contact details	Anand – Sojitra Road, Vallabh Vidyanagar - 388120 Gujarat, India. PH. NO: (02692) 230766, 230866, 236582 FAX: (02692) 236453, 236480 E-MAIL: rolcon@rolconengineering.com
6	Whether Listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt Ltd. C -101, 247 Park, LBS Marg, Vikhroli (w) Mumbai – 400083. Phone: 022 - 2594 6970 Vadodara: Phone: 0265-2356573 E-MAIL: Email: alpesh.gandhi@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Industrial Chain – Roller & Conveyors Chain	2913	80
2	Sprocket Wheels – Driving Elements	2913	20

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	-	-	-	-	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual/ HUF	326861	-	326861	43.24	326861	-	326861	43.24	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(1)	326861	-	326861	43.23	326861	-	326861	43.23	-
(2) Foreign									
a) Individual (NRI) /Foreign Individuals	-	-	-	-	-	-	-	-	-
b) Bodies Corporates	-	-	-	-	-	-	-	-	-
c) Government	-	-	-	-	-	-	-	-	-
d) Institutions	-	-	-	-	-	-	-	-	-
e) Foreign portfolio Investor	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	326861	-	326861	43.23	326861	-	326861	43.23	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	135000	-	135000	17.86	135000	-	135000	17.86	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	135000	-	135000	17.86	135000	-	135000	17.86	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	943	36108	37051	4.90	943	36108	37051	4.90	-
ii) Overseas	-	31520	31520	4.17	-	31520	31520	4.17	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	11234	33094	44328	5.86	11606	32722	44328	5.86	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	181240	181240	23.97	-	181240	181240	23.97	-
c) Others (specify)									
i) Non Resident Indians	-	-	-	-	-	-	-	-	-
ii) Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
iii) Foreign Nationals	-	-	-	-	-	-	-	-	-
iv) Clearing Members	-	-	-	-	-	-	-	-	-
v) Trusts	-	-	-	-	-	-	-	-	-
vi) Foreign Bodies - DR	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	12177	281962	294139	38.91	12549	281590	294139	38.91	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	147177	281962	429139	56.76	147549	281590	429139	56.76	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-					-
Grand Total (A+B+C)	474038	281962	756000	100.00	474410	281590	756000	100.00	0

ii) Shareholding of Promoters (Including Promoter Group)

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Suresh Himabhai Amin	196198	25.95	-	196198	25.95	-	-
2	Suresh Himabhai Amin (HUF)	5625	0.74	-	5625	0.74	-	-
3	Ashish Suresh Amin	86350	11.42	-	86350	11.42	-	-
4	Prashant Chandrakant Amin	11720	1.55	-	11720	1.55	-	-
5	Hemant Chandrakant Amin	6850	0.91	-	6850	0.91	-	-
6	Kunal H Amin	6550	0.87	-	6550	0.87	-	-
7	Chirag H Amin	6095	0.81	-	6095	0.81	-	-
8	Rajendra Himabhai Amin	3151	0.42	-	3151	0.42	-	-
9	Arpita Ashish Amin	2432	0.32	-	2432	0.32	-	-
10	Asha Pradip Desai	1890	0.25	-	1890	0.25	-	-
	Total	326861	43.24	-	326861	43.24		

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Sr. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	326861	43.24	326861	43.24
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the				
	At the end of the year	-	-	326861	43.24

iv) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in shareholding during the year
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	The Oriental Insurance Co. Ltd	75600	10.00	75600	10.00	-
2	Neha Mukesh Patel	70920	9.38	70920	9.38	-
3	Malay Satish Shah	63040	8.34	63040	8.34	-
4	National Insurance Co. Ltd	54000	7.14	54000	7.14	-

5	Rupal Nilesh Patel	47280	6.25	47280	6.25	-
6	M/s. Kobo- Donghua Gmbh & Co.Kg.	31520	4.17	31520	4.17	-
7	Cyto Pvt Ltd	24518	3.24	24518	3.24	-
8	Japsaw Pvt Ltd	8890	1.18	8890	1.18	-
9	Anita Kumari Parikh	8370	1.11	8370	1.11	-
10	General Insurance Corp. of India	5400	0.71	5400	0.71	-
11	Rodhan Hiralal Shroff	2700	0.36	2700	0.36	-
12	Bipra Invest And Trust Pvt. Ltd.	2700	0.36	2700	0.36	-
13	Anant Nanubhai Amin	2700	0.36	2700	0.36	-
14	Jayesh Babubhai Patel	2700	0.36	2700	0.36	-
15	Jitendra B. Patel	2700	0.36	2700	0.36	-
16	Raginiben S. Patel	2700	0.36	2700	0.36	-
17	Savitaben Nanubhai Amin	2700	0.36	2700	0.36	-
	Total	408438	54.04	408438	54.04	

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Particulars of Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Suresh H. Amin. Chairman & WTD / KMP				
	At the beginning of the year	2,01,823	26.70	2,01,823	26.70
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /	-	-	-	-
	At the end of the year	-	-	2,01,823	26.70
2	Shri Ashish S Amin. Managing Director / KMP				
	At the beginning of the year	86350	11.42	86350	11.42
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /	-	-	-	-
	At the end of the year	-	-	86350	11.42
3	Shri Ashok K. Parikh				
	At the beginning of the year	1687	0.22	1687	0.22
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase de-	-	-	-	-
	At the end of the year	-	-	1687	0.22
4	Shri Kailashchandra K. Seksaria				
	At the beginning of the year	50	0.007	50	0.007
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase de-	-	-	-	-
	At the end of the year	-	-	50	0.007
5	Dr. Arpita A. Amin				
	At the beginning of the year	2432	0.32	2432	0.32
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/	-	-	-	-

	At the end of the year			2432	0.32
6	Smt. Harshila H. Patel				
	At the beginning of the year	100	0.013	100	0.013
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease.	-	-	-	-
	At the end of the year			100	0.013
7	Shri M. H. Joshi	Director Do not hold share in the Company			
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease.				
	At the end of the year				
8	Shri Wolfgang Fuchs	Director Do not hold share in the Company			
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease.				
	At the end of the year				
9	Shri Kiran M. Patel	Director Do not hold share in the Company			
	At the beginning of the year				
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease.				
	At the end of the year				
10	Shri Navin U. Patel – C.F.O. (Kmp)	CFO does not hold Share in the Company.			
	At the beginning of the year				
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease.				
	At the end of the year				
11	Shri Dharmesh Chauhan – Company Secretary (Kmp)	Company Secretary does not hold Share in the Company.			
	At the beginning of the year				
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease.				
	At the end of the year				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amt. in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
Principal Amount	22,80,596	-	-	22,80,596
ii) Interest due but not paid	-	-	-	-
iii) Interest Accrued but not due	-	-	-	-
Total (i+ii+iii)	22,80,596	-	-	22,80,596
Change in Indebtedness during the financial year				
*Addition	6,516	-	-	6,516
*Reduction	12,81,817	-	-	12,81,817
Indebtedness at the end of the financial year				
Principal Amount	10,05,295	-	-	10,05,295
ii) Interest due but not paid	-	-	-	-
iii) Interest Accrued but not due	-	-	-	-
Total (i+ii+iii)	10,05,295	-	-	10,05,295

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs.)
		Shri S. H. Amin	Shri A. S. Amin	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,60,000	18,00,000	33,60,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,56,000	1,80,000	3,36,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act,1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	17,16,000	19,80,000	36,96,000
	Ceiling as per the Company Act.	Paid within the limit of term of appointment ceiling as per Companies Act, 2013 and Schedule V		

B. Remuneration to other Directors

Sr. No	Particulars of Remuneration	Name of Directors					Total Amt. (Rs.)
		Shri Ashok Parikh	Shri K K Seksaria	Shri M H Joshi	Shri Kiran Patel	Shri Fuchs	
	Independent Directors	Shri Ashok Parikh	Shri K K Seksaria	Shri M H Joshi	Shri Kiran Patel	Shri Fuchs	
1	Fee for attending board committee meetings	30,000	20,000	40,000	40,000	-	1,30,000
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	30,000	20,000	40,000	40,000	-	1,30,000
2	Other Non-Executive Directors	Dr. Arpita Amin	Smt. Harshila H Patel				-
	Fee for attending board committee meetings	40,000	-				-
	Commission	-	-				-
	Others, please specify	-	-				-
	Total (2)	40,000	-	-	-	-	40,000
	Total (B)=(1+2)	-	-	-	-	-	1,70,000

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

Sr. No	Particulars of Remuneration	Key Managerial Personnel		
		CFO	CS	Total
1	Gross salary	5,27,005	1,60,800	6,87,805
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	Others, specify.	-	-	-
5	Others, please specify	-	-	-
	Total	5,27,005	1,60,800	6,87,805

viii) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no Penalties, Punishment or compounding of offences during the year ended, March 31, 2020.

For and on Behalf of Board of Directors of
 Rolcon Engineering Company Limited
 Sd/

Suresh. H. AMIN
 Chairman & WTD
 DIN: 00494016

Vallabh Vidyanagar
 August 6, 2020

INDEPENDENT AUDITOR'S REPORT

To

The Members of

ROLCON ENGINEERING COMPANY LIMITED
Report on the Standalone Ind AS Financial Statements

Opinion:

We have audited the accompanying standalone Ind AS financial statements of ROLCON ENGINEERING COMPANY LIMITED, which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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 of the state of affairs of the Company as at 31st March, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe

that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Standalone Ind AS Financial Statements

The company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

Other Matter Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act dated 29.03.2016, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
3. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
4. 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;
5. The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
6. In our opinion, the standalone Ind AS financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Companies (Indian

Accounting Standard) Rules, 2015 as amended;

7. On the basis of written representations received from the directors as on 31st March, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164 (2) of the Act;
8. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
9. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
10. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the standalone Ind AS financial statements;
11. As informed to us, the Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;
12. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For JHS & Associates LLP

Chartered Accountants

Registration No. 133288W/W100099

Sd/-

(Saurabh Shah)

Partner

Membership No: 110914

UDIN:20110914AAAAGX5742

Vallabh Vidyanagar

June 18, 2020

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT**ANNEXURE REFERRED TO PARAGRAPH 1 UNDER "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED ON MARCH 31, 2020 OF ROLCON ENGINEERING COMPANY LIMITED.**

1. In respect of its fixed assets :
 - A. The Company has maintained records showing full particulars, including quantitative details and location of fixed assets.
 - B. During the year, part of the fixed assets has been physically verified by the management in accordance with a phased programme of verification which, in our opinion is reasonable and to cover all the items of fixed assets over a period of three years having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, there was no material discrepancies noticed on such verification.
 - C. According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
2. (A) As explained to us, the inventories have been physically verified by the management during the year at reasonable intervals. In our opinion, having regard to the nature and location of stocks, the frequency of verification is reasonable.
(B) According to the information and explanations given to us, no material discrepancies were noticed on physical verification of inventory as compared to the book records.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. The Company has not made any loans, investments, guarantees and securities

where the provisions of section 185 and 186 of the Companies Act, 2013 are applicable to the Company.

5. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under and the directives issued by the Reserve Bank of India, where applicable.
6. We have broadly reviewed the books of account and records maintained by the Company as specified by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 with respect to its manufacturing activities and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. The contents of these accounts and records have not been examined by us.
7. According to the information and explanations given to us in respect of statutory and other dues :
 - (A) The Company has been regular in depositing undisputed statutory dues, including Provident fund, Employees' state Insurance, Income Tax, Sales tax, and Other Statutory dues with the appropriate authorities during the year. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of statutory dues which has remained outstanding as on March 31, 2020, for a period of more than six months from the date they became payable.
 - (B) According to the information and explanations given to us and on the basis the records produced before us by the Company, except for the cases stated below, there are no undisputed amounts payable in respect of income tax/ sales tax/ Service tax/ customs duty/excise duty/cess, which have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us,

the Company has not defaulted in repayment of loans or borrowings of banks. The Company has not obtained any loans or borrowings from any financial institutions or by way of debentures or from government.

9. The company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
10. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
11. According to information and explanations given to us, the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of the section 197 read with Schedule V of the Companies Act, 2013.
12. The Company is not a Nidhi Company and hence, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. According to information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and details have been disclosed in the standalone Ind AS Financial Statements as required by applicable Accounting Standard.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with

directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For JHS & Associates LLP

Chartered Accountants

Registration No. 133288W/W100099

Sd/-

(Saurabh Shah)

Partner

Membership No: 110914

UDIN:20110914AAAAGX5742

Vallabh Vidhyanagar

June 18, 2020

ANNEXURE - B TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ROLCON ENGINEERING COMPANY LIMITED as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial

information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the

Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that,

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being

- made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of

changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For JHS & Associates LLP

Chartered Accountants

Registration No. 133288W/W100099

Sd/-

(Saurabh Shah)

Partner

Membership No: 110914

UDIN:20110914AAAAGX5742

Vallabh Vidyanagar

June 18, 2020

ROLCON ENGINEERING COMPANY LIMITED
Balance Sheet as at March 31, 2020
(Amt. in Rs.)

EQUITY AND LIABILITIES	Note No.	(Rupees in Actual)	(Rupees in Actual)
		As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	1	4,43,30,925	4,26,02,966
Financial assets			
• Non-Current investments	2	42,94,531	42,62,472
• Long-term loans and advances			
• Others			
Deferred tax assets (Net)	3	85,88,786	1,20,61,439
Other non-current assets	4	15,66,730	15,76,915
Current assets			
Inventories	5	3,94,07,907	2,60,94,681
Financial assets			
• Current investments			
• Trade and other receivables	6	4,53,65,405	7,06,56,372
• Cash and cash equivalents	7	5,23,51,322	5,33,05,087
• Short term loans and advances	8	36,09,247	34,81,191
Other current assets	9	61,67,996	41,43,738
TOTAL		20,56,82,849	21,81,84,861
EQUITY			
Equity Share capital	10	75,60,000	75,60,000
Other equity	11	10,27,72,583	9,78,42,347
Non-current liabilities			
Financial liabilities			
• Long term borrowings	12	9,01,586	20,07,965
• Other financial liabilities			
Long term provisions	13	16,49,354	19,65,384
Other non-current liabilities			
Current liabilities			
Financial liabilities			
• Short term borrowings			
• Trade and other payables	14	7,50,77,343	8,03,17,732
• Other financial liabilities			
Other current liabilities	15	1,24,94,369	1,77,21,867
Short-term provisions	16	52,27,613	1,07,69,566
Liabilities for current tax (net)			
TOTAL		20,56,82,849	21,81,84,861

See accompanying notes to the financial statements as per our report of even date attached

For JHS & ASSOCIATES LLP

 Chartered Accountants
 Firm Reg. No.: 133288W/100099W

Saurabh Shah

 Partner
 Membership No.: 110914
 Vallabh Vidhyanagar
 June 18, 2020

For ROLCON ENGINEERING LIMITED
Suresh H. Amin
 Chairman & WTD
Kiran M. Patel
 Director
Navin U. Patel
 CFO

Ashish S. Amin
 Managing Director
Mahesh H. Joshi
 Director
Dharmesh Chauhan
 Company Secretary
 Vallabh Vidhyanagar
 June 18, 2020

ROLCON ENGINEERING COMPANY LIMITED
Statement of Profit and Loss for the period ended March 31, 2020

(Amt. in Rs.)

PARTICULARS	NOTE NO.	For the year ended	For the year ended
		March 31, 2020	March 31, 2019
Revenue from operations	17	36,27,49,632	39,20,47,637
Other income	18	59,29,076	55,91,999
Total revenue		36,86,78,707	39,76,39,636
Expenses			
Cost of materials consumed	19	17,19,23,915	18,03,98,497
Changes in inventories of finished goods, work in progress and stock-in-trade	20	(1,04,03,460)	1,14,66,460
Employee benefit expense	21	7,10,54,480	6,38,02,081
Finance cost	22	5,78,390	9,89,875
Depreciation and amortisation expense	1	92,11,609	91,46,220
Other expense	23	11,79,10,885	12,22,84,279
Total expenses		36,02,75,819	38,80,87,412
Profit/ (loss) before exceptional items and tax		84,02,888	95,52,224
Exceptional items		-	-
Profit/ (loss) before tax		84,02,888	95,52,224
Less: Tax expense			
a) Current tax		13,14,411	18,49,215
Less : Mat Credit Entitlement		13,14,411	18,49,215
Net Current tax		-	-
b) Deferred tax		34,72,653	(47,20,689)
c) For Earlier Years (Including MAT Credit for Previous Year)		-	(42,083)
Profit/ (loss) for the period from continuing operations		49,30,235	1,43,14,996
Profit/ (loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/ (loss) from discounting operations (after tax)		-	-
Profit/ (loss) for the period		49,30,235	1,43,14,996
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Income tax relating to items that will not be reclassified to profit or loss			
Items that will be reclassified to profit or loss			
Income tax relating to items that will be reclassified to profit or loss			
Total comprehensive income for the period		49,30,235	1,43,14,996
(Profit/ loss + other comprehensive income)			
Earnings per equity share (for continuing operations)			
a) Basic		6.52	18.94
b) Diluted		6.52	18.94
Earnings per equity share (for discontinued operations)			
a) Basic		-	-
b) Diluted		-	-
Earnings per equity share (for discontinue & continuing operations)			
a) Basic		6.52	18.94
b) Diluted		6.52	18.94

See accompanying notes to the financial statements as per our report of even date attached

For JHS & ASSOCIATES LLP

Chartered Accountants
 Firm Reg. No.: 133288W/100099W

Saurabh Shah

Partner

Membership No.: 110914

Vallabh Vidhyanagar

June 18, 2020

For ROLCON ENGINEERING LIMITED

Suresh H. Amin

Chairman & WTD

Kiran M. Patel

Director

Navin U. Patel

CFO

Ashish S. Amin

Managing Director

Mahesh H. Joshi

Director

Dharmesh Chauhan

Company Secretary

Vallabh Vidhyanagar

June 18, 2020

ROLCON ENGINEERING COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amt. in Rs.)

PARTICULARS	Year ended March 31	
	2020	2019
	Amount	Amount
CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax and extraordinary items	84,02,888	95,52,224
Adjustments for :		
Depreciation	92,11,609	91,46,220
Provision in value of Diminution in investments	5,70,370	-
Provision for Bad and Doubtful Debts	19,91,887	-
Interest expenses	2,11,831	3,10,833
Interest income	(30,93,471)	(25,85,329)
Dividend Income	(2,373)	(1,212)
Profit on Sale of Assets	(7,36,380)	-
Profit on Sale of Mutual Fund	(7,729)	
Operating profit before working capital changes	1,65,48,633	1,64,22,737
Adjustments for (increase) / decrease in operating assets		
Adjustments for Working Capital changes:		
Inventories	(1,33,13,226)	1,53,60,103
Trade Receivables	2,32,99,080	(15,62,404)
Short-term loans and advances	14,38,264	(20,06,016)
Long-term loans and advances		
Other current assets	(6,89,674)	(4,90,416)
Other non-current assets	10,185	(22,612)
Adjustments for increase / (decrease) in operating liabilities		
Trade Payables	(52,40,389)	(76,32,255)
Short term Provision	(41,74,803)	(68,60,434)
Other current liabilities	(52,27,498)	35,33,959
Long term Provision	(3,16,030)	19,65,384
Cash generated from operations	1,23,34,542	1,87,08,044
Direct taxes paid	(28,80,728)	(7,99,147)
Net cash from operating activities (A)	94,53,814	1,79,08,897
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets	(1,09,46,058)	(48,30,017)
Sale of fixed assets	7,42,868	-
Purchase of Investment	(17,02,209)	(18,56,082)
Sale of Investments	11,07,509	-
Interest Received	30,73,298	25,85,329
Dividend Received	2,373	1,212
Net cash from / (used) in investing activities (B)	(77,22,219)	(40,99,558)
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds of long term borrowings	-	(18,06,395)
Repayment of Short term borrowings	(11,06,379)	(11,44,383)
Interest paid	(2,11,831)	(3,10,833)
Dividend Paid	(11,34,000)	-
Corporate Dividend Tax Paid	(2,33,150)	-
Net Cash from / (used) in financing activities (C)	(26,85,360)	(32,61,612)

Net Increase / (Decrease) in cash and cash equivalents	(A+B+C)	(9,53,765)	1,05,47,727
Cash and cash equivalent at beginning of the year			
the components being :			
Cash on hand		63,229	23,323
Balance with banks on current, margin and deposit accounts		5,32,41,859	4,27,34,037
		5,33,05,087	4,27,57,360
Cash and cash equivalents at end of the year			
the components being :			
Cash on hand		55,306	63,229
Balances with scheduled banks on current, margin and deposit accounts		5,22,96,016	5,32,41,859
		5,23,51,322	5,33,05,087
Net Increase / (Decrease) as disclosed above		(9,53,765)	1,05,47,727

See accompanying notes to the financial statements as per our report of even date attached

For JHS & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No.: 133288W/100099W

Saurabh Shah

Partner

Membership No.: 110914

Vallabh Vidhyanagar

June 18, 2020

For ROLCON ENGINEERING LIMITED

Suresh H. Amin

Chairman & WTD

Kiran M. Patel

Director

Navin U. Patel

CFO

Ashish S. Amin

Managing Director

Mahesh H. Joshi

Director

Dharmesh Chauhan

Company Secretary

Vallabh Vidhyanagar

June 18, 2020

ROLCON ENGINEERING COMPANY LIMITED
Statement of changes in equity for the year ended March 31, 2020

Equity share capital	Opening balance as at April 1, 2019	Changes in equity share capital during the year	Closing balance as at March 31, 2020
	75,60,000.00	0.00	75,60,000.00
Equity shares of Rs.10 each	75,60,000.00	0.00	75,60,000.00

Other Equity	Opening balance as at April 1, 2018	Changes in accounting policy/prior period errors	Restated balance as at April 1, 2019	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Any other change (to be specified)	Closing balance as at March 31, 2020
Equity component of other financial instrument								
Retained Earnings @	3,79,25,542.00	0.00	3,79,25,542.00	49,30,235.00	0.00	-10,00,000.00	0.00	4,18,55,777.00
Reserves								
Reserves representing unrealized gains/ losses								
- Debt instruments through other comprehensive income								
- Equity instruments through other comprehensive income								
- Effective portion of cash flow hedges								
- Revaluation surplus								
- Remeasurements of the net defined benefit plans								
- Exchange differences on translating the financial statements of a foreign operation								
- Others								
Other reserves (to be specified separately)								
- Capital Redemption Reserve	4,00,000.00	0.00	4,00,000.00	0.00	0.00	0.00	0.00	4,00,000.00
- General Reserves	5,95,16,806.00	0.00	5,95,16,806.00	0.00	0.00	10,00,000.00	0.00	6,05,16,806.00
Total reserves	9,78,42,348.00	0.00	9,78,42,348.00	49,30,235.00	0.00	0.00	0.00	10,27,72,583.00
Money received against share warrants								

See accompanying notes to the financial statements as per our report of even date attached

For JHS & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No.: 133288W/100099W

Saurabh Shah

Partner

Membership No.: 110914

Vallabh Vidhyanagar

June 18, 2020

For ROLCON ENGINEERING LIMITED
Suresh H. Amin

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Mahesh H. Joshi

Director

Dharmesh Chauhan

Company Secretary

Vallabh Vidhyanagar

June 18, 2020

Notes forming part of Financial Statements As At March 31, 2020

Note-1. PROPERTY, PLANT AND EQUIPMENTS												
Gross Block											Net Block	
Fixed Assets	Balance as at April 1, 2019	Additions	Disposals/Transfers	Balance as at March 31, 2020	Balance as at April 1, 2019	Depreciation charge for the year	Disposals/Transfers	Balance as at March 31, 2020	Balance as at March 31, 2020	Balance as at March 31, 2019	(Amt. in Rs.)	
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
Tangible Assets												
Land	5,13,281	-	-	5,13,281	-	-	-	-	5,13,281	5,13,281		
Buildings	5,58,69,335	31,91,954	-	5,90,61,289	2,86,44,275	27,21,219	-	3,13,65,494	2,76,95,795	2,72,25,060		
Plant and Equipments	15,95,48,298	53,81,245	-	16,49,29,543	14,92,54,927	47,69,497	-	15,40,24,424	1,09,05,119	1,02,93,371		
Computer	32,67,825	1,06,695	-	33,74,520	29,49,146	1,76,127	-	31,25,273	2,49,247	3,18,679		
Furniture & Fixtures	1,17,14,119	10,20,104	-	1,27,34,223	97,90,042	5,86,905	-	1,03,76,947	23,57,276	19,24,077		
Vehicles	1,27,29,184	1,90,991	1,29,765	1,27,90,410	1,07,74,975	6,60,141	1,23,277	1,13,11,839	14,78,571	19,54,209		
Office Equipment	68,45,841	10,55,069	-	79,00,910	64,71,553	2,97,721	-	67,69,274	11,31,636	3,74,288		
Total	25,04,87,883	1,09,46,058	1,29,765	26,13,04,176	20,78,84,918	92,11,610	1,23,277	21,69,73,251	4,43,30,925	4,26,02,965		
Previous Year	24,56,57,866	48,30,017	-	25,04,87,883	19,87,38,697	91,46,221	-	20,78,84,918	4,26,02,965	4,69,19,169		

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at April 1, 2018	Additions	Disposals/Transfers	Balance as at March 31, 2019	Balance as at April 1, 2018	Depreciation charge for the year	Disposals/Transfers	Balance as at March 31, 2019	Balance as at March 31, 2019	Balance as at March 31, 2018
	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
Tangible Assets										
Land	5,13,281	-	-	5,13,281	-	-	-	5,13,281	5,13,281	5,13,281
Buildings	5,58,34,539	20,34,796	-	5,58,69,335	2,59,80,170	26,64,105	-	2,72,25,060	2,78,54,369	2,78,54,369
Plant and Equipments	15,80,46,498	15,01,800	-	15,95,48,298	14,42,34,188	50,20,739	-	1,02,93,371	1,38,12,310	1,38,12,310
Computer	30,30,645	2,37,180	-	32,67,825	29,19,654	29,492	-	3,18,679	1,10,991	1,10,991
Furniture & Fixtures	1,07,78,169	9,35,950	-	1,17,14,119	93,56,816	4,33,226	-	19,24,077	14,21,353	14,21,353
Vehicles	1,27,29,184	-	-	1,27,29,184	98,87,525	8,87,450	-	19,54,209	28,41,659	28,41,659
Office Equipment	67,25,550	1,20,291	-	68,45,841	63,60,344	1,11,209	-	3,74,288	3,65,206	3,65,206
Total	24,56,57,866	48,30,017	-	25,04,87,883	19,87,38,697	91,46,221	-	4,26,02,965	4,69,19,169	4,69,19,169
Previous Year	23,90,18,477	82,02,062	15,62,673	24,56,57,866	19,13,72,664	88,17,594	14,51,561	4,69,19,169	4,76,45,813	4,76,45,813

ROLCON ENGINEERING COMPANY LIMITED
Notes forming part of Financial Statements As At March 31, 2020

Note 2. NON CURRENT INVESTMENTS

(Amt. in Rs.)		
PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
A. Investment in Mutual Funds (Unquoted - At Cost)		
ADITYA BIRLA SL - EQUITY HYBRID 95 FUND REG.- GROWTH	5,62,690	5,12,690
756.23(P.Y 688.72) units of Rs.744.07 Each		
Purchased during the year 67.51 units. (P.Y.688.72 Units)		
Redeemed during the year 0 Units (P.Y. 0 Units)		
DSP BLACKROCK BALANCED FUND	25,00,000	25,00,000
17296.674 (P.Y. 17296.674) units of Rs.144.54 Each		
Purchased during the year 0 units. (P.Y. 17,296.674 Units)		
Redeemed during the year 0 Units (P.Y. 0 Units)	7,00,000	7,00,000
DSP BLACKROCK DYNAMIC ASSET ALLOCATION FUND-REG-GR		
48271.227 (P.Y. 48,271.227) units of Rs.14.50 Each		
Purchased during the year 0 units. (P.Y. 10,756.88 Units)		
Redeemed during the year 0 Units (P.Y. 0 Units)	50,000	-
ABSL INDIA GENNEXT FUND		
581.75 (P.Y.0) units of Rs.85.95 Each		
Purchased during the year 581.75 units. (P.Y. 0 Units)		
Redeemed during the year 0 Units (P.Y. 0 Units)		
AXIS - MIDCAP FUND	45,000	-
1181.69 (P.Y. 0) units of Rs.38.08 Each		
Purchased during the year 1181.69 units. (P.Y. 0 Units)		
Redeemed during the year 0 Units (P.Y. 0 Units)		
ICICI PRUDENTIAL - EQUITY & DEBT FUND	50,000	-
375.87 (P.Y. 0) units of Rs.133.02 Each		
Purchased during the year 375.87 units. (P.Y. 0Units)		
Redeemed during the year 0 Units (P.Y. 0 Units)		
INVESCO - INDIA CONTRA FUND	50,000	-
1061.49 (P.Y. 0) units of Rs.47.10 Each		
Purchased during the year 1061.49 units. (P.Y. 0 Units)		
Redeemed during the year 0 Units (P.Y. 0 Units)		
NIPPON INDIA- EQUITY HYBRID FUND SEGREGATED	5,15,155	5,15,155
28586.47 (P.Y. 9528.82) units of Rs.54.06 Each		
Purchased during the year 0 units. (P.Y. 0 Units)		
Redeemed during the year 0 Units (P.Y. 0 Units)		
PRINCIPAL BALANCED ADVANTAGE FUND	3,67,729	-
17838.89 (P.Y.0) units of Rs.21.61 Each		
Purchased during the year 17838.89 units. (P.Y.0 Units)		
Redeemed during the year 0 Units (P.Y.0 Units)		
DSP ULTRA SHORT FUND-GR	16,727	16,727
7.397 (P.Y. 7.397) units of Rs.2263.46 Each		
Purchased during the year 0 units. (P.Y. 0 Units)		
Redeemed during the year 0 Units (P.Y. 0 Units)		
A. Total Investment in Mutual Funds	48,57,301	42,44,572

(Amt. in Rs.)

Less Provision in value of Diminution in Units of Mutual Fund	5,70,370)	-
A. Total Investment in Mutual Funds	42,86,931	42,44,572
B. Investment in Equity Instruments		
Investment in Equity Instruments (Unquoted)	7,500	7,500
The Charotar Gas Sakhari Mandali Ltd		
15 (P.Y.15) Equity Shares of Rs.500 each fully paid		
The Vallabh Vidyanagar Comm Co Op Bank Ltd	100	10,400
1(P.Y.104) Equity Shares of Rs.100each fully paid		
Total	42,94,531	42,62,472

Note 3. DEFERRED TAX ASSET (NET)

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
Deferred Tax Assets		
On account of unabsorbed Depreciation	29,91,655	46,28,744
On account of Unabsorbed Business Loss	-	7,18,117
On account of Disallowances Under income tax act	17,88,012	29,55,628
On account of Difference Between Book Depreciation And Depreciation As per Income Tax Act	38,09,119	37,58,950
Total	85,88,786	1,20,61,439

Note 4 . OTHER NON CURRENT ASSETS

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
Unsecured, considered good :		
Deposits	15,66,730	15,76,915
Total	15,66,730	15,76,915

Note 5. INVENTORIES

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
Stock In Hand		
a) Raw Materials	1,63,28,907	1,34,19,141
b) Semi-Finished Goods	1,21,67,000	69,93,000
c) Finished Goods	1,09,12,000	56,82,540
Total	3,94,07,907	2,60,94,681

Note 6. TRADE AND OTHER RECEIVABLES

(Amt. in Rs.)

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
Unsecured, Considered Good:		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered Good	84,16,718	41,83,777
Considered Doubtful	19,91,887	-
	1,04,08,605	41,83,777
Less: Allowances for doubtful debts	19,91,887	-
	84,16,718	41,83,777
Outstanding for a period less than six month from the date they are due for payment	369,48,687	664,72,595
Total	453,65,405	706,56,372

Note 7. CASH AND CASH EQUIVALENTS

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
I. Cash & Cash Equivalents		
a. Balances with banks	86,88,477	68,63,249
b. Cheques, drafts on hand	-	-
c. Cash on hand	55,306	63,229
d. Others (specify nature)	-	-
II. Other Balances		
Fixed Deposit (Including maturity below 12 months)	4,36,07,539	4,63,78,610
Total	5,23,51,322	5,33,05,087

Note 8. SHORT TERM LOANS & ADVANCES

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
Unsecured, considered good :		
a. Loans & Advances to Staff	5,32,000	64,000
b. Advance to Suppliers - Others	4,76,743	23,83,007
c. Advance Payment of Income Tax (Net of Provisions)		
Advance income tax & TDS	57,64,131	33,76,386
Less: Provision for Taxation	31,63,626	23,42,202
	26,00,505	10,34,184
Total	36,09,247	34,81,191

Note 9. OTHER CURRENT ASSETS

(Amt. in Rs.)

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
Unsecured, considered good :		
a) Interest Receivable	5,69,052	5,48,879
b) Service Tax Receivable	-	3,33,779
c) Prepaid Expenses	6,38,810	6,60,382
d) Mat Credit Entitlement	36,56,611	23,42,200
e) GST Receivable	13,03,524	2,58,499
Total	61,67,996	41,43,738

Note 10 . SHARE CAPITAL

PARTICULARS	As at March 31			
	2020		2019	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs. 10/- each	14,60,000	1,46,00,000	14,60,000	1,46,00,000
10% Redeemable Preference Share of Rs. 100/- each	4,000	4,00,000	4,000	4,00,000
Total		1,50,00,000		1,50,00,000
Issued Subscribed & Paid up				
Equity Share of Rs. 10/- each fully Paid - Up	7,56,000	75,60,000	7,56,000	75,60,000
Subscribed but not fully Paid up	NIL	NIL	NIL	NIL
Total	7,56,000	75,60,000	7,56,000	75,60,000

Reconciliation of Issued, Subscribed and Paid Up Equity Share Capital

PARTICULARS	31.03.2020		31.03.2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	7,56,000	75,60,000	7,56,000	75,60,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	7,56,000	75,60,000	7,56,000	75,60,000

Reconciliation of Issued, Subscribed and Paid Up Preference Share Capital

PARTICULARS	31.03.2020		31.03.2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	-	-	-	-

(Amt. in Rs.)

Name of Shareholders holding more than 5% of Equity Shares	As at March 31		As at March 31	
	2020		2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares :				
SURESH H AMIN	1,96,198	25.95	1,96,198	25.95
ASHISH S AMIN	86,350	11.42	86,350	11.42
THE ORIENTAL INSURANCE COMPANY LTD.	75,600	10.00	75,600	10.00
NEHA M PATEL	70,920	9.38	70,920	9.38
MALAY S SHAH	63,040	8.34	63,040	8.34
NATIONAL INSURANCE COMPANY LTD.	54,000	7.14	54,000	7.14
RUPAL N PATEL	47,280	6.25	47,280	6.25

PARTICULARS	Aggregate No. of Shares As at March 31				
	2020	2019	2018	2017	2016
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	-

Rights, preferences and restrictions attached to shares:

Equity Shares:

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors 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 11. OTHER EQUITY

(Amt. in Rs.)

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
a. Capital Redemption Reserve		
Opening Balance	4,00,000	4,00,000
Closing Balance	4,00,000	4,00,000
b. General Reserves		
Opening Balance	5,95,16,806	5,85,16,806
Add:-		
Current Year Transfer	10,00,000	10,00,000
Closing Balance	6,05,16,806	5,95,16,806
c. Surplus		
Opening balance	3,79,25,542	2,55,21,996
Add:-		
Net Profit/(Net Loss) For the Current Year	49,30,235	1,43,14,996
Proposed Dividend of Previous Year Not Approved	-	3,78,000
Tax on Dividend of Previous Year Not Approved	-	77,700
	49,30,235	1,47,70,696
Less:-		
Transfer to Reserves	10,00,000	10,00,000
Proposed Dividend	-	11,34,000
Tax on Proposed Dividend	-	2,33,150
	10,00,000	23,67,150
Closing Balance	4,18,55,777	3,79,25,542
Total	10,27,72,583	9,78,42,347

Note 12. LONG TERM BORROWINGS

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
Secured		
Car loans from State Bank of India	-	1,92,638
Car loans from HDFC Bank	9,01,586	14,15,979
The VVCC Loan from Co-operative Bank (Morgage of Land Opp. GMM)	-	3,99,348
Total	9,01,586	20,07,965

Note 13. LONG TERM PROVISIONS

(Amt. in Rs.)

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
For Gratuity	16,49,354	19,65,384
(b) Other Provisions of Long Term Nature		
Total	16,49,354	19,65,384

Note 14. TRADE PAYABLES

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
(a) Trade Payables for Goods		
Dues to micro, small and medium enterprises	1,41,39,491	1,81,84,539
Dues to other than micro, small and medium enterprises	4,87,42,951	5,18,81,662
(b) Trade Payables for Expenses		
Due to Others	1,21,94,901	1,02,51,531
Total	7,50,77,343	8,03,17,732

Note 15. OTHER CURRENT LIABILITIES

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
Secured		
Current Maturity of Long Term Borrowings	1,03,709	2,72,631
Unsecured		
Other Payables		
Advance from Customers	76,10,199	84,69,034
Salary Payable	40,91,350	51,42,099
Statutory Dues	4,63,701	35,20,954
Rent Payable	88,326	79,326
Other Payable	1,37,084	2,37,823
Total	1,24,94,369	1,77,21,867

Note 16. SHORT TERM PROVISIONS

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
(a) Provision for employee benefits		
- For Bonus	8,74,160	8,92,980
- For Leave Benefit	-	-
- For Gratuity	43,53,453	85,09,436

(Amt. in Rs.)

(b) Dividend Payable		
- Proposed Dividend	-	11,34,000
- Dividend Distribution Tax On Proposed Dividend	-	2,33,150
Total	52,27,613	1,07,69,566

Note 17. REVENUE FROM OPERATIONS

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
(a) Domestic Sales:		
Chains	26,92,69,773	29,00,24,451
Sprockets	5,68,27,570	6,94,02,399
(b) Exports Sales :		
Chains	2,61,78,961	1,71,81,611
Sprockets	19,02,103	61,91,356
Scrap Sales	85,71,225	92,47,820
Total	36,27,49,632	39,20,47,637

Note 18. OTHER INCOME

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
Income from Investments		
a) Dividend Income From Investments	2,373	1,212
b) Profit on sale of Mutual Funds	-	60,292
c) Interest on Bank Fixed Deposits	30,93,471	25,85,329
d) Interest on Income Tax Refund	29,190	2,42,968
e) Interest on MGVCCL Deposits	83,692	86,871
Rent Income	2,10,000	45,000
Profit on Sale of Asset	7,36,380	-
Prior Period Income	-	35,960
Income from Wind Electric Generators	-	10,38,618
Short term Capital Gain on Mutual Fund	7,729	-
Bad Debt Recovery	4,92,811	-
Packing and Forwarding Income	12,73,430	14,95,749
Total	59,29,076	55,91,999

Note 19. COST OF MATERIAL CONSUMED

(Amt. in Rs.)

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
Opening Stock	1,34,19,141	1,73,12,784
Add : Purchases during the Year	17,48,33,681	17,65,04,854
SUB TOTAL	18,82,52,822	19,38,17,638
Less : Closing Stock	1,63,28,907	1,34,19,141
Total	17,19,23,915	18,03,98,497

Break up Of Raw Materials Consumed :

PARICULARS	Year ended March 31,	Year ended March 31,
	2020	2019
	Amount	Amount
Flats	5,63,52,509	6,10,43,577
Round Bars	4,34,41,967	4,57,50,811
Plates	2,12,61,352	2,74,88,386
Others (Angles, Bearings, C.I.Castings, Pipe & Tubes,Steel	1,17,70,502	1,64,61,466
Other components	3,90,97,585	2,96,54,257
TOTAL	17,19,23,915	18,03,98,497

Note 20. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

PARTICULARS	Year Ended March 31	
	2020	2019
	Amount	Amount
Opening Stock: Semi -Finished Goods	69,93,000	78,66,000
Finished Goods	56,82,540	1,62,76,000
	1,26,75,540	2,41,42,000
Closing Stock : Semi -Finished Goods	1,21,67,000	69,93,000
Finished Goods	1,09,12,000	56,82,540
	2,30,79,000	1,26,75,540
(Increase)/Decrease in Stock	(1,04,03,460)	1,14,66,460

Note 21. EMPLOYEE BENEFIT EXPENSES

PARTICULARS	As at March 31	
	2020	2019
	Amount	Amount
Managerial Remuneration	36,96,000	29,70,000
Salaries & Wages	5,87,48,149	5,10,32,804
Contribution to Provident Fund	31,81,829	31,73,810
Staff Welfare Expenses	13,25,154	15,68,084

(Amt. in Rs.)

Exgratia / Bonus / Contribution to Superannuation Fund	15,75,360	13,69,411
Gratuity	25,27,987	36,87,972
Total	7,10,54,480	6,38,02,081

Note 22 . FINANCE COST

PARTICULARS	Year Ended March 31	
	2020	2019
	Amount	Amount
Interest : Fixed Period Loan	1,45,472	2,72,631
: Others	66,359	38,201
Bank Charges	3,66,559	6,79,042
Total	5,78,390	9,89,875

Note 23 . OTHER EXPENSES

PARTICULARS	Year Ended March 31	
	2020	2019
	Amount	Amount
Power & Fuel	2,17,95,380	2,65,72,644
Store, Tools, Oil & Packing Material Consumed	2,31,10,180	2,76,75,877
Machining Charges	1,97,19,303	2,51,22,371
Clearing & Forwarding Expenses	7,78,515	7,92,164
Freight Inwards	34,37,269	31,70,521
Rent	13,05,680	11,83,680
Rates & Taxes	2,20,930	2,09,165
Stationery, Printing, Postage,etc.	15,45,011	17,48,996
Insurance Premium	7,11,829	3,02,093
Works & Office Expense	9,65,640	9,19,370
Advertisement	63,110	1,13,525
Forwarding & Transport Charges	70,47,263	72,45,244
Commission to Distributors/Agents	63,37,650	54,66,282
Professional, Consultation & Legal Fees	34,37,292	33,97,312
Travelling & Conveyance	73,58,293	63,90,965
Computer Expenses	4,03,388	2,87,824
<u>Repairs & Maintenance</u>		
: Machineries	30,40,150	15,48,116
: Buildings	41,42,019	40,99,825
: Windmill Repairing Expenses	18,52,608	-
: Others	33,76,181	10,96,300
Payment to Auditors		
- As Audit Fees	92,000	92,000
- For Tax Audit Fees	35,000	35,000
- In Other Capacit	72,000	50,000
- Re-imburement of expenses	17,521	7,704
Donation	47,500	-
Subscription & Membership Fees	93,732	73,749
Garden Expenses A/c	4,23,385	2,39,043
Liquidated Damages	7,54,060	11,87,930

(Amt. in Rs.)

Bab Debts Written off	3,92,893	10,90,096
Provision for Bad and Doubtful Debts	19,91,887	-
Director Sitting Fees	1,70,000	1,80,000
Foreign Exchange Variation (Loss)	1,49,199	45,574
Service Tax/Sales Tax / Central Excise/GST Exp	7,64,699	84,607
Tender Fees	19,102	-
Festival Expense	2,48,256	34,091
Security Service	6,01,384	5,44,242
Prior Period Expense	33,000	12,971
Discount And Claims	7,81,492	12,65,000
Interest On Payment of GST	5,715	-
Provision for Diminution in Valuation Of Investment	5,70,370	-
Total	11,79,10,885	12,22,84,279

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

NOTE: 24 ACCOUNTING POLICIES

1. CORPORATE INFORMATION

Rolcon Engineering Company Limited is a public company domiciled in India incorporated in 1967 under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the company is located at Vallabh Vidhyanagar, Gujarat. The Company is principally engaged in the business of Manufacturing of Industrial Chain and Sprocket.

The financial statements were authorized for issue in accordance with a resolution of the Board of Directors on 18th June, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1.1 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost basis, except for the following assets which have been measured at fair value or revalued amount. Certain financial assets and liabilities measured at fair value (refer accounting

policy regarding financial instruments),

- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Defined benefit plans - plan assets measured at fair value.

The financial statements are presented in INR and all values are rounded to the nearest Rupees, except when otherwise indicated.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Current versus Non-current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Expected to be realised within twelve months after the reporting period; or

ROLCON ENGINEERING COMPANY LIMITED

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as noncurrent.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trade.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating Cycle

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

B. Foreign Currencies

The Company's financial statements are presented in INR, which is also the company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the company's functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items

measured at fair value in a foreign currency are translated using the exchange rates at the date

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

C. Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability OR
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The Company uses valuation techniques that are appropriate in the circumstances

and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. Management determines the policies and procedures for both recurring fair value measurement and non-recurring fair value measurement.

At each reporting date, Management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions (Note No. 2.3)
- Investment properties (Note No. 2.2 (g))
- Financial instrument (Note No. 2.2 (n))

D. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

Revenue from Sale of Goods are recognise when entity satisfy a performance obligation by transferring a promised goods. Sales are stated net of rebate and trade discount and exclude Goods and Service tax. With regard to sale of product, income is reported when significant control connected with the ownership have been transferred to the buyers. This usually occurs upon dispatch, after the price has been determined. The Company does not provide any extended warranties or maintenance contracts to its customers.

Interest income

For all debt instruments measured either at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter

period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

Deferred Tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible

Dividend Income

Income from dividend on investments is accrued in the year in which it is declared, whereby right to receive is established.

E. Taxes

Current Income Tax

Current Income Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

F. Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

capital work-in-progress comprises cost of property, Plant and Equipment that are not yet installed and ready for their intended use at the balance sheet date.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on Derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation on Investment property is provided on the written down value basis over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act 2013.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act, 2013. The identified component of fixed assets is depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation methods, useful lives and residual values are reviewed at each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

G. Investment Properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. independent valour's applying a valuation model recommended by the International Valuation Standards Committee.

An investment property is derecognised on disposal or on permanently withdrawal from use or when no future economic benefits are expected from its disposal. Any gain or loss arising on Derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying

amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

H. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation

Intangible assets are amortized on straight line basis over their individual respective useful life. The management estimates the useful life of assets as under:

Assets	Year
Technical Knowhow	7 years
Software	7 years

I. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

J. Inventories

Raw Material and stores, work in progress, traded and finished goods are stated at lower of cost and net realizable value. Cost of raw material and traded goods comprises cost of purchases. Cost of work -in-progress and finished goods comprises direct materials,

appropriate share of labour and manufacturing overheads and valued at lower of cost and net realizable value. Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Cost of purchase is determined after deducting rebate and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale.

K. Impairment of Non-Financial Assets

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. There recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

L. Provisions General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is

presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

M. Employee benefits

a. Short Term Employee Benefits

Short term employee benefits are recognized as expense at the undiscounted amount expected to be paid over the period of services rendered by the employee to the company.

b. Post-Employment Benefits

I.DEFINED CONTRIBUTION PLAN

These are plan in which the company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contribution to Employee provident fund and superannuation fund. The Company payments to the defined contribution plans are reported as expenses during the period in which the employee performs the services that the payment covers.

II.Defined benefit plan

Expenses for defined gratuity payment plans are calculated as at the balance sheet date by independent actuaries in the manner that distributes expenses over the employees working life. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discounted rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term i.e. almost equivalent to the average balance working period of the employees.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Past service costs are recognized in statement of profit or loss on the earlier of;

- The date of the plan amendment or curtailment, and
 - The date that the Company recognizes related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss;
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
 - Net interest expense or income.

Other long term employment benefits:

The employee's long term compensated absences are Company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognize the obligation on the net basis.

N. Financial Instruments

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets Initial recognition and measurement

All financial assets, except investment in associates, are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- a. Financial assets at amortized cost
- b. Financial assets at fair value through other comprehensive income (FVTOCI)
- c. Financial assets at fair value through profit or loss (FVTPL)
- d. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial assets at amortized cost

A financial asset is measured at the amortized cost if:

- a. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if:

- a. The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Financial assets at fair value through profit or loss

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

The Company has other investments at FVTPL.

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognized in

Statement of profit and loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

The Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition of financial assets

A financial asset is derecognized when:

- a) the contractual rights to the cash flows from the financial asset expire,
- b) The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Loans and Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the

higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

O. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management.

P. Dividend distribution

The group recognizes a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorized and the distribution is no longer at the discretion of the group.

As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognized directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognized in the statement of profit and loss.

Q. Earnings per Share

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit / loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

2.3 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgments

In the process of applying the Company's accounting policies, management has made

the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 25(a).

Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Allowance for uncollectible trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Additionally, a large number of minor receivables is grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

Warranty Provision

Management estimates the Warranty provision for future warranty claims based on historical warranty claim information as well as recent trends that might suggest that past cost information may differ from future claims. The assumptions made in relation to the current

period are consistent with those in the prior periods. Factors that could impact the estimated claim information include the success of the company's productivity and quality initiatives.

Intangible Assets

Refer Note 2.2 (h) for the estimated useful life of Intangible assets. The carrying value of Intangible assets has been disclosed in Note 1.

Property, Plant and Equipment

Refer Note 2.2 (f) for the estimated useful life of Property, plant and equipment. The carrying value of Property, plant and equipment has been disclosed in Note 1.

ROLCON ENGINEERING COMPANY LIMITED
NOTES FORMING PART OF BALANCE SHEET AND STAMENT OF PROFIT AND LOSS
NOTE: 25. Retirement Benefits:

Gratuity liability is determined based on the Actuarial Valuation done by Actuary as at balance sheet date in context of the Revised IND AS-19 issued by the ICAI, as follows:

(Rs in Lakh)

PARTICULARS	Gratuity Funded	Previous Year
Expense to be recognized in the Statement of Profit & Loss for the year ended March 31, 2020		
Current Service Cost	6.99	8.27
Interest Cost	12.06	12.19
Employer Contribution	--	--
Expected return on Plan Assets	-4.22	-0.12
Net Actuarial (Gains) / Losses	10.39	2.34
Past Service Cost	---	---
Settlement Cost	---	---
Total Expense	25.22	22.68
Net Asset / (Liability) to be recognized in the Balance Sheet at March 31 ,2020		
Present value of Defined Benefit Obligation as at March 31,2020	175.12	161.12
Fair value of plan assets as at March 31, 2020	115.10	56.37
Funded status { Surplus / (Deficit) }	-60.02	-104.75
Net asset / (liability) as at March 31 ,2020	60.02	104.75
Change in Obligation during the Year ended March 31 ,2020		
Present value of Defined Benefit Obligation at beginning of the year	161.18	157.27
Current Service Cost	6.99	8.27
Interest Cost	12.06	12.19
Past Service Cost	---	---
Employer Contributions	---	---
Actuarial (Gains) / Losses	12.14	2.60
Benefits Payments	-17.24	-19.21
Present value of Defined Benefits Obligation at the end of the year	175.12	161.12
Change in Assets during the year ended March 31,2020		
Plan assets at the beginning of the year	56.37	1.57
Assets acquired in amalgamation in previous year	---	---
Settlements	---	---
Expected return on plan assets	4.22	0.12
Contributions by Employer	70.00	73.63

Actual benefits paid	-17.24	-19.21
Actuarial (Gains) / Losses	10.39	0.26
Plan Assets at the end of the year	123.74	56.37

Actuarial Assumptions:

Discount Rate:	6.59%	7.75 %
Expected Rate of Return on Plan Asset:	6.59%	7.75%
Mortality Rates:	IALM (2006-08) Ultimate Published Table of Rates	
Withdrawals Rates:	5.00% p.a.	2.00% p.a.
Retirement Age:	58 Years	
Rate of Escalation in Salary (p.a.):	6.00 %	
Liability of Defined Benefit Obligation as at 31-03-2020	1, 75, 12, 756/-	
Profit & Loss Charge for the year ended 31-03-2020	25, 27,987/-	

- 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 @ 8% of the Basic Salary of all the eligible employees.
- The Company's contribution Rs.31, 81,829/- (P.Y. Rs. 31, 73,810/-) paid / payable for the year to **Provident Fund** is charged to the Statement of Profit And Loss.

Note 26. Transactions with Related Parties – IND AS 24

As required by the Accounting Standard 18 "Transactions with Related Parties".

- List of Related Parties:-

Party	Relationship
Associates	-
Individual/Enterprise having control Significant Influence	Shri. S. H. Amin Shri A. S. Amin
Key Management Personnel	Shri S. H. Amin Shri A. S. Amin Smt. A. A. Amin Shri A. K. Parikh Shri Wolfgang Fuchs Shri K. K. Seksaria Shri K. M. Patel Shri M. H. Joshi Smt. H. H. Patel Executive Officers Shri N. U. Patel Shri D. A. Chauhan
Enterprises over which (b) or (c) above have significant influence	Sudeep Rub-Chem Pvt. Ltd, Cyto Pvt. Ltd.

ii. Transactions during the period with Related Parties / Key Management Personnel are as under:

Sr.No	Name	Nature of Relationship	Key Persons	Nature of Transaction	Transaction During The Year	Previous Year
1.	Sudeep-Rub-Chem Pvt. Ltd.	Directors are members in the company	Shri. S. H. Amin Shri. A. S. Amin Smt. A. A. Amin	Purchase of Material	74,340	63,480
2.	Mr. S. H. Amin	Chairman & Whole Time Director	-	Remuneration	17,16,000	13,20,000
3.	Mr. S. H. Amin	Chairman & Whole Time Director	-	Rent	4,60,000	4,20,000
4.	Mr. A. S. Amin	Managing Director	-	Remuneration	19,80,000	16,50,000
5.	Mr. A. S. Amin	Managing Director	-	Rent	6,77,680	6,37,680
6.	Cyto Pvt Ltd.	Directors are members in the company	Shri. S. H. Amin Shri. A. S. Amin Smt. A. A. Amin	Rent	1,68,000	1,41,250
7.	Dr. A. A. Amin	Managing Director's Wife	-	Remuneration	-	2,14,265.75
8.	The Seksaria Biswan Sugar Factory Pvt Ltd	Directors are members in the company	Shri. Kailashchandra K. Seksaria	Sales of Finish Goods	-	1,90,524

Note 27. Contingent Liabilities:

There is no contingent liability.

Note 28. Earning per Share:

Particulars	2019-20	2018-19
	Rs.	Rs.
Basic Earnings Per Share	6.52	18.94
Diluted Earnings Per Share	6.52	18.94
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 Earnings per Equity share are as stated below:

Particulars	2019-20	2018-19
	Rs.	Rs.
Profit/ (Loss) after Taxation (in Rs.)	49,30,235	1,43,14,996
Weighted average No. of share during year	7,56,000	7,56,000

NOTE 29. Value of Imports on CIF basis during the year in respect of : (Amt. in Rs.)

	Current Year		Previous Year	
	Rupees		Rupees	
Raw Materials		1,30,82,192		57,94,565
Stores and Spares		NIL		NIL
Capital Goods		NIL		NIL

NOTE 30. Expenditure in Foreign Currency on account of :

Travelling		3,07,671		1,96,083
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NOTE 31. Value of Stores & Spares Consumed :

Imported	NIL	0.00	NIL	0.00
Indigenous	2,31,10,180	100.00	2,76,75,877	100.00
	2,31,10,180	100.00	2,76,75,877	100.00

NOTE 32. Remittance in Foreign Currency on account of dividend to Non-Resident Share-holders:

	Current Year		Previous Year	
Dividend of financial year	2018-19		2017-18	
No. of shareholders	4		4	
No. of Shares held	212760		212760	
	Rupees		Rupees	
Net amount of Dividend Remitted	NIL		NIL	

NOTE 33. Earnings in Foreign Exchange - Export of Goods on FOB basis :

	Rupees		Rupees	
Industrial Chains	7501253		2149748	
Sprocket Wheels	934918		1282179	
	8436171		3431927	

Note 34. Micro, Small and Medium Enterprises Development Act, 2006

The Company has amounts due to suppliers covered under MSMED Act.

The disclosure pursuant to the said Act is as under.

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Principal Amount due at year end	9,70,31,489.04	1,81,84,539.00
Interest due and remaining unpaid	NIL	NIL
Principal amount paid beyond due date	46,37,453.40	8,39,53,939.00
Interest Paid in terms of section 16 of the Act	NIL	NIL
Amount of Interest due and Payable for period of delay in payment made beyond on Principal amount paid beyond the appointed day	38,73,658.00	35,20,067.00
Amount of Interest accrued and remaining unpaid for earlier year	NIL	NIL

The Information has been given in respect of such suppliers to the extent they could be identified as micro, small enterprises on the basis of information available with the Company. This has been relied upon by the Auditors.

- Note 35.** The Balances of the most of the Debtors, Creditors and Loans and Deposits of the Company are confirmed periodically.
- Note 36.** The figures have been rounded upto a Rupee. Parties Balances are subject to their confirmations and reconciliation and consequential adjustments, if any.
- Note 37.** Previous year figures have been regrouped and recast wherever necessary to make them comparable with current year's figures.
- Note 38.** Note No. 1 to 38 form an integral part of Financial Statements
Signature to Balance Sheet, Statement of Profit & Loss and Note 1 to Note 37.
As per our report of even date attached herewith.

See accompanying notes to the financial statements as per our report of even date attached

For JHS & ASSOCIATES LLP

Chartered Accountants
Firm Reg. No.: 133288W/100099W
Saurabh Shah
Partner
Membership No.: 110914
Vallabh Vidhyanagar
June 18, 2020

For ROLCON ENGINEERING LIMITED

Suresh H. Amin Chairman & WTD	Ashish S. Amin Managing Director
Kiran M. Patel Director	Mahesh H. Joshi Director
Navin U. Patel CFO	Dharmesh Chauhan Company Secretary Vallabh Vidhyanagar June 18, 2020



(ISO 9001 : 2015 COMPANY)

ROLCON ENGINEERING CO LTD, ANAND-SOJITRA ROAD, VALLABH VIDYANAGAR – 388120, GUJARAT, INDIA.
