

ROCKON FINTECH LTD

36TH ANNUAL REPORT

2011-2012

ROCKON FINTECH LTD

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

36th ANNUAL REPORT

BOARD OF DIRECTORS

SMT TANU AGARWAL	-	Whole Time Director
SHRIPRAVEENVASISHTH	-	Director
SHRITUSHARRANE -		Director
MSSALONIAGRAWAL	-	Director

BANKERS

AXIS BANK LTD	-	ANDHERI (WEST)
HDFCBANKLTD	-	ANDHERI (WEST)

AUDITORS:

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

REGISTAR & TRANSFER AGENT

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

CONTACT US

Web Site: www.rockonfintech.com
Email ID: rockonfintech123@gmail.com

NOTICE OF 36TH ANNUAL GENERAL MEETING

Notice is hereby given that the 36th Annual General Meeting of the Members of **ROCKON FINTECH LIMITED** will be held on Friday, 28th September, 2012 at 1:30 P.M at C-250, 2nd Floor, Oshiwara Industrial Estate, Opp. Goregaon Depot, Off Link Road, Goregaon (West), Mumbai: 400104 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts for the year ended on 31st, March 2012 and reports of Directors and Auditors thereon.
2. To appoint Saloni Agrawal as Director of the company, who retires by rotation and, being eligible, offers herself for reappointment.
3. To reappoint 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. Reclassification of Share Capital of the Company by Consolidating Face Value of shares from Rs. 1/- to Rs. 10/- each.

To consider and, if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT in accordance with the provisions of section 94 and other applicable provisions, if any of the Companies Act, 1956 and the provision of Article 55 of the Articles of Association of the Company and subject to approvals, consents, permission, and sections as may be necessary from the appropriate authorities or bodies the Issued Capital of Rs. 16,51,76,900/- (Rupees Sixteen Crores Fifty One Lacs Seventy Six Thousand Nine Hundred Only) consisting of 16,51,76,900 Equity Shares of Rs. 1/- (Rupees One Only) each be consolidated into 1,65,17,690 Equity Shares of Rs. 10/- (Rupees Ten Only) each by consolidating in such manner that every one of the existing shares of Rs. 1/- each shall constitute one share of Rs. 10/- each fully paid AND THAT Clause IV A (being Capital Clause) of the Memorandum 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 consolidated equity shares with new distinctive numbers, consequent to the consolidation 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), to give effect to the aforesaid resolution."

REGISTERED OFFICE
E/109, CRYSTAL PLAZA,
NEW LINK ROAD, ANDHERI (WEST),
MUMBAI: 400053.
DATED: 29/08/2012

BY ORDER OF THE BOARD

Sd/-
Smt. Tanu Giriraj Agarwal
Chairman /Whole Time Director

NOTES

- 1) 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.
- 2) The Register of Members and the Transfer Book of the Company will remain closed from to 26/09/2012 to 28/09/2012 (both days inclusive.)
- 3) Members / Proxies should bring attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of Annual Report.
- 4) 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.
- 5) 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, 2012 are enclosed herewith.
- 6) 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.
- 7) 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.
- 8) 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 4

The resolution seeks to consolidate the Company's share capital in a ratio of 1 share for every 10 shares held. If passed, this will result in the issued capital of the Company reducing from 16,51,76,900 shares of Rs. 1/- each to approximately 1,65,17,690 shares of Rs.10/- each. Individual holdings will be reduced in accordance with the consolidation ratio. The proposal requires shareholder approval by Ordinary Resolution.

The Board believes that the consolidation will make the Company more attractive to potential investors and that the consolidation will establish a share price that is more

appropriate for a listed entity of the Company's size. In addition, compared to its peers listed on the BSE, the Company has a very high number of shares on issue compared to its market capitalisation. As the consolidation applies equally to all members (subject only to the rounding of fractions), it will have no material effect on the percentage interest of each member in the Company. Furthermore, the aggregate value of each member's proportional interest in the Company should not materially change as a result of the consolidation (the only changes will be immaterial due to rounding). Theoretically the per share market price of each share following the consolidation should increase 10 times of its current value.

In reality, the actual effect on the per share market price will depend on a number of factors outside the control of the Company, and the market price following consolidation may be higher or lower than the theoretical post-consolidation price. The Board believes that the consolidation is fair and reasonable to the Company's shareholders as a whole, and that it will not prejudice the Company's ability to pay its creditors. The consolidation should have no tax implications for members whose shares are consolidated.

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DATED: 29/08/2012

BY ORDER OF THE BOARD

Sd/-
Smt. Tanu Giriraj Agarwal
Chairman

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.	Saloni Agrawal
Date of Birth.	21/09/1990
Date of Appointment.	24/07/2010
Expertise in any specific functional Area.	Finance and Taxation
Qualification	B.Com
Directorships held in other companies.(excluding foreign-Companies.)	1) Banas Finance Ltd 2) Kayaguru Health Solutions Limited.
Committee position held in other Companies.	Nil

ROCKON

BOARD OF DIRECTORS' REPORT

To
The Members

Your Directors present their 36th Annual Report with Audited Statement of Accounts for the year ended on March 31, 2012.

Financial Results

(Amt. In Lacs)

Particulars	Year Ended 31/03/2012	Year Ended 31/03/2011
Income	1403.10	1792.59
Profit before Dep. & Int.	5.28	2.86
Depreciation	0.00	0.00
Interest	0.00	1.72
Profit after Depreciation & Interest	5.28	1.13
Provision for Taxation	1.63	0.35
Provison for Tax (deferred)	0.00	0.00
Tax Adjustment for earlier years	0.00	0.00
Profit after Tax	3.65	0.78
Net profit/ (Loss)	3.65	0.78
Amount Available for Appropriation	3.65	0.78
Balance carried to Balance Sheet	3.65	0.78

FINANCIAL HIGHLIGHTS

During the year Company's total sales including other income is Rs 1403.10 Lacs as compared to Rs. 1792.59 Lacs in the previous year and thereby registering an decrease of 21.73% as compared to the previous year. However, the Net Profit after tax was Rs. 3.65 Lacs against Rs. 0.78 Lacs in the previous year, registering an increase of 367.95% 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 Miss Saloni Agrawal retire by rotation at the ensuing Annual General Meeting, and being eligible offers herself for reappointment.

During the year under consideration there was no change in composition of Board of Directors.

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 2012 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 2012 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 certificate 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.

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 2012 - 2013.

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, 2012, considered it desirable to sub-divide the nominal value of the equity portion of the authorised share capital of the Company from Rs.5/- to Rs. 1/- and same has been approved by members in last AGM.

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.

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.

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 RTA of the Company.

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 AND ON BEHALF OF THE BOARD

**PLACE: MUMBAI
DATED: 29/08/2012**

**Sd/-
Tanu Agarwal
Chairman**

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 Giriraj Agarwal as Whole Time Director, Ms. Saloni Agrawal as Non Executive Director Mr. Tushar Rane and Mr. Praveen 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 Directors hips	Committee Membership	
					Chairman	Member
Mrs. Tanu Giriraj Agarwal	W.T.D	6	Yes	9	-	6
Ms. Saloni Agrawal	N.E.D	5	Yes	2	-	2
Mr. Tushar Rane	I.N.E.D	6	No	3	2	10
Mr. Praveen Vasishth	I.N.E.D	6	No	3	4	8

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 31st March 2012, 6 Board Meetings were held on the following dates:

30/05/2011, 07/07/2011, 12/08/2011, 18/08/2011, 14/11/2011 and 14/02/2012.

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

The Committee met four times during the period ended 31st March 2012

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 alia 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. Praveen 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. Praveen Vasishth is the Chairman of the Committee.

a) Terms of reference:

The Committee was constituted to specifically look into the redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend.

b) Name and Designation of Compliance Officer: Mrs. Tanu Giriraj Kishor Agarwal.

E) REMUNERATION COMMITTEE

Remuneration Committee comprises of Mr. Praveen 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 31st March 2012 are given below.

Remuneration paid to Directors during the period ended 31st March 2012

NAME OF THE DIRECTOR	SALARY	PERQUISITES	CONTRIBUTION TO VARIOUS FUNDS	TOTAL
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
NIL	-	-	-	-

F) GENERAL BODY MEETINGS

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

Year/Period Ended	Date of Meeting	Time
31 st March 2009	21/09/2009	03:00 P.M.
31 st March 2010	25/08/2010	03:30 P.M.
31 st March 2011	08/08/2011	03:30 P.M.

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 36th Annual General Meeting of the Company will be held on 28/09/2012 at 1-.30 p.m.

(ii) Financial Calendar :

Last AGM held on	08/08/2011
First Quarter Results Declared	Second Week of August, 2011
Second Quarter Results Declared	Second Week of November, 2011
Third Quarter Results Declared	Second Week of February, 2012
Fourth Quarter Results Declared	Last Week of May, 2012

(iii) Book Closure date: 26/09/2012 to 28/09/2012 (Both days inclusive)

(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 644B01031 for Equity Shares.**

Stock Market Data at BSE:

Month	High	Low	Close	No. of Shares
April 2011	36.00	21.25	35.70	668266
May 2011	39.40	30.50	38.35	2124871
June 2011	37.90	22.95	26.20	4501196
July 2011	30.20	24.30	30.15	986596
August 2011	30.75	4.65	4.80	2658646
September 2011	5.44	3.98	4.31	5042829
October 2011	5.23	3.70	4.06	4069359
November 2011	6.15	4.35	5.77	44873638
December 2011	6.00	4.60	4.84	44810190
January 2012	4.90	2.06	2.06	10979575
February 2012	2.01	1.76	1.80	53571361
March 2012	1.83	1.69	1.72	53106034

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 Agarwal (Whole Time Director)

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

(XI) Distribution of Shareholding As On 31st March 2012

Shareholders			Shareholding	
No. of Shares	Nos.	%	Holding in Rs.	%
1-5000	2591	72.50	6522799	3.95
5001-10000	635	17.77	4858341	2.94
10001-20000	163	4.56	2568025	1.55
20001-30000	59	1.65	1489767	0.90
30001-40000	26	0.73	936050	0.57
40001-50000	21	0.59	1001000	0.61
50001-100000	19	0.53	1442936	0.87
100001- and above	60	1.68	146357982	88.61
Total	3574	100.00	165176900	100.00

(XII) Shareholding pattern as on 31st March 2012

Category		No. of Shares held	Percentage of Shareholding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	6645860	4.02
	- Foreign Promoters	-	-
2	Persons acting in concert	-	-

	Sub - Total	6645860	4.02
B	Non-Promoter's Holding	-	-
3	Institutional Investors	-	-
a)	Mutual Funds and UTI	-	-
b)	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non Government Institutions)	-	-
C	FII's	1000000	0.61
	Sub - Total	1000000	0.61
4	Others	-	-
a)	Private Corporate Bodies	91958303	55.67
b)	Indian Public	65440993	39.62
c)	NRI's/OCB's	127204	0.08
d)	Any Other (Please specify) - Clearing Members	4540	0.00
	Sub-Total	157531040	95.37
	Grand Total	165176900	100%

(XIII) DEMATERIALISATION OF SHARES.

As on 31st March 2012, 93.31% of the Company's Shares representing 154133250 Shares were held in dematerialized form and the balance 11043650 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 31st March, 2012.

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 centered 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.

INDUSTRY STRUCTURE AND DEVELOPMENT:

The Indian economy has witnessed all round growth in year 2011-12 and more growth and prosperity in coming future with increased investment in financial activities and financial Market.

Major developments have taken place for the past few decades in the financial market 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 THREATS:

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

Clients are more comfortable with uniform high quality and quick finance and security process across the enterprise.

The company since involved in Finance business for a very long time there are good prospects for expanding further activities in this direction.

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

There has been tremendous increase in the competition due to entry of new companies.

Cost of financing has also been on rise continuously.

INITIATIVES BY THE COMPANY

The company has taken following initiatives'

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

OUTLOOK

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

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 does 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 31st March 2012 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**

Sd/-
**PRAVIN CHANDAK
PARTNER
Membership No. 049391**

**Place: Mumbai.
Date: August, 29 2012**

AUDITOR'S REPORT

To
The Members
Rockon Fintech Limited

1. We have audited the attached Balance Sheet of Rockon Fintech Limited as at March 31, 2012 and also the Statement of Profit and Loss and 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 have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditors' Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of books of accounts and other records as we considered appropriate and as per the information and explanation provided to us by the Company management, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in Annexure referred to in paragraph 3 above, we report asunder:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of audit;
 - b. In our opinion, proper books of account as required by law, have been kept by the Company, so far as it appears from our examination of those books;
 - c. The Balance Sheet and the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-Section (3C) of Section 211 of the Companies Act, 1956 and/or Companies (Accounting Standards) Amendment Rules, 2008;
 - e. On the basis of written representation received from the directors of the Company as on March 31, 2012 and taken on record by the Board of

Directors, we report that none of the directors are disqualified as at March 31, 2012 from being appointed as 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 read together with the Significant Accounting Policies and Notes to Accounts, give the information as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India; In case of
- I. the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - II. the Statement of Profit and Loss, of the Profit for the year ended on that date; and
 - III. the Cash Flow Statement, of the cash flows for the year ended on that date.

**For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No. 116627W)**

**Sd/-
Pravin Chandak
Partner
Membership No. 049391**

**Place: Mumbai
Date: 29/08/2012**

ANNEXURE TO THE AUDITOR'S REPORT

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF ROCKON FINTECH LIMITED ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

- i. There are no fixed assets and therefore clause 4(i) of the order is not applicable.
- ii. (a) As informed to us, the inventories held in dematerialized form, 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.
- iii. The Company has not granted/taken any loans, secured or unsecured to/from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and therefore clause 4(iii) of the order is not applicable.
- iv. There are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the providing of services. During the course of our audit, no major weakness has been noticed in the internal control system.
- v. As informed, the particulars of Companies or arrangements referred to in Section 301 of the Act, that need to be entered into the register maintained u/s 301 has been so entered.
- vi. There are no public deposit accepted by the Company within the meaning of Section 58A and 58AA of the Companies Act, 1956 and therefore clause 4(vi) of the order is not applicable.
- vii. In our opinion, the Company has an internal audit system commensurate with size and nature of its business.
- viii. The Company does not belongs to list of Companies as prescribed under Section 209(1)(d) of the Companies Act,1956 and therefore clause 4(viii) of the order is not applicable.
- ix. a
The Company has been regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, value added tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues, as applicable to it, with the appropriate authorities.

The Company has no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees state insurance, income tax, value added tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues, as applicable to it, as on March 31, 2012 for the period of more than six months from the date they become payable.

- b. The Company has no disputed amount payable in respect of income tax, value added tax, wealth tax, service tax, custom duty, excise duty cess and other statutory dues, as applicable to it, which have not been deposited on account of any dispute
- x. The Company has no accumulated losses at the end of the financial year but it has incurred cash losses of Rs.33,49,135/- in the current financial year however it has not incurred in any cash loss in the immediately preceding financial year.
- xi. The Company has not borrowed any fund from financial institutions, banks or debenture holders and therefore clause 4(xi) of the order is not applicable.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and therefore clause 4(xii) of the order is not applicable.
- xiii. The Company is not a chit fund or a nidhi/ mutual benefit fund/ society and therefore clause 4(xiii) of the order is not applicable.
- xiv. 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.
- xv. The Company has not given any guarantee for loans taken by others from banks or financial institutions and therefore clause 4(xv) of the order is not applicable.
- xvi. The Company not obtained any term loans and therefore clause 4(xvi) of the order is not applicable.
- xvii. 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.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 and therefore clause 4(xviii) of the order is not applicable.
- xix. The Company has not issued any debentures and therefore clause 4(xix) of the order is not applicable.
- xx. 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.

xxi. During the year no fraud on or by the Company has been noticed or reported and therefore clause 4(xxii) of the order is not applicable.

**For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No.116627W)**

**Sd/-
Pravin Chandak
Partner
Membership No. 049391**

**Place: Mumbai
Date: 29/08/2012**

ROCKON

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 31st March, 2012 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

Sd/-

**Tanu Agarwal
Director/CEO**

**Place: Mumbai
Date: 29th August, 2012**

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 31st March 2012.

For Rockon Fintech Limited

**Sd/-
Tanu Agarwal
Director / CEO**

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

**Place: Mumbai
Date: 29th August, 2012**

ROCKON

ROCKON FINTECH LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2012

	NOTES	31ST MARCH, 2012	31ST MARCH, 2011
<u>EQUITY & LIABILITIES</u>			
<u>SHAREHOLDERS' FUNDS</u>			
Share Capital	2	16,51,76,900	16,51,76,900
Reserves and Surplus	3	1,22,14,582	1,18,49,758
<u>CURRENT LIABILITIES & PROVISIONS</u>			
Trade Payables	4	1,25,783	1,49,436
Other Current Liabilities	5	2,76,675	1,97,723
TOTAL		17,77,93,940	17,73,73,817
<u>ASSETS</u>			
Deferred Tax Assets		28,34,017	28,34,017
Long Term Loans and Advances	6	6,89,375	6,89,375
Other Non Current Assets	7	2,24,000	3,36,000
<u>CURRENT ASSETS</u>			
Inventories	8	3,80,08,019	6,68,99,664
Trade Receivables	9	52,00,094	-
Cash and Cash Equivalents	10	43,28,792	24,08,670
Short Term Loans and Advances	11	12,65,09,643	10,42,06,091
TOTAL		17,77,93,940	17,73,73,817
Notes Forming Part Of Financial Statement	1 - 26		

For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No.116627W)

For and on behalf of the Board of Directors
of ROCKON FINTECH LIMITED

Sd/-
Pravin Chandak
Partner
Membership No. 49391
Place : Mumbai
Date : 29/08/2012

Sd/-
Tanu Agarwal
Whole Time Director

Sd/-
Saloni Agrawal
Director

ROCKON FINTECH LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	NOTES	31ST MARCH, 2012	31ST MARCH, 2011
<u>INCOME</u>			
Revenue from Operations	12	13,33,77,724	17,33,27,112
Other Income	13	69,32,857	59,31,441
Total Income (I)		14,03,10,581	17,92,58,553
<u>EXPENSES</u>			
Purchase of traded goods		10,82,02,207	14,97,70,972
(Increase)/decrease in inventories of traded goods		2,88,91,645	2,64,57,259
Employee Benefits Expense	14	18,46,680	16,46,435
Auditors Remuneration	15	28,060	42,030
Other Expenses	16	8,14,025	12,28,664
Total Expenses (II)		13,97,82,617	17,91,45,359
Profit for the year before Tax	(I - II)	5,27,964	1,13,194
Tax Expenses			
Current Tax		1,63,140	34,976
Deferred Tax		-	-
Profit/(Loss) for the period		3,64,824	78,218
Earning per equity share			
Basic		0.002	0.0005
Diluted		0.002	0.0005
Notes Forming Part Of Financial Statement	1-26		

**For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No.116627W)**

**For and on behalf of the Board of Directors
of ROCKON FINTECH LIMITED**

Sd/-
Pravin Chandak
Partner
Membership No. 49391
Place : Mumbai
Date : 29/08/2012

Sd/-
Tanu Agarwal
Whole Time Director

Sd/-
Saloni Agrawal
Director

ROCKON FINTECH LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Year Ended 31st March, 2012		Year Ended 31st March, 2011	
Cash Flow from Operating Activities				
Profit Before Tax and Extraordinary items (As per Profit and Loss Account)		5,27,964		1,13,194
Adjustments for:				
Miscellaneous Expenditure written off		1,12,000		1,12,000
Operating Profit before Working Capital Changes		6,39,964		2,25,194
Adjustments for:				
(Increase)/Decrease in Inventories	2,88,91,645		2,64,57,259	
(Increase)/Decrease in Sundry Debtors	(52,00,094)		(5,72,26,085)	
(Increase)/Decrease in Other Receivable	(2,17,81,092)		-	
Increase/(Decrease) in Current Liabilities & Provision	55,299	19,65,758	3,841	(3,07,64,985)
Cash Generated From Operations		26,05,721		(3,05,39,791)
Less: Income Tax Paid		6,85,600		11,04,381
Net Cash from / (Used in) Operating Activities - A		19,20,122		(3,16,44,172)
Net Cash from / (Used in) Investing Activities - B		-		-
Net Cash from Financial Activities - C		-		-
Net Increase/ Decrease in Cash and Cash Equivalents (A+B+C)		19,20,122		(3,16,44,172)
Cash and Cash Equivalents - Opening Balance		24,08,670		3,40,52,842
Cash and Cash Equivalents - Closing Balance		43,28,792		24,08,670

For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No.116627W)

**For and on behalf of the Board of Directors
of ROCKON FINTECH LIMITED**

Sd/-
Pravin Chandak
Partner
Membership No. 49391
Place : Mumbai
Date : 29/08/2012

Sd/-
Tanu Agarwal
Whole Time Director

Sd/-
Saloni Agrawal
Director

ROCKON FINTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT AS AT 31ST MARCH, 2012

PARTICULARS	31ST MARCH, 2012	31ST MARCH, 2011
2 Share Capital		
<u>Authorised</u>		
18,00,00,000 Equity Shares of Rs. 1 each (Previous year 36,000,000 Equity Shares of Rs. 5 each)	18,00,00,000	18,00,00,000
Total Authorised Share Capital	18,00,00,000	18,00,00,000
<u>Issued, Subscribed and Paid up</u>		
16,51,76,900 Equity Shares of Rs. 1 each (Previous year 33,035,380 Equity Shares of Rs. 5 each)	16,51,76,900	16,51,76,900
Total Issued, Subscribed And Fully Paid Up Share Capital	16,51,76,900	16,51,76,900

Equity shares of Rs. 5 each were sub divided in Equity Shares of Rs. 1 each during the year

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity shares of Rs. 1 each

	31st March, 2012		31st March, 2011	
	Numbers	Rs.	Numbers	Rs.
At the beginning of the period	16,51,76,900	16,51,76,900	16,51,76,900	16,51,76,900
Issued during the period	-	-	-	-
Bought back during the period	-	-	-	-
Outstanding at the end of the period	16,51,76,900	16,51,76,900	16,51,76,900	16,51,76,900

b. Terms/rights attached to equity shares

The Company has only one class of Equity Shares having par value of Rs. 1 Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors are subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the

	31st March, 2012		31st March, 2011	
	Numbers	% holding in the class	Numbers	% holding in the class
Equity shares of Rs. 1 each fully paid				
Arihant Capital Mkt. Ltd	1,21,93,451	7.38	-	-
Asthvinayak Stock Broking Pvt. Ltd.	93,87,000	5.68	-	-
	2,15,80,451	13.07	-	-

ROCKON FINTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT AS AT 31ST MARCH, 2012

PARTICULARS	31ST MARCH, 2012	31ST MARCH, 2011
3 Reserve & Surplus		
Capital Reserve		
Balance as per last financial statements	51,96,530	51,96,530
Less: Utilised for bonus issue/fresh equity shares	-	-
Closing balance	51,96,530	51,96,530
General reserve		
Balance as per last financial statements	3,62,649	3,62,649
Less: Utilised for bonus issue/fresh equity shares	-	-
Closing balance	3,62,649	3,62,649
Surplus/(deficit) in the Statement of Profit and Loss		
Balance as per last financial statements	62,90,579	62,12,361
Profit/ (loss) for the year	3,64,824	78,218
Less: Appropriations	-	-
Closing balance	66,55,403	62,90,579
Total Reserves And Sur plus	1,22,14,582	1,18,49,758
4 Trade Payables		
Trade payables	1,25,783	1,49,436
Total Trade Pa yables	1,25,783	1,49,436
5 Other Current Liabilities		
Duties and taxes payable	2,76,675	1,97,723
Total Other Current Liabilities	2,76,675	1,97,723

ROCKON FINTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT AS AT 31ST MARCH, 2012

PARTICULARS	31ST MARCH, 2012	31ST MARCH, 2011
6 <u>Long Term Loan and Advances</u>		
Unsecured, Considered Good		
Security deposits	6,89,375	6,89,375
Total Long Term Loan And Advances	6,89,375	6,89,375
7 <u>Other Non Current Assets</u>		
Miscellaneous Expenditure	2,24,000	3,36,000
Total Other Non Current Assets	2,24,000	3,36,000
8 <u>Inventories</u>		
(As certified by management)		
Stock-in-trade	3,80,08,019	6,68,99,664
Total Inventories	3,80,08,019	6,68,99,664
9 <u>Trade Receivables</u>		
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment	52,00,094	-
Others		
Unsecured, considered good	-	-
Total Trade Receivables	52,00,094	-
10 <u>Cash and Cash Equivalents</u>		
Cash on hand	4,24,848	19,02,594
Balance with bank	39,03,944	5,06,076
Total Cash And Cash E quivalents	43,28,792	24,08,670
11 <u>Short Term Loans and Advances</u>		
Loan and advances		
Loans and advances to related parties	-	-
Loans and advances to Others	12,44,01,759	10,26,20,667
Balance with statutory/government authorities	21,07,884	15,85,424
Total Short Term Loans And Advances	12,65,09,643	10,42,06,091

ROCKON FINTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT AS AT 31ST MARCH,

PARTICULARS	31ST MARCH, 2012	31ST MARCH, 2011
12 Revenue From Operations		
Sales	13,26,26,349	16,69,05,819
Professional Fees	9,00,000	63,00,000
Profit/(Loss) on Share Trading	(1,48,626)	1,21,294
Total Revenue from Operations	13,33,77,724	17,33,27,112
13 Other Income		
Dividend	26,150	-
Misc. Income	-	1,316
Interest	69,06,707	59,30,125
Total Other Income	69,32,857	59,31,441
14 Employee benefit expenses		
Salaries	18,38,000	16,38,635
Staff welfare expenses	8,680	7,800
Total Employee Benefit Expenses	18,46,680	16,46,435
15 Auditors Remuneration		
As Audit fee	28,060	25,000
For Certification	-	17,030
Total Auditors Remuneration	28,060	42,030
16 Other Expenses		
Transaction Charges	1,70,877	3,38,656
Demat & Share Transfer Charges	56,068	80,923
Listing Fees	50,000	64,542
Bank charges	3,704	1,820
Computer Hiring Charges	29,000	29,000
Custodian Fees	87,813	58,699
Advertisement Expenses	16,257	18,680
Interest	-	1,72,796
Electricity charges	20,430	-
Postage & Courier	15,089	25,061
Printing & Stationery	38,287	61,803
Repairs & Maintenance	18,390	21,560
Rent , Rates & Taxes	1,20,000	1,20,000
ROC Expenses	2,000	5,500
Office Expenses	-	3,000
Telephone Expenses	6,695	23,441
Travelling & Conveyance	14,415	82,183
Legal & Professional Fees	53,000	9,000
Miscellaneous Expenditure written off	1,12,000	1,12,000
Total Other Expenses	8,14,025	12,28,664

ROCKON FINTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of financial statements

The financial statements are prepared in accordance with Generally Accepted Accounting Principles ("GAAP") in India under the historical cost convention, on accrual basis. GAAP comprises mandatory Accounting Standards issued by the Companies (Accounting Standards) Amendment Rules, 2008 and the relevant provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

b) Use of Estimates

The Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to the accounting estimates is recognized prospectively.

c) Revenue recognition

1. Income from Operation is recognised upon transfer of significant risks and rewards of ownership to the buyer.
2. Other Income 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.
3. Dividend is recognised when the shareholders' right to receive payment is established at the balance sheet date.

d) Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress includes expenditure incurred till the assets are put into intended use.

e) Depreciation

Depreciation is provided using the Straight Line Method at the rates and in the manner as prescribed under schedule XIV of the Companies Act, 1956. In case of Software, the same is amortized over a period of five years.

f) **Impairment of assets**

The carrying amounts of assets are reviewed at each balance sheet dates and if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to extent of the carrying value of the asset that would have been determined (net of amortization / depreciation), had no impairment loss been recognized.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) **Investments**

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost or fair value determined on individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary decline in the value of the investments.

h) **Employee 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) **Taxation**

Tax expense comprises of current income tax and deferred income tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date, the Company re-assesses unrecognised deferred tax assets. It recognizes unrecognised deferred tax assets to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. Minimum Alternative Tax (MAT) credit is recognised as an asset and carried forward only if

there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

j) Foreign Currency Transactions

Transactions in foreign currency are recorded at the rate of exchange in force on the date of the transactions. Current assets and Current liabilities in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet.

Any income or expenses on account of exchange difference either on settlement or on translation is recongnised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

k) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

l) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Possible future obligations or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, is disclosed as contingent liabilities in the notes to accounts of financial statements.

Contingent Assets are neither recognized nor disclosed in the financial statements.

m) Cash Flow Statement

Cash flow statement has been prepared under the 'Indirect Method'. Cash and cash equivalents, in the cash flow statement comprise unencumbered cash and bank balances.

ROCKON FINTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

17. CONTINGENT LIABILITY:

	<u>2011-2012</u> <u>Amount in Rs.</u>	<u>2010-2011</u> <u>Amount in Rs.</u>
Contingent Liabilities not provided for	NIL	NIL

18. EARNING PER SHARE:

Earning per Share, as required by the Accounting Standard 20- "Earning Per Share" issued by the Institute of Chartered Accountants of India, is given below:

Particulars	<u>2011-12</u> <u>Amount in Rs.</u>	<u>2010-11</u> <u>Amount in Rs.</u>
Net profit for the period attributable to Equity Shareholders	3,64,824	78,218
Weighted Average No of Equity shares	16,51,76,900	16,51,76,900
Basic and Diluted Earning Per Shares (face value of Rs. 1/-each)(Rs.)	0.002	0.0005

19. RELATED PARTY TRANSACTION:

List of Related Parties:-

a) Key Management person

- i) Saloni Agrawal
- ii) Tanu Agarwal

Transaction with Related Parties:-

Nature of Transaction	<u>2011-2012</u> <u>Amount in</u> <u>(Rs.)</u>	<u>2010-11</u> <u>Amount in Rs.</u>
Rent	1,20,000	1,20,000

20. MAJOR COMPONENTS OF DEFERRED TAX LIABILITIES:

	<u>2011-2012</u> <u>Amount in Rs.</u>	<u>2010-2011</u> <u>Amount in Rs.</u>
Deferred Tax Assets on carry forward losses	28,34,017	28,34,017
Deferred Tax Assets	28,34,017	28,34,017

21. Income in Foreign Currency NIL
22. Expenditure in Foreign Currency NIL
23. 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.
24. Debtors, Creditors, loan and advances balances are subject to confirmation and reconciliation.
25. Segment Information: The Company is engaged in single segment and there are no separate reportable segments as defined in AS-17.
26. 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**

**FOR AND ON BEHALF OF THE BOARD
of Rockon Fintech Limited**

**Sd/-
Pravin Chandak
Partner
M. No. 049391
Firm Registration No. 116627W
Place: Mumbai
Date: 29/08/2012**

**Sd/-
Tanu Agarwal
Director**

**Sd/-
Saloni Agrawal
Director**

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* _____

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 36th Annual General meeting of the Company to be held on
28/09/2012 at 1:30 P.M. and at any adjournment thereof.

Signed this _____ day of _____ 2012

Affix
Re. 1/-
Revenue
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

36th 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 36th Annual General Meeting of the company at C-250, 2nd Floor, Oshiwara Industrial Estate, Opp. Goregaon Depot, Off Link Road, Goregaon (West), Mumbai: 400104

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.

Web Site: www.rockonfintech.com

Email ID: rockonfintech123@gmail.com