



## BOARD'S REPORT

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

Your Directors takes pleasure in presenting the 51<sup>st</sup> Annual report together with the Audited Financial Statements and Auditors' Report for the financial year ended 31<sup>st</sup> March, 2018. The financial highlights for the year under review are given below:

### STATE OF AFFAIRS :

(Rs. in Lakh)

Particulars	2017-18	2016-17
Income	3332.72	2708.33
Profit/ Loss before depreciation and tax	(113.99)	(82.17)
Less: Depreciation	88.18	88.62
Profit/ Loss before Tax	(25.81)	(170.79)
<b>Less :</b>		
Provision for Current Tax	6.67	Nil
Deferred Tax Liability/(Assets)	(6.08)	(0.46)
(Excess)/Short Provision of the earlier years	-	0.89
<b>Profit after Tax</b>	<b>19.73</b>	<b>(170.36)</b>
<b>Add:</b>		
The amount brought forward from- the last year's account	354.78	525.14
Total available	374.51	354.78
<b>APPROPRIATIONS :</b>		
a) Proposed Dividend	3.78	-
b) Provision for Corporate Tax On Dividend	0.78	-
General Reserve	2.00	-
c) Revaluation of Fixed Assets –Adjustment	112.73	-
d) Balance carried forward	255.22	354.78
<b>TOTAL</b>	<b>354.78</b>	<b>354.78</b>

## DIVIDEND

The Board of Director has Recommend dividend @ 5 % i.e. Rs. 0.5 per equity share for F.Y. 2017-18.

## PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

Details of the Loan, Guarantees and investments covered under provision of section 186 of the company Act, 2013:

Particular	Amount (In Rs.)
Investment in mutual fund	23,98,790
Investment in Equity Shares of the Charotar Gas Sakhari Mandali Ltd.	7,500
Investment in Equity Shares of The VVCCCL Bank	100

## DIRECTORS

- 1) During the Year, Dr. Satish G. Parekh, Independent Director and Chairman of Audit Committee has resigned on July 27, 2017 and Shri Anil D. Gandhi, Independent Director of the Company has resigned on March 10, 2018.
- 2) All Independent Directors have given Declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013.
- 3) None of the Directors of your company is disqualified as per section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures, as required under various provision of Companies Act, 2013 and SEBI (LODR) Regulation-2015.

## REMUNERATION POLICY

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

## MEETINGS

The Details of the meetings are given in [Annexure-A](#)

## DIRECTOR'S RESPONSIBILITY STATEMENT

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

- 1) that in the preparation of the Annual financial statements for the year ended March 31, 2018, the applicable Accounting standards have been followed along with proper explanation relating to material departures, if any;
- 2) that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- 3) that Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013 and for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- 4) that the Annual Accounts have been prepared on a going concern basis;
- 5) that the proper internal financial controls were in place and that the financial control were adequate and were operating effectively;
- 6) that the systems to ensure compliance with the provision of all applicable laws were in place and were adequate and operating effectively.

## RELATED PARTY TRANSACTIONS

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

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

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

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

## CODE OF CONDUCT

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

## AUDITORS

The Audit Committee and the Board of Directors respectively at their meeting held on May 18, 2017, have recommended the Appointment of M/s. P. D. Parikh & Co., Chartered Accountants (F.R.N. 114136W ), as Statutory Auditor of the Company, to hold office from conclusion of this Annual General Meeting till the conclusion of the 55<sup>th</sup> Annual General Meeting. M/s. P. D. Parikh & Co., Chartered Accountants have given their consent, confirming that their appointment, if made, would be in accordance with the provision of section 139 and 140 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014.

The Auditor's Report for the financial year 2017-18 does not contain any qualification, reservation or adverse remark.

## SECRETARIAL AUDIT

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

We would like to inform on observation of secretarial Audit that very minor portion left for dematisation of overseas promoter's shareholding

**Annexure - C.**

## CORPORATE GOVERNANCE

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

## ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

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

## FIXED DEPOSIT

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

## **DETAILS OF ORDER PASSED BY THE REGULATORS**

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

## **EXTRACT OF ANNUAL RETURN**

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

## **PARTICULARS OF EMPLOYEES**

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

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

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

Company has not received any complaints during the financial year.

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for overwhelming co-operation and assistance received from investors, customers, business associates, bankers, as well as regulatory and governmental authorities. Your Directors also thank the employees at all levels, who, through their dedication, co-operation, support and smart work, have enabled the Company to achieve growth.

For and on Behalf of Board of Directors

**S. H. AMIN**

Chairman & WTD

DIN: 00525235

Place: Vitthal Udyognagar

Date: May 18, 2018