

**ROCKON FINTECH LTD.**

**35<sup>th</sup> ANNUAL REPORT  
2010-11**

## **35<sup>th</sup> ANNUAL REPORT**

### **BOARD OF DIRECTORS**

|                        |   |                            |
|------------------------|---|----------------------------|
| SMT TANU AGARWAL       | - | <i>Whole Time Director</i> |
| SHRI PRAVIN VASHISHTHA | - | <i>Director</i>            |
| SHRI TUSHAR RANE       | - | <i>Director</i>            |
| MS SALONI AGRWAL       | - | <i>Director</i>            |

### **AUDITORS:**

M/S. PRAVEEN CHANDAK & ASSOCIATES,  
403, NEW SWAPANALOK CHS LTD.,  
NATAKWALA LANE,  
BORIVALI(W),  
MUMBAI - 400092.

### **REGISTERED OFFICE :**

E/109, CRYSTAL PLAZA,  
NEW LINK ROAD, ANDHERI (WEST),  
MUMBAI : 400053.

### **REGISTAR & TRANSFER AGENT**

PURVA SHAREREGISTRY (INDIA) PVT. LTD.  
9,SHIV SHAKTI INDUSTRIAL ESTATE,  
J.R. BORICHA MARG, LOWER PAREL (E),  
MUMBAI – 400 011

### NOTICE

Notice is hereby given that the 35th Annual General Meeting of the Members of **ROCKON FINTECH LIMITED** will be held on Monday the 8<sup>th</sup> August, 2011 at 3:30 P.M at the Registered Office at Reg.Office:- E/109, Crystal Plaza, New Link Road, Andheri (West), Mumbai : 400053. to transact the following business.

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts for the year ended on 31st, March 2011 and reports of Directors and Auditors thereon.
2. To appoint Shri. Tushar Rane as Director of the company, who retires by rotation and, being eligible, offers herself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

#### SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modification, the following resolution as a Specialon Resolution :

“**RESOLVED** that pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) and the provisions of Article 55 of the Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, (a) each of the 3,60,00,000 equity shares of the nominal value of Rs.5/- each in the authorised share capital of the Company be sub-divided into 18,00,00,000 equity shares of Rs.1/- each **AND THAT** Clause IV A (being Capital Clause) of the Memorandum of Association and Article 5 A of the Articles of Association of the Company relating to equity shares be altered accordingly.

**RESOLVED FURTHER** that the Board of Directors of the Company (“the Board”, which expression shall also include a Committee thereof) be and they are hereby authorised to issue new share certificates representing the sub-divided equity shares with new distinctive numbers, consequent to the sub-division of shares as aforesaid and /or credit the shareholders’ accounts maintained with the Depositories, subject to the rules as laid down in the Companies (Issue of Share Certificates) Rules, 1960, and the Articles of Association of the Company and to inform the Depositories and the Registrar and Transfer Agents of the Company and execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board, to any Committee thereof or to any Director(s) or Company Secretary, to give effect to the aforesaid resolution.”

**REGISTERED OFFICE**  
E/109, Crystal Plaza,  
New Link Road, Andheri (West),  
Mumbai : 400053.

**BY ORDER OF THE BOARD**  
Smt. Tanu Girraj Agarwal  
Chairman

Dated : 07/07/2011

**NOTES:**

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The Register of Members and the Transfer Book of the Company will remain closed from to 20/07/2011 to 21/07/2011 (both days inclusive.)

Members / Proxies should bring attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of Annual Report.

Members are requested to notify immediately any change in their address details to the Company's Registrar and share transfer agents for shares held in demat / physical form at Purva Sharegistry (india) Private Limited, No-9, Shiv Shakti Industrial Estate, Ground Floor, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel, Mumbai - 400 011.

Printed copies of the Balance Sheet, Profit and Loss Account, Director's Report, the Auditor's Report and every other documents required by the law to be annexed or attached to the Balance Sheet for the period ended 31st March, 2011 are enclosed herewith.

Members seeking any information with regard to accounts are requested to write to the company at least one week in advance so as to enable the management to keep the information ready.

Proxies in order to be effective must be deposited duly stamped and signed at the Registered Office of the Company not less than 48 hours before the meeting.

The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is enclosed and forms part of the Notice.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES, 1956.**

**Item Nos. 4**

The shareholders to note that the equity shares of your Company are listed on the Stock Exchange, Mumbai (BSE). The shares are actively traded on BSE.

The market price of the shares of the Company has witnessed significant spurt over the last 6 months. In order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors, the Board of Directors of the Company ('the Board') at their meeting held on 07 July, 2011, considered it desirable to sub-divide the nominal value of the equity portion of the authorised share capital of the Company.

The shareholders may please note that presently the nominal value of the equity shares is Rs.5/- each and consequent to the sub-division it is being divided into 5 (Five ) equity shares of Rs. 1/- each. The date on which this sub-division would become effective, will be decided by the Board after obtaining the shareholders' approval, which will be notified through the Stock Exchanges.

Shareholders attention is also invited to the fact that in view of the foregoing, the existing Capital Clause IV A in the Memorandum of Association and Article 5 A in the Articles of Association of the Company relating to equity shares also need relevant amendment to give effect to the sub-division.

The Directors of the Company are deemed to be concerned or interested in the resolution only to the extent of shares held by them in the Company.

**REGISTERED OFFICE**  
**E/109, Crystal Plaza,**  
**New Link Road, Andheri (West),**  
**Mumbai : 400053.**

**BY ORDER OF THE BOARD**  
**Smt. Tanu Girraj Agarwal**  
**Chairman**

**Dated : 07/07/2011**

## Annual Report 2010-2011

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Details of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting.  
**( In pursuance of Clause 49 (vi) (A) of the Listing agreement.)**

Director seeking re-appointment

|   |   |
|---|---|
| Name of the Director.   | SHRI TUSHAR RANE  |
| Date of Birth.  | 01/05/1980  |
| Date of Appointment.  | 30/06/2002  |
| Expertise in any specific functional Area.                                | NIL   |
| Qualification   | B.A.  |
| Directorships held in other companies.<br>(excluding foreign- Companies.) | 1) BANAS FINANCE LTD<br>2) TILAK FINANCE LIMITED<br>3) SARAH CONSTRUCTION PRIVATE LIMITED<br>4) TRASK INFRASTRUCTURE PRIVATE LIMITED  |
| Committee position held in other Companies.                               | 1) CHAIRMAN AND MEMBER IN REMUNERATION COMMITTEE AND MEMBER IN AUDIT AND SHAREHOLDERS COMMITTEE OF BANAS FINANCE LTD.<br>2) CHAIRMAN AND MEMBER IN AUDIT, REMUNERATION AND SHAREHOLDERS COMMITTEE OF TILAK FINANCE LTD. |

**BOARD OF DIRECTORS' REPORT**

**To  
The Members**

Your Directors present their 35<sup>th</sup> Annual Report with Audited Statement of Accounts for the year ended on March 31, 2011.

**Financial Results****(Amt. In Lacs)**

| Particulars                                     | For the year ended on |                |
|---|-----------------------|----------------|
|   | 31/03.2011            | 31/03/2010     |
| <b>Income</b>                                   | <b>1792.59</b>        | <b>5284.53</b> |
| <b>Profit before Dep. &amp; Int.</b>            | <b>2.86</b>           | <b>(22.86)</b> |
| <b>Depreciation</b>                             | <b>0.00</b>           | <b>0.00</b>    |
| <b>Interest</b>                                 | <b>1.72</b>           | <b>0.48</b>    |
| <b>Profit after Depreciation &amp; Interest</b> | <b>1.13</b>           | <b>(23.34)</b> |
| <b>Provision for Taxation</b>                   | <b>0.35</b>           | <b>1.01</b>    |
| <b>Provison for Tax (deferred)</b>              | <b>0.00</b>           | <b>0.00</b>    |
| <b>Tax Adjustment for earlier years</b>         | <b>0.00</b>           | <b>0.00</b>    |
| <b>Profit after Tax</b>                         | <b>0.78</b>           | <b>(24.35)</b> |
| <b>Net profit/ (Loss)</b>                       | <b>0.78</b>           | <b>(24.35)</b> |
| <b>Amount Available for Appropriation</b>       | <b>0.78</b>           | <b>(24.35)</b> |
| <b>Balance carried to Balance Sheet</b>         | <b>0.78</b>           | <b>(24.35)</b> |

**FINANCIAL HIGHLIGHTS**

During the year Company's total sales including other income is Rs 1792.59 lacs as compared to Rs. 5284.53 lacs in the previous year and thereby registering an decrease of 66.07% as compared to the previous year.

**DIVIDEND**

Your Directors decided to plough back the profit and therefore dividend is not declared.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Mr. Tushar Rane retire by rotation at the ensuing Annual General Meeting, and being eligible offers herself for reappointment.

**DEPOSITS**

Your company has not accepted any deposits within the meaning of Section 58 A of The Companies Act, 1956.

**FOREIGN EXCHANGE**

There is no inflow and outflow of Foreign Exchange.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial year ended 31st March 2011 the applicable accounting standards have been followed, along with proper explanation relating to all material departures.
- (ii) That they have, in the selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period.
- (iii) They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March 2011 on a going concern basis.

### **AUDITORS**

M/S. Pravin Chandak & Associates, Chartered Accountants statutory auditors of the Company retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. The Company has received a certificates from them under Section 224(1-B) & 226(3) of the Companies Act, 1956.

### **AUDITORS REPORT**

Observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

The particulars under the companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, on conservation of energy and Technology absorption is not applicable

### **PARTICULARS OF EMPLOYEE**

The information required under section 217(2A) of the Companies Act 1956, read with the Companies (particulars of employees) Rules 1975, forms part of this report - Not applicable.

### **LISTING OF SHARES**

Equity shares of your Company are listed on Bombay Stock Exchange only and the Company has paid the necessary Listing fees for the year 2010 – 2011.

### **SUB DIVISION OF EQUITY SHARES OF THE COMPANY**

In order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors, the Board of Directors of the Company ('the Board') at their meeting held on 7th July, 2011, considered it desirable to sub-divide the nominal value of the equity portion of the authorised share capital of the Company.

The shareholders may please note that presently the nominal value of the equity shares is Rs.5/- each and consequent to the sub-division, subject to SEBI approval and such other statutory and regulatory approvals, each share is being divided into 5 (Five) equity shares of Rs.1/- each.

### **CORPORATE GOVERNANCE COMPLIANCE**

As required under the listing agreement with the stock exchange, corporate governance and management discussion and analysis report form part of this Annual Report.

**POSTAL BALLOT**

Postal ballot was conducted by the company for the approval of insertion of other object of new business of power project.

**GREEN INITIATIVE IN CORPORATE GOVERNANCE'**

The ministry of corporate Affairs (vide circular nos.17/2011 and 18/2011 dated April 21 and April 29,2011 respectively), has undertaken 'Green initiative in corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support their green initiative by registering/updating their email addresses, in respect of shares held in dematerialised form with their respective depository participants and in respect of shares held in physical form with TSRDL.

**ACKNOWLEDGEMENT**

The Board of Directors wishes to express sincere thanks to Bankers, Shareholders, clients, Financial Institutions, customers, suppliers and employees of Companies for extending support during the year.

**FOR & ON BEHALF OF THE BOARD**  
**Tanu Agrawal**  
**Chairman**

**PLACE: MUMBAI**  
**DATED :07/07/2011**



## CORPORATE GOVERNANCE REPORT

### A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes in transparent dealings and integrity and compliance of rules and regulations. The Company firmly believes that good corporate governance is pre-requisite to meet the stakeholders' requirements and needs. The mandatory requirements of the code of Corporate Governance as per clause 49 of the listing agreement have been implemented by your Company.

### B) BOARD OF DIRECTORS

The Board of Directors comprises of Mrs. Tanu Girraj Agarwal as Whole Time Director, and Ms. Saloni Agrawal, as Non Executive Directors, Mr. Tushar Rane, and Mr. Pravin Vasishth, as Non Executive Independent Directors.

- a) The composition of the Board of Directors and their attendance at the meetings during the period and at the last Annual General Meeting as also number of other directorships, membership of committees are as follows: -

| Name of Director         | Status  | No. of Board Meetings Attended | Attendance at Last AGM | No. of other Directorship | Committee Membership |   |
|--------------------------|---------|--------------------------------|------------------------|---------------------------|----------------------|---|
| Mrs. Tanu Girraj Agarwal | W.T.D   | 9                              | Yes                    | 9                         | 9                    | - |
| Ms. Saloni Agrawal       | N.E.D   | 9                              | Yes                    | -                         | 3                    | - |
| Mr. Tushar Rane          | I.N.E.D | 15                             | Yes                    | -                         | 9                    | 4 |
| Mr. Pravin Vasishth      | I.N.E.D | 15                             | Yes                    | -                         | 3                    | 3 |

N.E.D Non Executive Director

W.T.D Whole Time Director

I.N.E.D Independent Non Executive Director

#### Notes:

During the period ended 31<sup>st</sup> March 2011, 15 Board Meetings were held on the following dates:

12/04/2010, 20/04/2010, 30/04/2010, 20/05/2010, 25/05/2010, 24/07/2010, 12/08/2010, 14/09/2010, 15/09/2010, 24/09/2010, 29/09/2010, 07/10/2010, 13/11/2010, 26/11/2010, and 15/02/2011.

As against the minimum requirement of 4 meetings. The maximum time gap between any two meetings was not more than four calendar months.

### C) AUDIT COMMITTEE

The Audit Committee comprises of viz Mr. Pravin Vasishth, non-executive Independent Director as Chairman of Audit Committee, Mr. Tushar Rane and Ms. Saloni Agrawal, Directors are committee members and Mrs. Tanu Girraj Agarwal Compliance Officer is the Secretary of the Committee.

The Committee met four times during the period ended 31<sup>st</sup> March 2011

The terms of reference of the Committee are as per the guidelines set out in Clause 49 of the listing agreement with the Stock Exchanges and section 292A of the Companies Act, 1956 and inter alias it briefly includes review of quarterly and Annual financial statements, the statutory Auditor's Report on the financial statements, Internal audit reports, internal controls, Accounting policies and to generally interact with the Internal Auditors and Statutory Auditors.

**D) SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE**

The Committee comprises of Mr. Pravin Vasishth, Mr. Tushar Rane, and Ms. Saloni Agrawal as committee members. The Committee normally meets twice a month to approve transfer of shares and other shares related matters. Mr. Pravin Vasishth is the Chairman of the Committee.

**E) REMUNERATION COMMITTEE**

Remuneration Committee comprises of Mr. Pravin Vasishth, as Chairman of the committee and Ms. Saloni Agrawal and Mr. Tushar Rane, Directors are committee members. During the year under review, no Meeting was held.

The details of remuneration paid to Chairman and whole time Director of the Company during the period ended 31<sup>st</sup> March 2011 are given below.

Remuneration paid to Directors during the period ended 31<sup>st</sup> March 2011

| <b>NAME OF THE DIRECTOR</b> | <b>SALARY</b><br>(Rs.) | <b>PERQUISITES</b><br>(Rs.) | <b>CONTRIBUTION TO VARIOUS FUNDS</b><br>(Rs.) | <b>TOTAL</b><br>(Rs.) |
|-----------------------------|------------------------|-----------------------------|---|-----------------------|
| Mr. Tushar Rane             | -                      | -                           | -   | -                     |
| Mr. Pravin Vasishth         | -                      | -                           | -   | -                     |
| Ms. Saloni Agrawal          | -                      | -                           | -   | -                     |
| Mrs. Tanu Girraj Agarwal    | 122000                 | -                           | -   | 122000                |

**F) GENERAL BODY MEETINGS**

The last three Annual General Meetings were held as under:-

| Year/Period Ended           | Date of Meeting | Time       |
|-----------------------------|-----------------|------------|
| 31 <sup>st</sup> March 2008 | 30/09/2008      | 11:00 P.M. |
| 31 <sup>st</sup> March 2009 | 21/09/2009      | 03:00 P.M. |
| 31 <sup>st</sup> March 2010 | 25/08/2010      | 03:30 P.M. |

Postal ballot was conducted by the company for the approval of insertion of other object of new business of power project.

**G) DISCLOSURES**

1. During the period, there were no transactions materially significant with Company's promoters, directors or management or subsidiaries or their relatives that may have potential conflict with the interests of the Company at large.
2. Details of Non Compliance by the Company, penalties strictures imposed on the Company by Stock Exchanges or any statutory authority, on any matter related to capital markets, during the last three years – None.

**H) MEANS OF COMMUNICATION.**

Quarterly, Half Yearly and Yearly financial results are sent to the Stock Exchanges immediately after they are approved by the Board.

**I) GENERAL INFORMATION FOR MEMBERS**

- (i). Annual General Meeting - The 35th Annual General Meeting of the Company will be held on 08/08/2011 at 3-30 p.m. at Registered Office in Mumbai

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- (ii) **Financial Calendar** : Last AGM held on 25/08/2010  
First Quarter Results Declared : Second Week of August, 2010  
Second Quarter Results Declared : Second Week of November, 2010  
Third Quarter Results Declared : Second Week of February, 2011  
Fourth Quarter Results Declared : Last Week of May, 2011

(iii) Book Closure date : 20/07/2011 to 21/07/2011

(iv) Dividend payment date : Not applicable

(v). (i) Listing of Equity Shares : Bombay Stock Exchange

(ii) Listing fees is duly paid to the Bombay stock exchange Limited as per listing agreement.

(vi). (i) **Stock Code BSE CODE : 531447**

(ii) **Demat ISIN Numbers in NSDL & CDSL INE 644B01015 for Equity Shares.**

### Stock Market Data at BSE:

| Month          | High  | Low   | Close | No. of Shares |
|----------------|-------|-------|-------|---------------|
| April 2010     | 38.7  | 24.85 | 38.1  | 315099        |
| May 2010       | 38.9  | 24.75 | 29.4  | 208518        |
| June 2010      | 31    | 24.1  | 26.1  | 197452        |
| July 2010      | 39    | 25.8  | 35.65 | 455839        |
| August 2010    | 36.05 | 27.9  | 29.3  | 239370        |
| September 2010 | 40.8  | 26.15 | 36.95 | 654620        |
| October 2010   | 40.25 | 18.05 | 22.45 | 996834        |
| November 2010  | 30.3  | 22.5  | 25.3  | 1245515       |
| December 2010  | 26.7  | 18.6  | 25    | 621503        |
| January 2011   | 26.5  | 23.1  | 24.85 | 468249        |
| February 2011  | 26.05 | 18.1  | 20.75 | 475744        |
| March 2011     | 26.6  | 18.65 | 22.5  | 1131248       |

### vii) REGD. OFFICE:

E-109 Crystal Plaza, New Link Road,  
Andheri (west), Mumbai 400053.

### (viii) REGISTRAR & TRANSFER AGENTS AND SHARE TRANSFER SYSTEM-

All documents, transfer deeds, demat requests and other communication in relation thereto should be addressed to the R & T Agents at its following address:

**PURVA SHAREGISTRY (INDIA) PVT. LTD**  
**No-9, Shiv Shakti Industrial Estate,**  
**Ground Floor, J. R. Boricha Marg,**  
**Opp. Kasturba Hospital, Lower Parel,**  
**Mumbai – 400 011**  
**Tel : 022-2301 6761 / 2301 8261**

Share transfers in physical form are processed within about 2 weeks from the date of receipt of the valid and completed documents.

(ix) **INVESTOR RELATION OFFICER** : Mrs. Tanu Agrawal (Whole Time Director)

(x) **Share Transfer System as per Listing Agreement and Companies Act, 1956**

**(xi) DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>st</sup> March 2011**

| Shareholding      |             |               | Shareholders     |               |
|-------------------|-------------|---------------|------------------|---------------|
| No. of Shares     | Nos.        | %             | Holding in Rs.   | %             |
| 1-5000            | 2628        | 67.47         | 7000700          | 4.24          |
| 5001-10000        | 723         | 18.56         | 5625555          | 3.41          |
| 10001-20000       | 238         | 6.11          | 3715160          | 2.25          |
| 20001-30000       | 78          | 2.00          | 1995110          | 1.21          |
| 30001-40000       | 31          | 0.80          | 1126825          | 0.68          |
| 40001-50000       | 42          | 1.08          | 1994135          | 1.21          |
| 50001-100000      | 58          | 1.49          | 4276650          | 2.59          |
| 100001- and above | 97          | 2.49          | 139442765        | 84.42         |
| <b>Total</b>      | <b>3895</b> | <b>100.00</b> | <b>165176900</b> | <b>100.00</b> |

**(xii) Shareholding pattern as on 31<sup>st</sup> March 2011**

|          | Category   | No. of Shares held | Percentage of Shareholding |
|----------|--|--------------------|----------------------------|
| <b>A</b> | <b>Promoter's Holding</b>  |                    |                            |
| 1        | Promoters  |                    |                            |
|          | - Indian Promoters   | 3212372            | 9.73                       |
|          | - Foreign Promoters  | -                  | -                          |
| 2        | Persons acting in concert  | -                  | -                          |
|          | Sub – Total  | 3212372            | 9.73                       |
| <b>B</b> | <b>Non-Promoter's Holding</b>  | -                  | -                          |
| 3        | Institutional Investors  | -                  | -                          |
| a)       | Mutual Funds and UTI   | -                  | -                          |
| b)       | Banks, Financial Institutions, Insurance Companies<br>(Central/State Govt. Institutions/Non Government Institutions) | -                  | -                          |
| <b>C</b> | <b>FII's</b>   | 200000             | 0.61                       |
|          | Sub – Total  | -                  | -                          |
| 4        | Others   | -                  | -                          |
| a)       | Private Corporate Bodies   | 2556411            | 7.74                       |
| b)       | Indian Public  | 27037620           | 81.85                      |
| c)       | NRI's/OCB's  | 24022              | 0.07                       |
| d)       | Any Other (Please specify) - <b>Clearing Members</b>   | 4955               | 0.01                       |
|          | Sub-Total  | 29623008           | 89.67                      |
|          | <b>Grand Total</b>   | <b>33035380</b>    | <b>100%</b>                |

**(xiii) DEMATERIALISATION OF SHARES.**

As on 31st March 2011, 93.20% of the Company's Shares representing 30787650 Share were held in dematerialized form and the balance 2247730 Shares were held in physical form.

**(xiv) INVESTOR CORRESPONDANCE:**

For transfer/ dematerialisation of shares payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the Company.

**PURVA SHARE REGISTRY INDIA PVT LTD,**

9, Shiv Shakti Industrial Estate ,J. R. Borchha Marg,Opp Kasturba Hospital, Lower Parel(E), Mumbai-400011.

**Any other query - ROCKON FINTECH LIMITED**

At Regd. Office : E-109 Crystal plaza, New link road, Andheri (west), Mumbai 400053.

### MANAGEMENT DISCUSSIONS AND ANALYSIS REPORTS

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31<sup>st</sup> March, 2011.

**The management discussion and analysis have been included in consonance with the code of corporate governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.**

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

#### OVERVIEW

The operations of the company are centred in Business of Finance and Advance to clients and to receive money and deposits to carry on business as financiers factors and to carry on business of broker, underwriter, agent and to invest and deal in acquiring, selling, subscribing, transferring, holding, disposing, and otherwise dealing and investing in shares, stocks, debentures, bonds, land, building, properties, obligation and securities.

The company also carries on Software business as manufacturer, buyer, seller, trader, importer, exporter, distributor, broker, stockiest, and commission agent.

#### INDUSTRY STRUCTURE AND DEVELOPMENT:

The Indian economy has witnessed all round growth in year 2010-11 and more growth and prosperity in coming future with increased investment in information Technology financial activities and financial Market.

Of late, especially in the past few decades, there has been tremendous of software Industries in India and the development thereof has been remarket. The company has been dealing in trading of software products since inception but there has been stiff competition from other Software Companies.

Coming to the finance industry where the company is also involved, major developments have taken place for the past few decades in view of the fact that plethora of finance companies have come into existence with various finance products and there has been tremendous finance growth due to foreign collaboration, foreign equity participation etc, under Finance Division, dealing in equity shares and stock is the main activity of the company.

#### OPPORTUNITIES AND THEREATS :

Some of the key trends of the industry that are favourable to the company to exploit these emerging opportunities are:

1. Clients are more comfortable with uniform high quality and quick finance and security process across the enterprise.
2. The company since involved in the software trading business and Finance business for a very long time there are good prospects for expanding further activities in this direction.
3. The company is also facing server competition from other financial companies and software companies.

Some of the key changes in the industry unfavourable to the company are:

1. Heightened competition
2. Increasing cost of the product
3. Increasing customer demand
4. Increasing cost of Finance
5. Increasing Compliances

### **INITIATIVES BY THE COMPANY**

The company has taken following initiatives'

1. Every effort is being made to locate new client base to boost Software Sales and its finance business by providing Finance quickly and easily.
2. The company is endeavouring to penetrate into newer Financial Activities and market.

### **OUTLOOK**

The company is mainly engaged in finance and related business and software business.  
The company is planning to expand and diversify the activities in this time to tap higher revenues.

### **RISK AND CONCERNS:**

Due to stiff competitions in the finance fields where the company's activities are centred in, the overall margins are under pressure but maintainable with constant effort and good services.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

1. Compliance of the company with applicable statutes, policies procedures, listing requirements and management guidelines.
2. All transaction are being accurately recorded and verified.
3. Adherence to applicable accounting standards and polices.

### **HUMAN RESOURCES/INDUSTRY RELATIONS:**

- ▶ The company provided excellent working environment so that the individual staff can reach his/her full potential.
- ▶ The company is poised to take on the challenges and march towards accomplishing its mission with success.
- ▶ The company maintained good Industrial/Business relation in market which enhanced the Creditworthiness of the Company.

### **CAUTIONARY STATEMENT**

Statement in the Management Discussion and analysis describing the company's objectives exceptions or predications may be forwards looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Several factors could make significant difference to the company's operation. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities etc. over which the company dose not have any control.

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**ROCKON FINTECH LIMITED.**

1. We have examined the compliance of Corporate Governance by M/s. Rockon Fintech Limited for the period ended on 31<sup>st</sup> March 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR M/S PRAVIN CHANDAK & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**PRAVIN CHANDAK  
PARTNER  
Membership No. 049391**

**Place: Mumbai.  
Date: July 7, 2011**

**CEO / CFO CERTIFICATION**

**The Board of Directors,  
Rockon Fintech Ltd.  
E/109, CRYSTAL PLAZA,  
NEW LINK ROAD, ANDHERI (WEST),  
MUMBAI : 400053.**

We hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2011 and that to the best of our knowledge and belief;
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. No transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
  - a. Significant changes in internal control over financial reporting during the year.
  - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Rockon Fintech Limited**

**Mumbai  
Date: 7 July, 2011**

**Tanu Agrawal  
Director/CEO**

**Saloni Agrawal  
Director**



**COMPLIANCE CERTIFICATE**

To  
The Members of  
**Rockon Fintech Limited**

It is hereby certified and examined that as provided in Clause 49 I (D) of the listing agreement with the stock exchanges, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31<sup>st</sup> March 2011.

**For Rockon Fintech Limited**

**Tanu Agrawal**  
Director / CEO

Registered Office:  
E-109, Crystal Plaza,  
New Link Road, Opp Infinity Mall,  
Andheri (West), Mumbai- 400 053

Place: Mumbai  
Date: July 7, 2011

**AUDITORS REPORT**

**To**  
**The Members**  
**M/s Rockon Fintech Limited**

1. We have audited the attached Balance Sheet of **M/s Rockon Fintech Limited** as at 31<sup>st</sup> March 2011, the Profit & Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standard generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial Statements are free of material misstatements. An audit includes examining, on test basis, evidence supporting the amounts and disclosure in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the over all Financial Statement presentation. We believe that our audit provides reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended, issued by Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we state that
  - a) We have obtained all the information and explanation which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
  - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
  - e) On the basis of written representation received from the directors, as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India.
    - (i) In the case of Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2011,
    - (ii) In the case of the Profit & Loss Account, of the Profit for the year ended on that date, and
    - (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

**For PRAVIN CHANDAK & ASSOCIATES**  
**Chartered Accountants**

**Pravin Chandak**  
**Partner**  
**M.No. 049391**

Place: Mumbai  
Date: 30<sup>th</sup> May, 2011.

### **ANNEXURE TO THE AUDITOR'S REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011**

(Referred to in paragraph 3 of Auditor's Report of even date on the financial statements as at and for the year ended 31<sup>st</sup> March, 2011)

1. The Company is not having Fixed Assets at any time during the year. Accordingly Clause 4(i) (a), (b) and (c) of the Companies (Auditor's Report) Order, 2003 is not applicable.
2. (a) As informed to us, the inventories have been verified by the management with the supportive evidence during the year. In our opinion the frequency of verification is reasonable.  
  
(b) In our opinion, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
  
(c) On the basis of our examination the records of inventory, we are of the opinion that Company is maintaining proper records of inventory. We are informed that no discrepancies were noticed on physical verification.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.  
  
(b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control.
5. According to the information and explanations given to us, we are of the opinion that the company has not entered into any contracts or arrangements referred to in section 301 of the Companies Act, 1956.
6. No deposits, within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed thereunder have been accepted by the Company.
7. In our opinion and according to information and explanation given to us, the company has adequate internal audit system commensurate with size of the Company and nature of its business.
8. According to the information and explanation given to us the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for any of the activities of the company.
9. (a) The Company is regular in depositing undisputed statutory dues including Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other material statutory dues applicable to the company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.  
  
(b) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty, cess which have not been deposited on account of any dispute.
10. The Company has no accumulated losses as at 31<sup>st</sup> March, 2011. The company has not incurred any cash losses during the financial year covered by our audit as well as during the immediately preceding financial year.

11. According to the records made available to us and information and explanations given to us by the management, the company has not taken any financial assistance from any financial institutions or banks. Accordingly Clause 4(xi) of Companies (Auditor's Report) Order, 2003 is not applicable.
12. According to the information given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
14. The Company has maintained proper records of the transactions and contracts for dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investment have been held by the company, in its own name except to the extent of the exemption granted under section 49 of the Companies Act, 1956.
15. In our Opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
16. As per the information and records furnished to us, the Company has not accepted any term loans. Accordingly Clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
17. According to the information and explanations given to us and on an overall examination of the cash flow statements and balance sheet of the company, in our opinion, the funds raised on short-term basis have, prima facie, not been used for long-term investment.
18. During the period the company has not made allotment of shares on preferential basis. Accordingly Clause 4(xviii) of Companies (Auditor's Report) Order, 2003 is not applicable.
19. During the financial year, company had not issued any debenture. Accordingly Clause 4(xviii) of Companies (Auditor's Report) Order, 2003 is not applicable.
20. The Company has not raised any money by way of public issue during the year. Accordingly Clause 4(xx) of Companies (Auditor's Report) Order, 2003 is not applicable.
21. During the course of our examination of the books and records of the Company, 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 instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**For PRAVIN CHANDAK & ASSOCIATES**  
**Chartered Accountants**

**Pravin Chandak**  
**Partner**  
**M.No. 049391**

Place: Mumbai  
Date: 30<sup>th</sup> May, 2011

**BALANCE SHEET AS ON 31.03.2011**

| <b>PARTICULARS</b>  | <b>SCH.<br/>NO.</b> | <b>FOR THE<br/>YEAR ENDED<br/>31.03.2011<br/>RUPEES</b>  | <b>FOR THE<br/>YEAR ENDED<br/>31.03.2010<br/>RUPEES</b> |
|---|---------------------|--|---|
| <b>SOURCES OF FUNDS :</b>   |                     |  |   |
| <b>SHAREHOLDER'S FUND:</b>  |                     |  |   |
| Share Capital   | I                   | 165,176,900  | 165,176,900   |
| Reserves & Surplus  | II                  | 11,849,759   | 11,771,540  |
| <b>TOTAL</b>  |                     | <b><u>177,026,659</u></b>  | <b><u>176,948,440</u></b>                               |
| <b>DEFERRED TAX ASSETS</b>  |                     | 2,834,017  | 2,834,017   |
| <b>CURRENT ASSETS LOANS, &amp; ADVANCES :</b>   |                     |  |   |
| Stock in trade  | III                 | 66,899,664   | 93,356,923  |
| Cash & Bank Balance   | IV                  | 2,408,670  | 34,052,841  |
| Loans & Advances  | V                   | 104,895,467  | 46,599,977  |
|   |                     | <u>174,203,801</u>   | <u>174,009,741</u>                                      |
| <b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>  | VI                  | 347,159  | 343,318   |
| <b>NET CURRENT ASSETS</b>   |                     | 173,856,642  | 173,666,423   |
| <b>MISCELLANEOUS EXPENDITURE</b><br>(To the extent not written off)   | VII                 | 336,000  | 448,000   |
| <b>TOTAL</b>  |                     | <b><u>177,026,659</u></b>  | <b><u>176,948,440</u></b>                               |
| <b>NOTES FORMING PART OF ACCOUNTS</b>   | XII                 |  |   |
| <b>AS PER OUR REPORT OF EVEN DATE<br/>FOR PRAVIN CHANDAK &amp; ASSOCIATES<br/>Chartered Accountants<br/>Sd/-<br/>PRAVIN CHANDAK<br/>PARTNER<br/>M. NO. 049391</b> |                     | <b>FOR AND ON BEHALF OF THE BOARD</b><br><br><b>Sd/- TANU AGRAWAL DIRECTOR</b> <b>Sd/- SALONI AGRAWAL DIRECTOR</b> |   |

Place : Mumbai  
Date : 30th May 2011

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2011**

| PARTICULARS                             | SCH.<br>NO. | FOR THE<br>YEAR ENDED<br>31.03.2011<br>RUPEES | FOR THE<br>YEAR ENDED<br>31.03.2010<br>RUPEES |
|---|-------------|---|---|
| <b>INCOME :</b>                         |             |   |   |
| Income From Operation                   | VIII        | 178,498,563                                   | 528,030,733                                   |
| Other Income                            | IX          | 759,990                                       | 422,425                                       |
|   |             | <b><u>179,258,553</u></b>                     | <b><u>528,453,158</u></b>                     |
| <b>EXPENDITURE :</b>                    |             |   |   |
| Cost of Goods sold                      | X           | 176,228,231                                   | 525,683,699                                   |
| Operating & Other Expenses              | XI          | 2,805,128                                     | 2,442,193                                     |
| Fixed Assets Written Off                |             | -   | 2,549,862                                     |
| Miscellaneous Expenditure written off   |             | 112,000                                       | 112,000                                       |
|   |             | <b><u>179,145,359</u></b>                     | <b><u>530,787,754</u></b>                     |
| <b>Net Profit before Tax</b>            |             | 113,194                                       | (2,334,596)                                   |
| <b>Less : Provision For Tax</b>         |             |   |   |
| Current Tax                             |             | 34,976  | 101,126                                       |
| Deferred Tax                            |             | -   | -   |
| <b>Net Profit After Tax</b>             |             | 78,218  | (2,435,722)                                   |
| Add : Profit B/fd. From earlier years   |             | 6,212,361                                     | 8,648,083                                     |
| <b>Balance Carried to Balance Sheet</b> |             | <b><u>6,290,580</u></b>                       | <b><u>6,212,361</u></b>                       |
| Basic/Diluted Earning Per Share         |             | 0.0024  | (0.0707)                                      |

**NOTES FORMING PART OF ACCOUNTS** XII

**AS PER OUR REPORT OF EVEN DATE  
FOR PRAVIN CHANDAK & ASSOCIATES  
Chartered Accountants  
Sd/-  
PRAVIN CHANDAK  
PARTNER  
M. NO. 049391**

**FOR AND ON BEHALF OF THE BOARD**

Sd/- **TANU AGRAWAL**      Sd/- **SALONI AGRAWAL**  
DIRECTOR                      DIRECTOR

Place : Mumbai  
Date : 30th May 2011

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

| PARTICULARS  | AS ON<br>31.03.2011<br>RUPEES | AS ON<br>31.03.2010<br>RUPEES |
|--|-------------------------------|-------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                        |                               |                               |
| Net profit Before Tax & extraordinary items                          | 113,194                       | (2,334,596)                   |
| <b>Add / (Less) Non cash items and items considered separately:-</b> |                               |                               |
| Miscellaneous Expenditure written off                                | 112,000                       | 112,000                       |
| Fixed Assets Written Off   | -                             | 2,549,862                     |
| <b>Operating Profit before Working Capital Changes</b>               | <b>225,194</b>                | <b>327,266</b>                |
| <b>Adjustment For working capital changes:-</b>                      |                               |                               |
| (Increase) / Decrease in Trade & Other Receivable                    | (57,226,085)                  | (16,755,478)                  |
| (Increase) / Decrease in Inventories                                 | 26,457,259                    | (47,027,200)                  |
| Increase / (Decrease) in Trade & Other Payable                       | 3,841                         | (949)                         |
| <b>Cash generated from operations</b>                                | <b>(30,539,791)</b>           | <b>(63,456,362)</b>           |
| Income tax refund/(paid)   | (1,104,381)                   | (63,233)                      |
| <b>Net Cash Flow From Operating Activities (A)</b>                   | <b><u>(31,644,172)</u></b>    | <b><u>(63,519,594)</u></b>    |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                        |                               |                               |
| Sale of Investment   | -                             | -                             |
| <b>Net Cash (Used In)/Generated From Investment Activities (B)</b>   | <b>-</b>                      | <b>-</b>                      |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                        |                               |                               |
| Shares Issued  | -                             | 93,000,000                    |
| Share Issue expenses   | -                             | (560,000)                     |
| Loans Borrowed /(Paid)   | -                             | (372,000)                     |
| <b>Net Cash (Used In)/Generated From Financing Activities (C)</b>    | <b>-</b>                      | <b><u>92,068,000</u></b>      |
| <b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b> | <b><u>(31,644,171)</u></b>    | <b><u>28,548,406</u></b>      |
| <b>Cash and Cash Equivalents at the Beginning of the year</b>        | <b>34,052,841</b>             | <b>5,504,435</b>              |
| <b>Cash and Cash Equivalents at the End of the year</b>              | <b><u>2,408,670</u></b>       | <b><u>34,052,841</u></b>      |

**Notes:-**

- (1) The Above cash flow statement has been prepared by using the indirect methods as per Accounting Standard-3, issued by Institute of Chartered Accountants of India.
- (2) The previous figure have been regrouped/ rearranged wherever necessary to confirm the current year' s classification.

**AS PER OUR REPORT OF EVEN DATE  
FOR PRAVIN CHANDAK & ASSOCIATES  
Chartered Accountants  
Sd/-  
PRAVIN CHANDAK  
PARTNER  
M. NO. 049391**

**FOR AND ON BEHALF OF THE BOARD**  
  
Sd/-  
**TANU AGRAWAL**  
DIRECTOR

Sd/-  
**SALONI AGRAWAL**  
DIRECTOR

Place : Mumbai  
Date : 30th May 2011

**SCHEDULES FORMING PART OF BALANCE SHEET**

| PARTICULARS   | AS AT<br>31.03.2011<br>RUPEES | AS AT<br>31.03.2010<br>RUPEES |
|---|-------------------------------|-------------------------------|
| <b>SCHEDULE - I :</b>   |                               |                               |
| <b>SHARE CAPITAL :</b>  |                               |                               |
| <b>AUTHORISED :</b>   |                               |                               |
| 3,60,00,000 Equity Shares of Rs. 5/- each                                       | <u>180,000,000</u>            | <u>180,000,000</u>            |
| <b>ISSUED, SUBSCRIBED &amp; PAID UP :</b>                                       |                               |                               |
| 3,30,35,380 Equity Shares of Rs. 5/- each fully paid up                         | 165,176,900                   | 165,176,900                   |
| <b>TOTAL RS.</b>  | <u>165,176,900</u>            | <u>165,176,900</u>            |
| <b>SCHEDULE - II :</b>  |                               |                               |
| <b>RESERVES &amp; SURPLUS</b>   |                               |                               |
| Capital Reserve   | 5,196,530                     | 5,196,530                     |
| General Reserve   | 362,649                       | 362,649                       |
| Profit & Loss Account   | <u>6,290,580</u>              | <u>6,212,361</u>              |
| <b>TOTAL RS.</b>  | <u>11,849,759</u>             | <u>11,771,540</u>             |
| <b>SCHEDULE - III :</b>   |                               |                               |
| <b>STOCK IN TRADE</b>   |                               |                               |
| <b>(As taken, valued &amp; certified by management)</b>                         |                               |                               |
| Shares  | 66,899,664                    | -                             |
| <b>TOTAL RS.</b>  | <u>66,899,664</u>             | <u>-</u>                      |
| <b>SCHEDULE - IV :</b>  |                               |                               |
| <b>CASH &amp; BANK BALANCES :</b>   |                               |                               |
| Cash in Hand  | 1,902,594                     | 1,527,800                     |
| Balance in Current Accounts with Schedule Banks                                 | 506,076                       | 16,144,859                    |
| Balance in Deposits Accounts with Schedule Bank<br>(Including Interest Accrued) | -                             | 16,380,182                    |
| <b>TOTAL RS.</b>  | <u>2,408,670</u>              | <u>34,052,841</u>             |
| <b>SCHEDULE - V:</b>  |                               |                               |
| <b>LOANS &amp; ADVANCES</b>   |                               |                               |
| Loans (Unsecured, considered good)  | 102,620,667                   | 46,083,957                    |
| Income Tax Refund   | 1,566,954                     | 497,548                       |
| Value Added Tax Refund  | 18,471                        | 18,471                        |
| Deposits  | 689,375                       | -                             |
| <b>TOTAL RS.</b>  | <u>104,895,467</u>            | <u>46,599,977</u>             |
| <b>SCHEDULE - VI:</b>   |                               |                               |
| <b>CURRENT LIABILITIES &amp; PROVISIONS :</b>                                   |                               |                               |
| Sundry Creditors for expenses   | 149,436                       | 144,407                       |
| Other Liabilities   | 197,723                       | 198,911                       |
| <b>TOTAL RS.</b>  | <u>347,159</u>                | <u>343,318</u>                |
| <b>SCHEDULE - VII:</b>  |                               |                               |
| Miscellaneous Expenditure   | 448,000                       | 560,000                       |
| Less: Written off   | <u>112,000</u>                | <u>112,000</u>                |
| <b>TOTAL RS.</b>  | <u>336,000</u>                | <u>448,000</u>                |



**SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT**

| <b>PARTICULARS</b>   | <b>For the<br/>Year Ended<br/>31.03.2011<br/>RUPEES</b> | <b>For the<br/>Year Ended<br/>31.03.2010<br/>RUPEES</b> |
|--|---|---|
| <b>SCHEDULE - VIII :</b>   |   |   |
| <b>INCOME FROM OPERATION</b>                                       |   |   |
| Finance Division   |   |   |
| Sale of Shares   | 166,905,819   | 64,633,097  |
| Interest on Loan   | 5,171,451   | 1,244,488   |
| Profit from Intraday Share trading                                 | 121,294   | -   |
| Professional Fees  | 6,300,000   | -   |
| IT Division  |   |   |
| Sale of Software & Hardware  | -   | 462,153,148   |
|  | <b><u>178,498,563</u></b>                               | <b><u>528,030,733</u></b>                               |
| <b>SCHEDULE - IX :</b>   |   |   |
| <b>OTHER INCOME</b>  |   |   |
| Interest on Fixed Deposits<br>(TDS Rs. 75,867/- P.Y. Rs. 42,243/-) | 758,674   | 422,425   |
| Misc Income  | 1,316   | -   |
|  | <b><u>759,990</u></b>                                   | <b><u>422,425</u></b>                                   |
| <b>SCHEDULE - X :</b>  |   |   |
| <b>COST OF GOODS SOLD :</b>  |   |   |
| Opening Stock  | 93,356,923  | 46,329,723  |
| Add : Purchases  |   |   |
| Software & Hardware  | -   | 462,222,802   |
| Shares   | 149,770,972   | 110,488,097   |
| Less : Closing Stock   | 66,899,664  | 93,356,923  |
|  | <b><u>176,228,231</u></b>                               | <b><u>525,683,699</u></b>                               |
| <b>SCHEDULE - XI :</b>   |   |   |
| <b>OPERATING &amp; OTHER EXPENSES :</b>                            |   |   |
| Salary to Staff  | 1,516,635   | 1,352,770   |
| Demat & Share Transfer Charges                                     | 80,722  | 402,001   |
| Director's Remuneration  | 122,000   | 122,000   |
| Telephone Expenses   | 23,441  | 16,558  |
| Rent   | 120,000   | 110,000   |
| Printing & Stationery  | 61,803  | 103,210   |
| Listing Fees   | 64,542  | 88,240  |
| Transportation   | 37,293  | 46,282  |
| Advertisement Expenses   | 18,680  | 17,637  |
| Auditors Remuneration  |   |   |
| As Auditor   | 25,000  | 16,545  |
| For Other services   | 17,030  | -   |
| Bank Charges   | 1,819   | 4,295   |
| Computer Hiring Charges  | 29,000  | -   |
| Custodian Fees   | 58,699  | -   |
| Conveyance Expenses  | 44,890  | 29,495  |

**SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT**

| <b>PARTICULARS</b>                   | <b>For the<br/>Year Ended<br/>31.03.2011<br/>RUPEES</b> | <b>For the<br/>Year Ended<br/>31.03.2010<br/>RUPEES</b> |
|--------------------------------------|---|---|
| Interest                             | 172,796   | 48,110  |
| Legal & Professional Fees            | 9,000   | 19,805  |
| Office Expenses                      | 3,000   | -   |
| Repairs & Maintenance                | 21,560  | 23,650  |
| ROC Expenses                         | 5,500   | 9,250   |
| STT & Other charges on share trading | 338,656   | 1,796   |
| Tea & Snacks for Staff               | 7,800   | 7,255   |
| Postage                              | 25,061  | 19,490  |
| DP Charges                           | 201   | -   |
| Electricity charges                  | -   | 3,800   |
| Sundry w/off                         | -   | 5   |
| <b>TOTAL RS.</b>                     | <b>2,805,128</b>  | <b>2,442,193</b>  |

**ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS**

**SCHEDULE XII:**

**1. SIGNIFICANT ACCOUNTING POLICIES :**

**(a) Basis of Preparation of Financial Statements**

The financial statements have been prepared on a going concern basis and on accrual basis, under the historical cost convention and in accordance with the generally accepted accounting principles, the accounting standards issued by the Institute of Chartered Accountants of India and provisions of the Companies Act, 1956, which have been adopted consistently by the Company.

**(b) Use of Estimates**

The preparation of financial statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**(c) Revenue recognition**

Revenue from sale of goods is recognized when significant risk and rewards of ownership are transferred to the customers. Sales are net of sales return and trade discount.

**(d) Fixed Assets**

Fixed Assets are stated at their historical costs less depreciation and upon provision of Impairment Losses duly recognized as per the provisions of AS28 issued by the Institute of Chartered Accountants of India. Cost of Acquisition is inclusive of taxes and other incidental expenses up to date, the assets are put to use.

**(e) Depreciation**

Depreciation on Fixed Assets has been provided on SLM basis for the period of use at the rates prescribed in Schedule XIV to the Companies Act, 1956.

**(f) Investments**

Long term investments are stated at cost, Provision for diminution in the value of long term investments is made only if such decline is of a permanent nature.

**(g) Inventories**

Inventories are valued at cost or net realizable value whichever is lower.

**(h) Retirement Benefits**

Provision for retirement benefits to employees was not provided on accrual basis, which is not in conformity with Accounting Standard-15 issued by ICAI and the amount has not been quantified because actuarial valuation report is not available. However, in the opinion of the management the amount involved is negligible and has no material impact on the Profit & Loss Account.

**(i) Foreign Currency Transactions**

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Exchange differences, if any arising out of transactions settled during the year are recognized in the profit and loss account. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date. The exchange difference, if any, are recognized in the profit and loss account and related assets and liabilities are accordingly restated in the Balance Sheet. During the period under review company has not entered into any foreign currency transaction.

**(j) Taxation**

Deferred tax for the year is recognized on timing difference, being the difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future, however when there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.

**(k) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**2. NOTES TO ACCOUNTS:****1. Additional information pursuant to part II of Schedule VI of the Companies Act,1956 :**

|  | <b>2010-2011<br/>(Rs.)</b> | <b>2009-2010<br/>(Rs.)</b> |
|--|----------------------------|----------------------------|
| <b>i) Payment to Directors :</b>   |                            |                            |
| Directors Remuneration   | 1,22,000                   | 122,000                    |
| <b>ii) Payment to Auditors :</b>   |                            |                            |
| Statutory Audit Fees   | 10,000                     | 10,000                     |
| Tax Audit Fees   | 6,000                      | 5,000                      |
| Other Matters  | 25,000                     | 0                          |
| Service Tax  | 4,223                      | 1,854                      |
| <b>Total</b>   | <b>45,223</b>              | <b>16,854</b>              |
| <b>iii) Earning in Foreign Exchange:</b>   | NIL                        | NIL                        |
| <b>iv) Expenditure in Foreign Exchange:</b>  | NIL                        | NIL                        |
| <b>v) Quantitative detail in respect of trading goods is enclosed in ANNEXURE "A".</b> |                            |                            |
| <b>vi) Other information are either NIL or Not Applicable.</b>                         |                            |                            |

**2. Contingent Liabilities not provided for :**

|  | <b>2010-2011<br/>(Rs.)</b> | <b>2009-2010<br/>(Rs.)</b> |
|--|----------------------------|----------------------------|
| Claims against the company not acknowledged as debts | NIL                        | NIL                        |
| Others   | NIL                        | NIL                        |

3. Balances of Loans and Advances, Sundry Creditors are subject to confirmation and reconciliation and consequential adjustments, if any.

4. In the opinion of the Board & to the best of their knowledge & belief the value of realisation of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet & the provisions for all the loans & determined liabilities is adequate and not in excess of the amount.

## Annual Report 2010-2011

### 5. The computation of Earning Per Share :

|   | 2010-2011<br>(Rs.) | 2009-2010<br>(Rs.) |
|---|--------------------|--------------------|
| Profit/ (Loss) Attributable to Equity Share Holders (After Tax) | 78218              | (24,35,722)        |
| Weighted Average Number of Equity Share (Nos.)                  | 33,035,380         | 33,035,380         |
| Basic/ Diluted Earning Per Share                                | 0.0024             | (0.0707)           |
| Face Value per Equity Share                                     | 5.00               | 5.00               |

### 6. Major Components of Deferred Tax Assets and Liabilities :

|  | 2010-2011<br>(Rs.) | 2009-2010<br>(Rs.) |
|--|--------------------|--------------------|
| 1) Deferred Tax Liability on account of Depreciation | NIL                | NIL                |
| 2) Deferred Tax Asset Long Term Capital Loss         | 28,34,017          | 28,34,017          |
| <b>Deferred Tax Assets</b>                           | <b>28,34,017</b>   | <b>28,34,017</b>   |

### 7. Related Party Transaction :

#### Key Management person :

Tanu Agrawal  
Saloni Agrawal

Transaction with Related Parties:-

Nil

8. Balance Sheet Abstract & Company's general business profiles as required by part IV of Schedule VI to the Companies Act, 1956 is enclosed in ANNEXURE "B".

9. As per information available with the Company, none of the creditors has confirmed that they are registered under the Micro, Small and Medium enterprises Development Act, 2006.

### 10. Segment Information :

The Company is engaged in single segment and there are no separate reportable segments as defined in AS-17.

11. Previous year's figures have been regrouped, rearranged and reclassified wherever necessary to conform to the current's classification/ presentation.

**AS PER OUR REPORT OF EVEN DATE  
FOR PRAVIN CHANDAK & ASSOCIATES**

**Chartered Accountants**

**Sd/-**

**PRAVIN CHANDAK  
PARTNER**

**M. NO. 049391**

**FOR AND ON BEHALF OF THE BOARD**

**Sd/-**

**TANU AGRAWAL SALONI AGRAWAL  
DIRECTOR DIRECTOR**

Place : Mumbai

Date : 30th May 2011

**Balance Sheet Abstract And Company's General Business Profile****I. Registration Details**

|                         |   |          |
|-------------------------|---|----------|
| i) Registration No.     | : | 019072   |
| ii) State Code          | : | 11       |
| iii) Balance Sheet Date | : | 31.03.11 |

**II Capital Raised During the Year (Rs.)**

|                       |   |     |
|-----------------------|---|-----|
| i) Public Issue       | : | NIL |
| ii) Right Issue       | : | NIL |
| iii) Bonus Issue      | : | NIL |
| iv) Private Placement | : | NIL |

**III. Position of Mobilisation and Development of Fund (Rs.)**

|                      |   |             |
|----------------------|---|-------------|
| i) Total Liabilities | : | 177,026,659 |
| ii) Total Assets     | : | 177,026,659 |

**Sources of Funds**

|                           |   |             |
|---------------------------|---|-------------|
| i) Paid up Capitals       | : | 165,176,900 |
| ii) Reserve & Surplus     | : | 11,849,759  |
| iii) Secured Loans        | : | -           |
| iv) Unsecured Loans       | : | -           |
| v) Deferred Tax Liability | : | -           |

**Applications of Funds**

|                                    |   |             |
|------------------------------------|---|-------------|
| i) Net Fixed Assets                | : | -           |
| ii) Deferred Tax Asset             | : | 2,834,017   |
| iii) Investments                   | : | -           |
| iv) Net Current Assets             | : | 173,856,642 |
| v) Miscellaneous Expense not w/off | : | 336,000     |

**IV. Performance of Company (Rs.)**

|                                    |   |             |
|------------------------------------|---|-------------|
| i) Turnover                        | : | 179,258,553 |
| ii) Total Expenditure              | : | 179,145,359 |
| iii) Profit before tax             | : | 113,194     |
| iv) Profit after tax               | : | 78,218      |
| v) Basic/Diluted Earning Per Share | : | 0.0024      |
| vi) Dividend Rate                  | : | 0%          |

**V. Generic Names of Three principle Products / Services of Company**

| <b>Product</b>         | <b>Code No.</b> |
|------------------------|-----------------|
| i) Shares & Securities | Nil             |

**FOR AND ON BEHALF OF THE BOARD**

**Sd/-**  
**TANU AGRAWAL**  
**DIRECTOR**

**Sd/-**  
**SALONI AGRAWAL**  
**DIRECTOR**

Place : Mumbai  
Date : 30th May 2011

**ANNEXURE "A"**  
**QUANTITATIVE INFORMATION OF TRADING GOODS FOR YEAR ENDED 31.03.11**

| Particulars            | Opening Balance |            | Purchase  |             | Sales     |             | Closing Balance |            |
|------------------------|-----------------|------------|-----------|-------------|-----------|-------------|-----------------|------------|
|                        | Quantity        | Value      | Quantity  | Value       | Quantity  | Value       | Quantity        | Value      |
| <b>Quoted Shares</b>   | 2154170         | 27,582,373 | 719,858   | 2,940,972   | 894,084   | 60,818,953  | 19,79944        | 15,872,864 |
| <b>Unquoted Shares</b> | 469,550         | 65,774,550 | 1,362,786 | 86,830,000  | 1,290,334 | 106,086,865 | 542,002         | 51,026,800 |
| <b>Grand Total</b>     | 2,623,720       | 93,356,923 | 2,082,644 | 149,770,972 | 2,184,418 | 166,905,818 | 2,521,946       | 66,899,664 |

**Rockon Fintech Limited**

**Regd. Off: E/109, Crystal Plaza, Andheri (West), Mumbai : 400053.**

**PROXY FORM**

Reg. Folio NO \_\_\_\_\_ No. of Shares: \_\_\_\_\_

D.P. I. D\* \_\_\_\_\_ Client ID\* \_\_\_\_\_

Affix Re. 1/- Revenue Stamp

I / we \_\_\_\_\_ of

\_\_\_\_\_ Being a share holder / shareholders of Rockon Fintech Limited hereby appoint \_\_\_\_\_ or failing him/her \_\_\_\_\_

as my/ our proxy to attend and vote for me / us and on my/ our behalf at the 35<sup>th</sup> Annual General meeting of the Company to be held on 8/08/2011 at 3:30 P.M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

|                                      |
|--------------------------------------|
| Affix<br>Re. 1/-<br>Revenue<br>Stamp |
|--------------------------------------|

Signature of the shareholder \_\_\_\_\_

Note: The Proxy form duly completed and signed must be deposited at the Registered office of the company not less than 48 hours before the time for holding the Meeting

\*Applicable for shares held in electronic form.

**Rockon Fintech Limited**

**Regd. Off: E/109, Crystal Plaza, Andheri (West), Mumbai : 400053.**

**ATTENDANCE SLIP  
35<sup>th</sup> Annual General Meeting**

Reg.Folio No. \_\_\_\_\_

No. of shares held \_\_\_\_\_

Name of the Attending Member \_\_\_\_\_

D.P.I.D\* \_\_\_\_\_ Client I.D.\* \_\_\_\_\_

I/We hereby record my/our presence at the 35<sup>th</sup> Annual General Meeting of the company at Regd. Off: E/109, Crystal Plaza, Andheri (west), Mumbai : 400053.

Signature of the shareholder(s),/Proxy/Representative \_\_\_\_\_

Note:

- 1) Member / proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and hand over the same duly signed at the entrance.
- 2) Member/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.



## BOOK POST

*If undelivered please return to:*

**Rockon Fintech Limited**  
**Regd. Off: E/109, Crystal Plaza,**  
**Andheri (west), Mumbai : 400053.**