

# ROCKON FINTECH LIMITED

## 37<sup>TH</sup> ANNUAL REPORT

**2012-2013**

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

# ROCKON FINTECH LIMITED

Registered Office: - E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai: 400053.

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## 37<sup>th</sup> ANNUAL REPORT

### BOARD OF DIRECTORS

Smt. Tanu Giriraj Kishor Agarwal	-	Whole Time Director
Ms. Saloni Girraj Kishor Agrawal	-	Director
Shri. Praveen Vidhyashankar Vasisht	-	Director
Shri. Tushar Ramchandra Rane	-	Director

### BANKERS

Axis Bank Ltd	-	Andheri (West)
Hdfc Bank Ltd	-	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](http://www.rockonfintech.com)  
Email ID: [rockonfintech123@gmail.com](mailto:rockonfintech123@gmail.com)

## NOTICE OF 37<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 37<sup>th</sup> Annual General Meeting of the Members of **ROCKON FINTECH LIMITED** will be held on Monday, 30<sup>th</sup> September, 2013 at the Registered Office of the Company at E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai : 400053 at 5:30 P.M to transact the following business:

### ORDINARY BUSINESS:

1. To Receive, Consider and Adopt the Audited Accounts for the year ended on 31<sup>st</sup> March, 2013 and Reports of Directors and Auditors thereon.
2. To Re-appoint Praveen Vidhyashankar Vasishth as Director of the company, who retires by rotation and, being eligible, offers himself for reappointment.
3. To Re-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.

### REGISTERED OFFICE

E/109, Crystal Plaza,  
New Link Road, Andheri (West),  
Mumbai: 400053.  
Dated: 28/08/2013

### 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 25/09/2013 to 30/09/2013 (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, 2013 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.

**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.	Mr. Praveen Vidyashankar Vasishth
Date of Birth.	12/01/1971
Date of Appointment.	30/06/2002
Expertise in any specific functional Area.	Finance and Taxation
Qualification	B.Com
Directorships held in other Companies (Excluding Foreign Companies.)	1) Banas Finance Limited 2) Five X Finance & Investment Limited 3) Out Of City Travel Solutions Limited 4) Shree Nath Commercial & Finance Limited
Committee position held in other Companies.	1) Member of Audit, Remuneration and Share Transfer Committee of M/s. Banas Finance Limited 2) Member of Audit, Remuneration and Share Transfer Committee of M/s. Five X Finance & Investment Limited 3) Chairman & Member of Audit, Remuneration and Share Transfer Committee of M/s. Out of City Travel Solutions Limited 4) Member of Audit, Remuneration and Share Transfer Committee of M/s. Shree Nath Commercial & Finance Limited

# **BOARD OF DIRECTORS' REPORT**

To  
The Members

Your Directors present their 37<sup>th</sup> Annual Report with Audited Statement of Accounts for the year ended on March 31, 2013.

## **Financial Results**

(Amt. In Lacs)

Particulars	Year Ended 31/03/2013	Year Ended 31/03/2012
Income	347.15	1403.10
Profit before Dep. & Int.	(25.82)	5.28
Depreciation	0.00	0.00
Interest	0.00	0.00
Profit after Depreciation & Interest	(25.82)	5.28
Provision for Taxation	0.00	1.63
Provison for Tax (deferred)	28.34	0.00
Tax Adjustment for earlier years	0.00	0.00
Profit after Tax	(54.16)	3.65
Net profit/ (Loss)	(54.16)	3.65
Amount Available for Appropriation	(54.16)	3.65
Balance carried to Balance Sheet	(54.16)	3.65

## **FINANCIAL HIGHLIGHTS**

During the year Company's total income including other income is Rs.347.15 Lacs as compared to Rs.1403.10 Lacs in the previous year and thereby registering decrease of 75.26% as compared to the previous year. The Company has registered a Net Loss of Rs.(54.05) Lacs as against Last year's Net Profit of 3.65 Lacs registering decrease of 1580.82% as compared to the previous year.

## **DIVIDEND**

Since the Company has registered loss, No dividend could be declared.

## **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Mr. Praveen Vidyashankar Vasishth retire by rotation at the ensuing Annual General Meeting, and being eligible offers himself 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 58A of The Companies Act, 1956.

## **FOREIGN EXCHANGE**

There is no inflow and outflow of Foreign Exchange.

## **CONSOLIDATION OF SHARE CAPITAL**

During the year under consideration the management of the Company with the view to make the Company more attractive to potential investors, reclassified the Share Capital of the Company by Consolidating the Share Capital in a ratio of 1 share for every 10 shares held, with firm belief that the consolidation will establish the 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. Consequently the Issued Capital of the Company reduced from 16,51,76,900 shares of Rs. 1/- each to approximately 1,65,17,690 shares of Rs.10/- each. The members had accorded their approval for the same in duly conveyed AGM held on 28/09/2012.

The Consolidation did not have any material impact on percentage of holdings of each member. The only immaterial changes occurred was due to rounding off, for which Company has paid the Cash to the respective members for balance of their portion not rounded off in multiples of ten.

## **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 31<sup>st</sup> March, 2013 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 31<sup>st</sup> March, 2013 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 2013 – 2014.

## **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: 28/08/2013

Sd/-  
Tanu Agarwal  
(Whole Time Director)

Sd/-  
Saloni Agrawal  
(Director)

# CORPORATE GOVERNANCE REPORT

## A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company firmly believes in and has adopted the best policies of Corporate Governance to ensure transparency, professionalism and accountability in its dealing with shareholders, customers, creditors, Employees and every person who comes in contact with the Company.

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 Company has Executive Chairman and number of Non-Executive Directors is more than 50% of total number of Directors on Board.

The strength of the Board is of 4 Directors. The Board 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 Independent & Non Executive Directors.

None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 committees as specified in the Clause 49 of Listing Agreement. Necessary disclosures regarding committee positions have been made by the directors.

The Senior Management has made disclosures to the board confirming that there are no material, financial or commercial transactions between them and the Company, which could have potential conflict of interest with Company at large.

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 Directorships	Committee Membership	
					Chairman	Member
Mrs. Tanu Giriraj Agarwal	W.T.D	11	Yes	9	-	6
Ms. Saloni Agrawal	N.E.D	7	No	3	-	-
Mr. Tushar Rane	I.N.E.D	5	Yes	5	2	10
Mr. Praveen Vasishth	I.N.E.D	7	No	4	4	10

W.T.D Whole Time Director

N.E.D Non Executive Director

I.N.E.D Independent & Non Executive Director

**Notes:** During the period ended 31st March 2013, 11 Board Meetings were held on the following dates:

17/05/2012, 22/06/2012, 26/06/2012, 29/06/2012, 14/08/2012, 29/08/2012, 18/10/2012, 12/11/2012, 12/02/2013, 21/02/2013 and 30/03/2013.

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, (Independent & Non-Executive Director) as Chairman of Audit Committee, Mr. Tushar Rane (Independent & Non-Executive Director) and Ms. Saloni Agrawal (Non-Executive Director) are committee members

Mrs. Tanu Giriraj Agarwal Compliance officer is the Secretary of the Committee.

The Committee met four times during the period ended 31<sup>st</sup> March, 2013.

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. 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 31<sup>st</sup> March 2013 are given below.

#### Remuneration paid to Directors during the period ended 31<sup>st</sup> March 2013

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 <sup>st</sup> March 2010	25/08/2010	03:30 P.M.
31 <sup>st</sup> March 2011	08/08/2011	03:30 P.M.
31 <sup>st</sup> March 2012	28/09/2012	01:30 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 37<sup>th</sup> Annual General Meeting of the Company will be held on 30/09/2013 at 05.30 p.m.

(ii)

<b>Financial Calendar</b>	:	<b>Last AGM held on 28/09/2012</b>
First Quarter Results Declared	:	Second Week of August, 2012
Second Quarter Results Declared	:	Second Week of November, 2012
Third Quarter Results Declared	:	Second Week of February, 2013
Fourth Quarter Results Declared	:	Last Week of May, 2013

(iii) **Book Closure Dates:** 25/09/2013 to 30/09/2013 (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** INE644B01049 for Equity Shares.

### Stock Market Data at BSE:

Month	High	Low	Close	No. of Shares
April 2012*	1.89	1.67	1.83	1152252
May 2012*	1.94	1.09	1.10	1066519
June 2012*	1.33	0.89	1.27	578957
July 2012*	1.76	1.20	1.61	756453
August 2012*	1.95	1.51	1.61	1427751
September 2012*	1.69	1.16	1.26	223699
October 2012*	1.42	1.06	1.42	70753
November 2012**	16.00	1.35	13.22	15446
December 2012**	18.29	13.25	13.25	133478
January 2013**	13.85	10.13	10.13	14718
February 2013**	11.10	9.13	9.13	52595
March 2013**	10.55	5.40	5.40	61008

\* Face value of Rs.1/- each.

\*\* Face value of Rs.10/- each

(Share Capital of the Company has been consolidated from Rs.1/- each to Rs.10/- w.e.f 05/11/2012 (Record Date))

**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 31<sup>st</sup> March, 2013**

Shareholders			Shareholding	
No. of Shares	Nos.	%	Holding in Rs.	%
1 - 5000	2525	71.15	6413100	3.88
5001 - 10000	645	18.17	4897830	2.97
10001 - 20000	168	4.73	2622820	1.59
20001 - 30000	70	1.97	1744330	1.06
30001 - 40000	26	0.73	945920	0.57
40001 - 50000	23	0.65	1069140	0.65
50001 - 100000	25	0.70	1847260	1.12
100001 - and above	67	1.89	145636500	88.17
<b>Total</b>	<b>3549</b>	<b>100.00</b>	<b>165176900</b>	<b>100.00</b>

**(XII) Shareholding pattern as on 31<sup>st</sup> March, 2013**

Category	No. of Shares held	Percentage of Shareholding
<b>A</b> Promoter's Holding		
1 Promoters		
- Indian Promoters	664586	4.02
- Foreign Promoters	-	-
2 Persons acting in concert	-	-
Sub - Total	664586	4.02
<b>B</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)	-	-
<b>C</b> FII's	100000	0.61

	<b>Sub – Total</b>	<b>100000</b>	<b>0.61</b>
4	Others	-	-
a)	Private Corporate Bodies	6251977	37.85
b)	Indian Public	9489578	57.45
c)	NRI's/OCB's	11549	0.07
d)	Any Other (Please specify) - <b>Clearing Members</b>	0	0.00
	Sub-Total	15853104	95.98
	<b>Grand Total</b>	<b>16517690</b>	<b>100%</b>

**(XIII) DEMATERIALISATION OF SHARES.**

As on 31<sup>st</sup> March 2013, 87.57% of the Company's Shares representing 1,44,63,781 Shares were held in dematerialized form and the balance 20,53,909 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.

Rockon

# **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, 2013.

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 2012-13 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 competition, etc, under Finance Sector.

## **SUBSIDIARY COMPANY**

As there are no subsidiaries of the Company, Investment made in Subsidiaries is NIL.

## **RISKS AND CONCERNS**

The Company is exposed to specific risks that are particular to its business and the environment, within which it operates, including interest rate volatility, economic cycle, market risk and credit risk .The Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk management practices.

## **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.
- Regulatory Changes

### **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.

### **SEGMENT-WISE PERFORMANCE**

The Company operates in single reported segment with main business of Investments & Inter Corporate Deposit to the Corporate Sector.

### **OUTLOOK**

The Indian economy is firmly on the recovery path and the key indicators support the perception of a consolidating recovery. The improved performance of the industrial and services sector is also reflected in the improved profitability in the corporate sector. Acceleration of reforms and capital inflows will spur investment; however, the risks from high inflation, higher cost of capital arising from high fiscal deficit and exit from the expansionary monetary policy could have a dampening effect on the growth.

With strengthening of the economy and stable economic environment, the Indian capital market is expected to perform well. With strengthening of the economy and stable economic environment, the Indian capital market is expected to perform well.

A significant portion of the Company's income arises from investment and trading operation, which are largely dependent on the conditions of the stock market. The stock market activity depends largely upon the economic growth momentum and a combination of several factors like low inflation, growing domestic savings, surging portfolio investments into India etc. The unusual developments in the global economy indicate heightened uncertainties and new challenges for the emerging market economies like India.

The management is of the view that the company will be able to reasonably perform in the context of given economic environment by continuing its efforts to reach new client segment with the service capability.

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

1. The Company has a proper and adequate system of controls in order to ensure that all assets are safeguarded against loss from unauthorized use or disposal.
2. Regular Internal Audit checks are carried out to ensure that the responsibilities are executed effectively and that proper and adequate systems are in place.
3. Compliance of the Company with applicable statutes, policies procedures, listing requirements and management guidelines.

4. All transactions are properly checked, verified, recorded and reported correctly.
5. Adherence to applicable accounting standards and polices.

**HUMAN RESOURCES/INDUSTRY RELATIONS:**

- The Management believes in maintaining cordial relations with its employees. The management recognizes the importance of Human Resources and effective steps will be taken to strengthen the same depending on the requirements.
- 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 31<sup>st</sup> March, 2013 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 Pravin Chandak & Associates  
Chartered Accountants  
(Firm Registration No. 116627W)

Sd/-  
Pravin Chandak  
(Partner)  
Membership No. 049391

Place: Mumbai  
Date: 30/05/2013



# **AUDITOR'S REPORT**

To  
The Members of,  
Rockon Fintech Limited

## **Report on the Financial Statements**

We have audited the accompanying financial statements of Rockon Fintech Limited ("The Company") which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended March 2013, and a summary of significant accounting policies and other explanatory information.

## **Management's Responsibility for the Financial Statements**

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

## **Auditor's Responsibility**

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

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

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

## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March, 2013.
- (b) In the case Statement of Profit and Loss Account, of the loss for the year ended March, 2013 and
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended March, 2013.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that :
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c. The Balance Sheet and Statement of Profit and Loss 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, comply with the Accounting Standards referred to in sub-section (3C) of section 211 of Companies Act, 1956.
  - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For Pravin Chandak and Associates**  
**Chartered Accountants**  
**Firm Registration No: 116627W**

Sd/-  
**Pravin Chandak**  
**Partner**  
**Membership Number: 049391**  
**Place: Mumbai**  
**Date: 30<sup>th</sup> May, 2013**

## **ANNEXURE TO THE AUDITOR'S REPORT ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013**

(Referred to in point 1 of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of Rockon Fintech Limited on the financial statements for the year ended 31<sup>st</sup> March, 2013)

1. There are no fixed assets and therefore clause 4(i) of the order is not applicable.
2. As informed to us, the inventories held in dematerialized form, have been verified by the management with supportive evidence during the year. In our opinion the frequency of verification is reasonable. 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. 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 granted unsecured loans to 7 parties covered in the register maintained under Section 301 of the Companies Act, 1956, the maximum amount outstanding at any time during the year was Rs. 1.40 Crores and the yearend balance is Rs. NIL.
  - (b) In our opinion and according to the information and explanations given to us, the terms and conditions of the loans given by the Company are not prima facie prejudicial to the interest of the Company.
  - (c) No stipulations have been made for the recovery of the loans hence clause 4 (iii) (c) is not applicable to the company.
  - (d) No stipulations have been made for recovery of the loans given by the company hence clause 4(iii) (d) is not applicable to the company.
  - (e) The Company has taken interest free unsecured loans from 2 parties covered in the register maintained under Section 301 of the Companies Act 1956, the maximum amount outstanding at any time during the year was Rs. 1.18 Crores and the yearend balance is Rs. NIL.
  - (f) In our opinion and according to the information and explanations given to us, the terms and conditions of the loans taken by the Company are not prima facie prejudicial to the interest of the Company.
  - (g) No stipulations have been made for the repayment of the loans hence clause 4(iii) (g) is not applicable to the company.
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 (Share), 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 there under 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. Accumulated losses of the company as at 31st March, 2013 do not exceed fifty percent of its net worth at the end of the financial year. The company has incurred cash losses of Rs. 23, 47,313 during the financial year covered by our audit and had not incurred any cash losses 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 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. According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
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 and Associates**  
**Chartered Accountants**  
**Firm Registration No: 116627W**

**Sd/-**  
**Pravin Chandak**  
**Partner**  
**Membership Number: 049391**

**Place: Mumbai**  
**Date: 30<sup>th</sup> May, 2013**

Rockon

# **CEO / CFO CERTIFICATION**

The Board of Directors,  
ROCKON FINTECH LIMITED  
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, 2013 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 Giriraj Kishor Agarwal  
(Director / CEO)

Place: Mumbai  
Date: 28<sup>th</sup> August, 2013

# **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 2013.

For Rockon Fintech Limited

Sd/-  
Tanu Giriraj Kishor Agarwal  
(Director / CEO)

**REGISTERED OFFICE:**

E-109, Crystal Plaza,  
New Link Road, Opp Infinity Mall,  
Andheri (West), Mumbai- 400 053  
Place: Mumbai  
Date: 28<sup>th</sup> August, 2013

Rockon

# ROCKON FINTECH LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

(Amounts in Indian Rs.)

	NOTES	31ST MARCH, 2013	31ST MARCH, 2012
<b><u>EQUITY &amp; LIABILITIES</u></b>			
<b><u>SHAREHOLDERS' FUNDS</u></b>			
Share Capital	2	16,51,76,900	16,51,76,900
Reserves and Surplus	3	67,98,493	1,22,14,582
<b><u>CURRENT LIABILITIES</u></b>			
Trade Payables	4	1,60,856	1,25,783
Other Current Liabilities	5	1,96,700	2,76,675
<b>TOTAL</b>		<b>17,23,32,949</b>	<b>17,77,93,940</b>
<b><u>ASSETS</u></b>			
Non Current Investments	6	1,46,99,150	-
Deferred Tax Assets		-	28,34,017
Long Term Loans and Advances	7	6,89,375	6,89,375
Other Non Current Assets	8	-	2,24,000
<b><u>CURRENT ASSETS</u></b>			
Inventories	9	3,36,23,983	3,80,08,019
Trade Receivables	10	9,842	52,00,094
Cash and Cash Equivalents	11	8,78,586	43,28,792
Short Term Loans and Advances	12	12,24,32,013	12,65,09,643
<b>TOTAL</b>		<b>17,23,32,948</b>	<b>17,77,93,940</b>
Notes Forming Part of Financial Statement	1 - 28		

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. 049391  
Place: Mumbai  
Date: 30th May,2013

Sd/-  
Tanu Agarwal  
(Whole Time Director)

Sd/-  
Saloni Agrawal  
(Director)



# ROCKON FINTECH LIMITED

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

(Amounts in Indian Rs.)

PARTICULARS	NOTES	31ST MARCH, 2013	31ST MARCH, 2012
<b><u>INCOME</u></b>			
Revenue from Operations	13	2,85,95,133	13,33,77,724
Other Income	14	61,20,460	69,32,857
<b>Total Income (I)</b>		<b>3,47,15,594</b>	<b>14,03,10,581</b>
<b><u>EXPENSES</u></b>			
Purchase of traded goods		3,05,98,400	10,82,02,207
(Increase)/decrease in inventories of traded goods		43,84,036	2,88,91,645
Employee Benefits Expense	15	14,86,950	18,46,680
Auditors Remuneration	16	27,713	28,060
Other Expenses	17	8,00,567	8,14,025
<b>Total Expenses (II)</b>		<b>3,72,97,666</b>	<b>13,97,82,617</b>
Profit for the year before Tax	(I – II)	(25,82,072)	5,27,964
Tax Expenses			
Current Tax		-	1,63,140
Deferred Tax		28,34,017	-
Profit/(Loss) for the period		(54,16,089)	3,64,824
Earning per equity share			
Basic		(0.328)	0.022
Diluted		(0.328)	0.022
<b>Notes Forming Part of Financial Statement</b>	1-27		

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. 049391  
Place: Mumbai  
Date: 30th May,2013

Sd/-  
Tanu Agarwal  
(Whole Time Director)

Sd/-  
Saloni Agrawal  
(Director)

**ROCKON FINTECH LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

(Amounts in Indian Rs.)

Particulars	Year Ended 31st March, 2013		Year Ended 31st March, 2012	
<b>Cash Flow from Operating Activities</b>				
<b>Profit Before Tax and Extraordinary items</b>		(2,582,072)		527,964
(As per Profit and Loss Account)				
Adjustments for:				
Miscellaneous Expenditure written off	224,000	224,000		112,000
<b>Operating Profit before Working Capital Changes</b>		(2,358,072)		639,964
Adjustments for:				
(Increase)/Decrease in Inventories	4,384,036		28,891,645	
(Increase)/Decrease in Sundry Debtors	5,190,252		(5,200,094)	
(Increase)/Decrease in Other Receivable	3,832,227		(21,781,092)	
Increase/(Decrease) in Current Liabilities & Provision	(44,902)		55,299	
(Increase)/Decrease in Balance with Statutory Authorities	973,471	14,335,084	-	1,965,758
Cash Generated From Operations		11,977,012		2,605,721
Less: Income Tax Paid		728,067		685,600
<b>Net Cash from / (Used in) Operating Activities      A</b>		<b>11,248,945</b>		<b>1,920,122</b>
<b>Cash Flow from Investing Activities</b>				
Purchases of Investments	(14,699,150)	(14,699,150)		
<b>Net Cash from / (Used in) Investing Activities      B</b>		<b>(14,699,150)</b>		-
<b>Net Cash from Financial Activities                      C</b>		-		-
<b>Net Increase/ Decrease in Cash and Cash Equivalents (A+B+C)</b>		<b>(3,450,205)</b>		<b>1,920,122</b>
<b>Cash and Cash Equivalents - Opening Balance</b>		<b>4,328,792</b>		<b>2,408,670</b>
<b>Cash and Cash Equivalents - Closing Balance</b>		<b>878,586</b>		<b>4,328,792</b>

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. 049391  
Place: Mumbai  
Date: 30th May, 2013

Sd/-  
**Tanu Agarwal**  
(Whole Time Director)

Sd/-  
**Saloni Agrawal**  
(Director)

# ROCKON FINTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT AS AT 31ST MARCH, 2013

(Amounts in Indian Rs.)

PARTICULARS	31ST MARCH, 2013	31ST MARCH, 2012
<b>2 Share Capital</b>		
<b>Authorized</b>		
1,80,00,000 Equity Shares of Rs. 10/- each (Previous year 18,00,00,000 Equity Shares of Rs. 1/- each)	18,00,00,000	18,00,00,000
<b>Total Authorized Share Capital</b>	18,00,00,000	18,00,00,000
<b>Issued, Subscribed and Paid up</b>		
1,65,17,690 Equity Shares of Rs. 10/- each (Previous year 16,51,76,900 Equity Shares of Rs. 1/- each)	16,51,76,900	16,51,76,900
<b>Total Issued, Subscribed And Fully Paid Up Share Capital</b>	16,51,76,900	16,51,76,900

Equity shares of Rs.1/- each were consolidated into Equity Shares of Rs. 10/- each during the year.

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

Equity shares of Rs. 10 each

	31st March, 2013		31st March, 2012	
	Numbers	Rs.	Numbers	Rs.
At the beginning of the period	1,65,17,690	16,51,76,900	16,51,76,900	16,51,76,900
Issued during the period	-	-	-	-
Bought back during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	1,65,17,690	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. 10 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 being 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 company

	31st March, 2013		31st March, 2012	
	Numbers	% holding in the class	Numbers	% holding in the class
Arihant Capital Mkt. Ltd	-	-	2,21,29,198	13.40
Asthvinayak Stock Broking Pvt. Ltd.	-	-	93,87,000	5.68
Chandrakant Babu Mohite	10,00,744	6.06	-	-
	10,00,744	6.06	3,15,16,198	19.08

<b>3 Reserve &amp; Surplus</b>		
<b>Capital Reserve</b>		
Balance as per last financial statements	5,196,530	5,196,530
Less: Utilized for bonus issue/fresh equity shares	-	-
<b>Closing balance</b>	<b>5,196,530</b>	<b>5,196,530</b>
<b>General reserve</b>		
Balance as per last financial statements	362,649	362,649
Less: Utilized	-	-
<b>Closing balance</b>	<b>362,649</b>	<b>362,649</b>
<b>Surplus/(deficit) in the Statement of Profit and Loss</b>		
Balance as per last financial statements	6,655,403	6,290,579
Profit/ (loss) for the year	(5,416,089)	364,824
Less: Appropriations	-	-
<b>Closing balance</b>	<b>1,239,314</b>	<b>6,655,403</b>
<b>Total Reserves And Surplus</b>	<b>6,798,493</b>	<b>12,214,582</b>
<b>4 Trade Payables</b>		
Trade payables	160,856	125,783
<b>Total Trade Payables</b>	<b>160,856</b>	<b>125,783</b>
<b>5 Other Current Liabilities</b>		
Duties and taxes payable	196,700	276,675
<b>Total Other Current Liabilities</b>	<b>196,700</b>	<b>276,675</b>
<b>6 Non Current Investments</b>		
<b>Non Trade Investment (Quoted)</b>		
In Equity Shares		
900 equity shares of Rs. 10 each fully paid up in Confidence Trading Company Limited	285,995	-
2,73,098 equity shares of Rs.1 each fully paid up in Esaar (India) Limited	14,413,155	-
<b>Total Non Current Investments</b>	<b>14,699,150</b>	<b>-</b>
(Market Value of Quoted Investment as on 31-03-2013 Rs.39,39,485/-)		
<b>7 Long Term Loan and Advances</b>		
Unsecured, Considered Good		
Security deposits	689,375	689,375
<b>Total Long Term Loan And Advances</b>	<b>689,375</b>	<b>689,375</b>

<b>8</b>	<b><u>Other Non Current Assets</u></b>		
	Miscellaneous Expenditure	-	224,000
	<b>Total Other Non Current Assets</b>	<b>-</b>	<b>224,000</b>
<b>9</b>	<b><u>Inventories</u></b>		
	(As certified by management)		
	Stock-in-trade	33,623,983	38,008,019
	<b>Total Inventories</b>	<b>33,623,983</b>	<b>38,008,019</b>
<b>10</b>	<b><u>Trade Receivables</u></b>		
	Unsecured, considered good		
	Outstanding for a period exceeding six months from the date they are due for payment	-	-
	Others	9,842	5,200,094
	<b>Total Trade Receivables</b>	<b>9,842</b>	<b>5,200,094</b>
<b>11</b>	<b><u>Cash and Cash Equivalents</u></b>		
	Cash on hand	658,132	424,848
	Balance with bank	220,454	3,903,944
	<b>Total Cash And Cash Equivalents</b>	<b>878,586</b>	<b>4,328,792</b>
<b>12</b>	<b><u>Short Term Loans and Advances</u></b>		
	Loan and advances		
	Loans and advances to related parties	-	-
	Loans and advances to Others	120,569,532	124,401,759
	Balance with statutory/government authorities	1,862,480	2,107,884
	<b>Total Short Term Loans And Advances</b>	<b>122,432,013</b>	<b>126,509,643</b>

# ROCKON FINTECH LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT AS AT 31ST MARCH, 2013

(Amounts in Indian Rs.)

	PARTICULARS	31ST MARCH, 2013	31ST MARCH, 2012
<b>13</b>	<b><u>Revenue From Operations</u></b>		
	Sales	2,75,82,773	13,26,26,349
	Professional Fees	10,12,360	9,00,000
	Profit/(Loss) on Share Trading	-	(1,48,626)
	<b>Total Revenue from Operations</b>	<b>2,85,95,133</b>	<b>13,33,77,724</b>
<b>14</b>	<b><u>Other Income</u></b>		
	Dividend	-	26,150
	Misc. Income	30	-
	Interest	61,20,430	69,06,707
	<b>Total Other Income</b>	<b>61,20,460</b>	<b>69,32,857</b>
<b>15</b>	<b><u>Employee benefit expenses</u></b>		
	Salaries	14,80,680	18,38,000
	Staff welfare expenses	6,270	8,680
	<b>Total Employee Benefit Expenses</b>	<b>14,86,950</b>	<b>18,46,680</b>
<b>16</b>	<b><u>Auditors Remuneration</u></b>		
	As Audit fee	27,713	28,060
	<b>Total Auditors Remuneration</b>	<b>27,713</b>	<b>28,060</b>
<b>17</b>	<b><u>Other Expenses</u></b>		
	Transaction Charges	76,875	1,70,877
	Demat & Share Transfer Charges	56,000	56,068
	Listing Fees	51,236	50,000
	Bank charges	1,764	3,704
	Computer	49,363	29,000
	Custodian Fees	87,382	87,813
	Advertisement	21,748	16,257
	Electricity	11,804	20,430
	Postage & Courier	52,280	15,089
	Printing & Stationery	33,397	38,287
	Repairs & Maintenance	-	18,390
	Rent , Rates & Taxes	90,000	1,20,000
	ROC Expenses	3,000	2,000
	Office Expenses	5,410	-
	Telephone	6,686	6,695
	Travelling & Conveyance	10,759	14,415
	Legal & Professional Fees	18,862	53,000
	Miscellaneous Expenditure written off	2,24,000	1,12,000
	<b>Total Other Expenses</b>	<b>8,00,567</b>	<b>8,14,025</b>

# **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 recognised 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 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. Fixed Assets costing Rs. 5,000/- or less are fully depreciated in the year of acquisition.

#### 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) 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.

**i) 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.

**j) 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.

**k) 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.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**18. CONTINGENT LIABILITY:**

	<u>2012-2013</u> <u>Amount in Rs.</u>	<u>2011-2012</u> <u>Amount in Rs.</u>
Contingent Liabilities not provided for	NIL	NIL

**19. 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:

<b>Particulars</b>	<u>2012-2013</u> <u>Amount in Rs.</u>	<u>2011-2012</u> <u>Amount in Rs.</u>
Net profit/(loss) for the year attributable to equity shareholders (Rs.)	(54,16,089)	3,64,824
Weighted Average No. of Equity shares outstanding for Basic Earning per share	1,65,17,690	16,51,76,900
Weighted Average No. of Equity shares outstanding for Diluted earning per share	1,65,17,690	16,51,76,900
Basic Earning per share (face valued of Rs 10/-each) (Rs.)	(0.328)	0.022
Diluted earning per share (face valued of Rs 10/-each) (Rs.)	(0.328)	0.022

**20. RELATED PARTY TRANSACTION:**

**List of Related Parties:-**

**a) Key Management person**

- i) Saloni Agrawal
- ii) Tanu Agarwal

**b) Related parties over which Key Management Personnel have Significant Influence :-**

- i) Axon Infotech Ltd.
- ii) Banas Finance ltd.
- iii) Shree Nath Commercial & Finance Ltd
- iv) Five X Finance & Investment Limited
- v) Out of City Travel Solutions Ltd
- vi) Kayaguru Health Solutions Limited
- vii) Handful Investrade Pvt Ltd
- viii) Girraj Kishor Agrawal

**Transaction with Related Parties:-**

<b>List of Related Party</b>	<b>Nature of Transaction</b>	<b><u>2012-13</u> <u>Amount in Rs.</u></b>	<b><u>2011-12</u> <u>Amount in Rs.</u></b>
Tanu Agrawal	Amount received for fractional shares	768.98	NIL
	Balance at year end	NIL	NIL
Saloni Agrawal	Loan Given	90,000	NIL
	Loan Recovered	90,000	NIL
	Balance at year end	NIL	NIL
Axon Infotech Limited	Loan Given	6,50,000	60,50,000
	Loan Recovered	6,50,000	60,50,000
	Balance at year end	NIL	NIL
Banas Finance Limited	Loan Given	10,50,000	73,50,000
	Loan Recovered	10,50,000	73,50,000
	Balance at year end	NIL	NIL
Shree Nath Commercial & Finance Limited	Loan Given	33,00,000	10,75,000
	Loan Recovered	33,00,000	10,75,000
	Balance at year end	NIL	NIL
Five X Finance & Investment Limited	Loan Given	52,00,000	NIL
	Loan Recovered	52,00,000	NIL
	Shares Purchased	NIL	9,50,000
	Shares Sales	NIL	9,50,000
	Balance at year end	NIL	NIL
Out of City Travel Solutions Ltd	Loan Taken	45,10,000	NIL
	Loan Repaid	45,10,000	NIL
	Loan Given	NIL	45,07,000
	Loan Recovered	NIL	45,07,000
	Balance at year end	NIL	NIL
Kayaguru Health Solutions Limited	Loan Given	54,75,000	56,00,000
	Loan Recovered	54,75,000	56,00,000
	Balance at year end	NIL	NIL
Handful Investrade Pvt Ltd	Loan Taken	48,50,000	NIL
	Loan Repaid	48,50,000	NIL
	Shares Sold	32,50,000	NIL
	Balance at year end	NIL	NIL

Girraj Kishor Agrawal	Loan Given	3,00,000	NIL
	Loan Recovered	3,00,000	NIL
	Expenses paid on behalf of company	2,000	500
	Balance at year end	NIL	NIL

**MAJOR COMPONENTS OF DEFERRED TAX LIABILITIES:**

	<b><u>2012-2013</u></b>	<b><u>2011-2012</u></b>
	<b>Amount in Rs.</b>	<b>Amount in Rs.</b>
Deferred Tax Assets on carry forward losses	28,34,017	28,34,017
Deferred Tax Liability on Depreciation	(28,34,017)	NIL
<b>Deferred Tax Assets/(Liability)</b>	<b>NIL</b>	<b>28,34,017</b>

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. 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.
25. Trade payable, Trade receivables, Short Term Borrowings and Short Term loan and advances balances are subject to confirmation and reconciliation.
26. Segment Information: The Company is engaged in single segment and there are no separate reportable segments as defined in AS-17.
27. 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)

Sd/-  
Tanu Agarwal  
(Whole Time Director)

Sd/-  
Saloni Agrawal  
(Director)

Place: Mumbai  
Date: 30/05/2013

# ROCKON FINTECH LIMITED

Registered Office: - E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai: 400053.

## PROXY FORM

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

No. of Shares: \_\_\_\_\_

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

Client ID\* \_\_\_\_\_

I/we \_\_\_\_\_ of \_\_\_\_\_ Being a Shareholder/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 37<sup>th</sup> Annual General meeting of the Company to be held on 30/09/2013 at 05:30 P.M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013

Signature of the Shareholder \_\_\_\_\_

Affix  
Re. 1/-  
Revenue  
Stamp

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

Registered Office: - E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai: 400053.

## ATTENDANCE SLIP 37<sup>th</sup> Annual General Meeting

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

No. of Shares: \_\_\_\_\_

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

Client ID\* \_\_\_\_\_

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

I/We hereby record my/our presence at the 37<sup>th</sup> Annual General Meeting of the company at the registered office of the Company at E/109, Crystal Plaza, New Link Road, 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

Rockon

If undelivered please return to:

**ROCKON FINTECH LIMITED**

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

Web Site: [www.rockonfintech.com](http://www.rockonfintech.com)

Email Id: [rockonfintech123@gmail.com](mailto:rockonfintech123@gmail.com)

## Form A

Format of covering letter of the annual Audit report to be filed with the Stock Exchange

1	Name of the Company	<b>Rockon Fintech Limited</b>
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March 2013
3	Type of Audit Observation	Un-qualified
4	Frequency of observation	Not Applicable
5	To be signed by – <ul style="list-style-type: none"><li>• <b>Tanu Agarwal</b> (CEO/Whole Time Director)</li><li>• <b>Tanu Agarwal</b> (CFO)</li><li>• <b>Pravin Chandak &amp; Associates</b> <b>Pravin Chandak</b> (Auditor of the Company)</li><li>• <b>Praveen Vasisht</b> (Audit Committee Chairman)</li></ul>	   