

NOTICE

NOTICE is hereby given that 53RD ANNUAL GENERAL MEETING of the members of R. J. SHAH & COMPANY LIMITED will be held on Thursday the 29th September, 2011 at 4.00 p.m. at the Registered Office of the Company at Mahul Road, Antop Hill, Mumbai – 400 037. to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2011, together with the Profit & Loss Account for the year ended on that date and report of the Directors and Auditors thereon.
2. To Declare Dividend
3. To appoint a Director in place of Mrs. Swati Agarwal, who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint Auditors for the current year and fix their remuneration.

SPECIAL BUSINESS

5. To Consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to Section 198 / 309 and other applicable provisions, if any of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to necessary approvals required if any, the Company do hereby approve of and consent to the payment and distribution thereof a sum of Rs.7,17,794/- to the Managing Director and Joint Managing Director of the Company, as decided by the Board of Directors and such payments shall be made in respect of the profits of the Company for the year ended March 31, 2011.”

6. To Consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to Section 198 / 309 and other applicable provisions, if any of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to necessary approvals required if any, the Company doth hereby approve of and consent to the payment and distribution thereof a sum of Rs. 1,50,000/- computed in accordance with the provisions of Section 198 of the Companies Act, 1956 to all the Non-Executive Directors of the Company, as decided by the Board of Directors and such payments shall be made in respect of the profits of the Company for the year ended March 31, 2011.”

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 such proxy need not be a member of the Company.
2. The Dividend when declared will be payable on or before the 29th October, 2011 to those shareholders whose names appear on the Register of Members as on 29th September, 2011.
3. The Register of Members and Share Transfer Books of the Company will remain closed from the Thursday the 22nd September, 2011 to Thursday 29th September, 2011 (both days inclusive)
4. The Company has transferred unpaid dividend for the year ended 31st March, 2003 to the Investor Education & Protection Fund as per the Rules of Central Government.
5. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business of Item No. 5 & 6 is annexed hereto
6. Unpaid Dividend payable to the Shareholders in respect of the 46th Dividend for the year ended 31st March, 2004 onwards shall be transferred to the Investor Education and Protection Fund under the amended provisions of the Companies Act, 1956 on the expiry of the 7th year from the date of such transfer to unpaid dividend account and hence unpaid dividend for the year 2003-2004 declared on 30th September, 2004 will be transferred to the said Account of Central Government after 7-11-2011. No claim will lie from a member once the transfer is made to the said account. Members who have not encashed their dividend warrants are requested to encash the same before the said transfer in their own interest.
7. Members are requested to notify immediately any change in their address to the Company.

MUMBAI
DATED:30/05/2011
REGISTERED OFFICE
Mahul Road, Antop Hill,
Mumbai – 400 037.

By Order of the Board
K. R. SHAH
Chairperson & Managing Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 ANNEXED TO AND FORMING PART OF THE NOTICE

ITEM NO. 5

Section 198/309 of the Companies Act, 1956 permits payments of remuneration to the Directors including Managing Director and Whole time Director, by way of commission of Rs. 7,17,794/-. In case of the Company having a Managing Director or Whole time Director, the commission amount shall not exceed 10% of the net profit of the Company. In view of the increased activities of the Company, the responsibilities shouldered by them have also widened. Therefore, it is proposed to pay commission to the Managing Director and Joint Managing Director of the Company a sum of Rs. 7,17,794/- for the year ended 31st March, 2011, forming part of total remuneration under section 198 / 309 or Schedule XIII of the Companies Act, 1956. Approval of the members of the Company is sought by way of Special Resolution proposed under this item.

The Managing Director and the Joint Managing Director of the Company, who are entitled to the Commission, are interested in the proposed resolution to the extent of their entitlement as commission. None of the Directors of the Company are in any way, concerned or interested in the said resolution.

Yours Directors recommended the aforesaid resolution for your approval.

ITEM NO. 6

Section 198 /309 of the Companies Act, 1956 permits payment of Commission to the Directors who are not in the whole time employment of the Company up to a maximum of one percent of the net profit of the Company which has a Managing Director or whole time Director to be computed in the manner referred to in Section 198 of the Act. The Company feels that with the increasing responsibilities in the ever changing business scenario, it is felt that the Non-Executive Directors also be suitably compensated for their contribution from time to time. Therefore, the Company desires to pay an amount Rs. 1,50,000/- of the net profits of the Company to be distributed equally among the four Non-Executive Directors.

The Non-Executive Directors of the Company shall be deemed to be concerned or interested in the Resolution pertaining to their payment.

Yours Directors recommended the aforesaid resolution for your approval.

MUMBAI
DATED:30/05/2011
REGISTERED OFFICE
Mahul Road, Antop Hill,
Mumbai – 400 037.

By Order of the Board
K.R.SHAH
Chairperson & Managing Director

DIRECTORS' REPORT
2010-2011

To,
The Members,
R. J. Shah & Co. Ltd.

The Directors have pleasure in submitting their 53RD ANNUAL REPORT along with the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2011.

1. FINANCIAL RESULTS

	Current Year Rs.	Previous Year Rs.
Profit before Depreciation and provision for taxation	3,31,03,314	82,82,123
(-) Depreciation	15,92,199	16,77,275
TOTAL	3,15,11,115	66,04,848
(-) Provision for Taxation	1,04,71,587	19,61,520
Profit After Taxation	2,10,39,528	46,43,328
(+) Balance profit brought forward from previous year	95,18,635	1,03,81,689
Amount available for Appropriations	3,05,58,163	1,50,25,017
Less: Appropriation:		
Income Tax Earlier Years	84,037	16,445
Proposed Dividend	28,01,000	4,20,150
Tax on Proposed Dividend	4,54,392	69,787
Transfer to General Reserve	1,00,00,000	50,00,000
Balance carried to Balance Sheet	1,72,18,734	95,18,635
	3,05,58,163	1,50,25,017

2. DIVIDEND

Your Directors are pleased to recommend payment of Dividend @10/- per share (Previous Year @1.50/- per share) for the year ended 31st March, 2011.

3. REVIEW OF OPERATIONS

MRVC has awarded the work for Rs.5.09 Crores and after forest clearance etc one face has been handed over to us and we have mobilized and work has just commenced.

VIDC has yet to acquire the land for the project works.

We have quoted jointly with M/s. D. Thakkar Constructions (P). Ltd., for some of the BOOT type Hydro Electric Projects in Himachal and Uttrakhand and pursuing for further tendering in this arena.

4. INSURANCE

All the fixed assets of the Company have been adequately insured.

5. CORPORATE GOVERNANCE

Clause 49 of the Listing Agreement pertaining to Corporate Governance is not applicable to the Company.

6. DIRECTORS

Under Article No. 45 (d) of the Articles of Association, Mrs. Swati Agarwal retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

7. DIRECTORS' RESPONSIBILITY STATEMENT.

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

- (I) That in the preparation of the accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (II) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state affairs of the Company at the end of the financial year and of the profit & loss of the Company for the year under review
- (III) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:
- (IV) That the Directors have prepared the accounts for the financial year ended 31st March, 2011 on a "going concern" basis.

8. COMPLIANCE CERTIFICATE UNDER SECTION 383A (i)

As per the amendment by Companies Act, 2002 all companies having a paid up Capital of more than Rs. 10 Lakhs but less then Rs. 500 Lakhs requires Compliance Certificate from a Practising Company Secretary certifying that the Company has complied with various provisions under the Companies Act. This provision has been complied with by the Company.

9. PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956, read with Companies particulars of Employees) Rules, 1975 is not applicable.

10. AUDITOR'S REPORT

Regarding comments in the Auditor's Report, the relevant notes in the accounts are self explanatory.

11. APPOINTMENT OF AUDITORS

M/s. Maganlal & Company, Chartered Accountants, the Auditors of the Company are due to retire at this Annual General Meeting and are eligible for re-appointment.

12. LISTING

The Shares of the Company continue to be listed on The Stock Exchange, Mumbai and the Company has paid the necessary listing fee for the financial year 2011-12.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO.

Considering the nature of activities of the company, the Information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are not applicable to the Company. However, the Company is making all efforts to conserve the same and the Company's technology being indigenous, the question of absorption by the Company does not arise. Also no foreign exchange were earned or spent.

14. APPRECIATION

The Directors wish to place on record sincere appreciation for the devoted and efficient services rendered by all workforce of the Company.

MUMBAI
DATED: 30/05/2011
REGISTERED OFFICE
Mahul Road, Antop Hill,
Mumbai – 400 037.

By Order of the Board
K.R. SHAH
Chairperson & Managing Director

MAGANLAL & COMPANY
CHARTERED ACCOUNTANTS

M. C. BHATT,
B.COM (HONS) F.C.A.

32, RAJA BHADUR MANSION
2ND FLOOR,
MUMBAI SAMACHAR MARG,
FORT, MUMBAI-400 023.

PHONE: - OFF: - 2265 19 05
FAX (TEL) 3022 19 05
RES: - 2899 84 79

Our Ref. No.

Date: -

AUDITOR'S REPORT.

The Members of
R. J. SHAH & COMPANY LIMITED.

Report on the accounts for the year ended on 31st March, 2011 in compliance with section 227(2) of the Companies Act, 1956.

1. We have audited the attached Balance Sheet of R. J. SHAH & COMPANY LIMITED, as at 31st March, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing 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 misstatement. 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 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 (Auditor's Report) Order 2003 as amended by Companies (Auditor's Report)(Amended) Order 2004 issued by the Central Government of India in terms sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the Company we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matter specified in paragraphs 4 and 5 of the said order

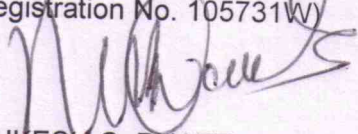


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MAGANLAL & COMPANY
CHARTERED ACCOUNTANTS

4. Further to our comments in the Annexure referred to in paragraph (3) above, 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 purposes of our Audit;
 - b). In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books;
 - c). The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d). In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, to the extent applicable.
 - e). On the basis of written representations received from the directors, as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of subsection (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, subject to and read together with notes there on, of schedule 18 give the information 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;
 - i. in the case of Balance Sheet, of the state of affairs of the Company as at 31st March. 2011;
 - ii. in the case of Profit and Loss Account of the Profit of the company for the year ended on that date and
 - iii. in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

FOR MAGANLAL & COMPANY
CHARTERED ACCOUNTANTS
(Registration No. 105731W)


(MUKESH C. BHATT)
PROPRIETOR
MEMBERSHIP NO.14092



PLACE: MUMBAI

DATED: 30th May, 2011

MAGANLAL & COMPANY

CHARTERED ACCOUNTANTS

M. C. BHATT,
B.COM (HONS) F.C.A.

32 RAJA BHADUR MANSION
2ND FLOOR,
MUMBAI SAMACHAR MARG,
FORT, MUMBAI-400 023.

PHONE: - OFF: - 2265 19 05
FAX (TEL) 3022 19 05
RES: - 2899 84 79

Our Ref. No. _____

Date: - _____

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 3 of our report of even date on the accounts for the year ended 31st March, 2011 of the R. J. SHAH & COMPANY LIMITED.

- I. a. The Company has maintained proper records showing full particulars including quantitative details of Fixed Assets except that of Furniture and Fixture and Scientific Apparatus.
- b. A major portion of fixed assets have been physically verified by the Management during the year. In our opinion the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the company and nature of its assets. As reported by the Management no material discrepancies were noticed on such verification.
- c. In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- II. a. As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b. In our opinion the procedures of 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. In our opinion and according to information and explanations given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- III. a. The Company has accepted Unsecured Loans from One Company covered in the register maintained under section 301 of the Companies Act 1956. The maximum amount involved during the year was Rs. Fifty Thousand and the year end balance of loans taken from such parties was Rs. Nil as the same is repaid during the year under review. The company has not granted any loans secured or unsecured to the Companies covered in the register maintained under section 301 of the Companies Act, 1956.



- b. In our opinion the rate of interest and other terms and conditions on which loans have been taken from the companies listed in the register maintained under section 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest of the company.
- c. The Company is regular in repaying the principal amounts as stipulated and has been regular in repayment of interest.
- d. There is no overdue amount of loan taken from the companies listed in the register maintained under section 301 of the Companies Act, 1956.
- IV. In our opinion and according to the information and explanations given to us there is an adequate internal control procedures commensurate with the size of the company and nature of it's business with regard to the purchase of inventory and fixed assets and for the work done. During the course of our audit, we have not observed any major weakness in internal controls system.
- V. In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956.
- a. Based on audit procedures applied by us, to the best of our knowledge and belief and according to the information and explanations given to us we are of the opinion that the transactions that needed to be entered in to the register maintained under section 301 have been so entered .
- b. In our opinion and according to the information and explanations given to us, the transactions entered in the register maintained under section 301 and exceeding during the year by rupees five lacs in respect of each party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- VI. In our opinion and according to the information and explanations given to us the company has complied with the provisions of section 58A and 58AA and any other relevant provisions of the Companies Act, 1956 and rules made there under with regard to the deposits accepted from the public. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- VII. In our opinion, the company has an internal audit system commensurate with the size and nature of it's business.
- VIII. As informed to us the Central Government has not prescribed the maintenance of cost records under section 209 (1)(d) of the Companies Act, 1956 for the year under review.
- IX. a. According to the information and explanations given to us and the records of the company examined by us. In our opinion the company is generally regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities during the year.




- b. According to the information and explanations given to us no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty and Cess were in arrears as at 31st March, 2011 for a period of more than six months from the date they become payable.
- c. According to the information and explanations given to us, there are no dues of Sale Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess which has not been deposited on account of any dispute.
- X. The company does not have any accumulated losses as at the end of the financial year and the company has not incurred cash losses during the current and the immediately preceding financial year.
- XI. In our opinion and according to information and explanations given to us, the company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders at the balance sheet date.
- XII. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund/society. Accordingly the clause (XIII) of the Order is not applicable to the company.
- XIV. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the clause (XIV) of the order is not applicable to the company.
- XV. Accordingly to the information and explanations given to us, the company has not given any guarantee for loans taken by others from Banks and financial institutions.
- XVI. The company has not obtained any term loans. Accordingly clause (XVI) of the order is not applicable to the company.
- XVII. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets except permanent working capital.
- XVIII. According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered under register maintained under section 301 of the companies Act, 1956 during the year and the question of whether the price at which the shares have been issued is prejudicial to the interest of the company does not arise.



MAGANLAL & COMPANY
CHARTERED ACCOUNTANTS

- XIX. The company has not raised any money by issue of debentures and hence the question of securities have been created in respect of the debenture issue does not arise.
- XX. The company has not raised money by any public issue during the year and hence the question of disclosure and verification of end use of such money does not arise.
- XXI. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

FOR MAGANLAL & COMPANY
CHARTERED ACCOUNTANTS
(Registration No. 105731 W)


(MUKESH C. BHATT)
PROPRIETOR
MEMBERSHIP NO. 14092



PLACE: MUMBAI

DATED. 30th May, 2011

R.J.Shah & Company Limited
Balance Sheet as at 31st March 2011

SOURCES OF FUNDS	SCHEDULE	For the	For the
		Year ended 31-Mar-11 Rs.	Year ended 31-Mar-10 Rs.
SHAREHOLDERS FUNDS			
Share Capital	1	2,801,000	2,801,000
Reserves & Surplus	2	149,779,376	132,912,533
		<u>152,580,376</u>	<u>135,713,533</u>
LOAN FUNDS			
Unsecured Loans	3	8,669,411	8,719,411
		<u>8,669,411</u>	<u>8,719,411</u>
		<u>161,249,787</u>	<u>144,432,944</u>
TOTAL:-			
APPLICATION OF FUNDS			
FIXED ASSETS	4		
Gross Block		72,275,211	71,043,987
Less: Depreciation		49,935,007	47,509,552
Net Block		<u>22,340,204</u>	<u>23,534,435</u>
INVESTMENTS	5	93,427	65,865
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	6	26,899,440	30,720,538
Sundry Debtors	7	44,572,363	57,811,260
Cash & Bank Balances	8	72,309,313	35,231,913
Loans & Advances	9	32,969,676	32,428,211
		<u>176,750,792</u>	<u>156,191,922</u>
Less:			
CURRENT LIABILITIES AND PROVISIONS	10	36,018,405	33,274,634
		<u>140,732,387</u>	<u>122,917,288</u>
DEFERRED TAX LIABILITIES	11	(1,916,231)	(2,084,644)
		<u>161,249,787</u>	<u>144,432,944</u>
Notes on Accounts	18		

Notes on Accounts

As per our report of even date
For **MAGANLAL & COMPANY**
Chartered Accountants
Firm Registration No.: 105731W

Proprietor
Membership No.: 14092
MUMBAI:
DATED: 30th MAY 2011



Chairperson & Managing Director

Jt. Managing Director

} Directors
}

R. Raichand

R.J.Shah & Company Limited

Profit and Loss Account for the Year ended 31st March 2011

		For the Year ended 31-Mar-11	For the Year ended 31-Mar-10
INCOME	SCHEDULE	Rs.	Rs.
Work Receipts		27,995,628	44,616,335
Other Income	12	41,739,543	9,274,718
Accretion/(decretion) in stock	13	(3,478,434)	(2,388,684)
TOTAL A:		66,256,737	51,502,369
EXPENDITURE			
Material consumed		1,830,807	15,345,448
Wages, salaries & Allowances	14	7,617,285	15,632,879
Other expenses & charges	15	22,746,515	11,282,784
Interest on loans	16	958,816	959,135
Depreciation	17	1,592,199	1,677,275
TOTAL B:		34,745,622	44,897,521
Profit before Taxation (A-B)		31,511,115	6,604,848
Provision for taxation			
(i) Current Tax	10,640,000		
(ii) Deferred Tax	(168,413)		
Profit after Taxation		10,471,587	1,961,520
Balance brought forward from Previous Year		21,039,528	4,643,328
Profit available for appropriation		9,518,635	10,381,689
APPROPRIATION			
Income tax of earlier years		84,037	16,445
Transfer to General Reserve		10,000,000	5,000,000
Proposed Dividend		2,801,000	420,150
Income tax on proposed Dividend		454,392	69,787
Balance carried to Balance Sheet		17,218,734	9,518,635
TOTAL		30,558,163	15,025,017
Basic and diluted earning per Share (Rs.)		75.11	16.58
(Refer Note No.16)			
Notes on Accounts	18		

As per our report of even date
For **MAGANLAL & COMPANY**
Chartered Accountants
Firm Registration No.: 105731W

Proprietor
Membership No.: 14092
MUMBAI:
DATED: 30th MAY 2011



Chairperson & Managing Director

Jt. Managing Director

} Directors
}

[Handwritten signatures]
R. Raichun

R.J.Shah & Company Limited
Schedules forming Part of Balance Sheet as at 31st March 2011

	For the Year ended 31-Mar-11 Rs.	For the Year ended 31-Mar-10 Rs.
SCHEDULE 1		
SHARE CAPITAL		
Authorised		
5,000,000 Equity Shares of Rs.10/- each	50,000,000	50,000,000
Issued,Subscribed and Paid up	50,000,000	50,000,000
280,100 Equity Shares of Rs.10/- each	2,801,000	2,801,000
	2,801,000	2,801,000
SCHEDULE 2		
RESEVES AND SURPLUS		
Capital Reserve		
As per last Balance Sheet	16,369,730	16,369,730
Revaluation Reserve		
As per last Balance Sheet	5,512,280	6,345,536
Less:		
Depreciation for the year on amount added on revaluation	(833,256)	(833,256)
	4,679,024	5,512,280
General Reserve		
As per last Balance sheet	101,511,888	96,511,888
Add: Transfer from Profit & Loss Account	10,000,000	5,000,000
	111,511,888	101,511,888
Profit as per Profit & Loss Account	17,218,734	9,518,635
	149,779,376	132,912,533
SCHEDULE 3		
UNSECURED LOANS		
Fixed Deposits		
From Directors	8,669,411	8,669,411
From Others	0	50,000
	8,669,411	8,719,411

Schedule 4 FIXED ASSETS AT COST/REVALUATION

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31/03/2010	Additions/ Adjustments	Sales/ Adjustment	As on 31/03/2011	Up To 31/03/2010	For The Year	On Sold Items/ Adjustment	Up To 31/03/2011	As on 31/03/2011	As on 31/03/2010
Leasehold Land	609,609	0		609,609	0	0	0	0	609,609	609,609
Building & Shed	28,437,673	0		28,437,673	20,896,680	1,011,930	0	21,908,610	6,529,063	7,540,993
Plant & Machinery	18,253,293	25,100	0	18,278,393	7,313,760	749,441	0	8,063,201	10,215,192	10,939,533
Traxcavators and Loaders	8,189,193	0	0	8,189,193	7,470,599	47,728	0	7,518,327	670,866	718,594
mpers	10,004,770	0	0	10,004,770	8,667,692	342,173	0	9,009,865	994,905	1,337,078
Furniture & Fixtures	925,396	0	0	925,396	581,749	21,513	0	603,262	322,134	343,647
Vehicles	4,109,511	1,206,124	0	5,315,635	2,473,674	227,843	0	2,701,517	2,614,118	1,635,837
Sci.Apparatus	514,542	0	0	514,542	105,398	24,827	0	130,225	384,317	409,144
Total	71,043,987	1,231,224	0	72,275,211	47,509,552	2,425,455	0	49,935,007	22,340,204	23,534,435
Previous Year	74,385,231	817,855	4,159,099	71,043,987	48,530,174	2,510,531	3,531,153	47,509,552	23,534,435	



R.J.Shah & Company Limited
Schedules forming Part of Balance Sheet as at 31st March 2011

SCHEDULE 5	For the Year ended 31-Mar-11 Rs.	For the Year ended 31-Mar-10 Rs.
INVESTMENTS At Cost		
(i) Investment in Partnership firm	87,027	59,465
(ii) NON-TRADE		
Long Term Investments		
Quoted:		
400 Equity shares of Union Bank of India of Rs.10/-each at premium of Rs.6/-	6,400	6,400
31.03.2011 31.03.2010	93,427	65,865
Book Value of quoted inv.	6400	6400
Market value of quoted inv.	138,800	117,200
SCHEDULE 6		
INVENTORIES		
(As valued and certified by the Managing Director)		
Consumable stores	4,262,284	4,604,948
Work in progress (valued and certified by the Managing Director)	22,637,156	26,115,590
SCHEDULE 7	26,899,440	30,720,538
SUNDRY DEBTORS (Unsecured considered good)		
More than 6 months	44,011,094	49,138,753
Others	561,269	8,672,507
SCHEDULE 8	44,572,363	57,811,260
CASH AND BANK BALANCES		
Cash on Hand	258,299	25,237
WITH SCHEDULED BANK		
In Current Accounts	1,666,221	1,751,264
In Unclaimed dividend accounts	203,057	225,307
In fixed Deposit Accounts(Rs.2181736/-pledged with contractees and Govt. Depts., Previous Year Rs1730105/-)	70,181,736	33,230,105
SCHEDULE 9	72,309,313	35,231,913
LOANS AND ADVANCES		
Advances (unsecured, Considered good)		
Advances recoverable in cash or kind or for value to be received.	11,313,473	8,869,931
Advance Income Tax (including TDS and FBT))	12,799,518	14,555,370
Security and other deposits	8,856,685	9,002,910
SCHEDULE 10	32,969,676	32,428,211
CURRENT LIABILITIES AND PROVISIONS		
A. CURRENT LIABILITIES		
Sundry Creditors	5,752,719	8,222,815
Advance & Deposits	11,076,100	6,478,150
Managerial Remuneration Payable	1,082,794	1,744,168
Unclaimed dividend	201,400	223,650
	18,113,013	16,668,783
B. PROVISIONS		
For Taxation I/c FBT	12,720,000	14,370,000
For Retirement Benefits	1,930,000	1,745,914
For Proposed Dividend	2,801,000	420,150
For Income tax on proposed dividend	454,392	69,787
	17,905,392	16,605,851
TOTAL:	36,018,405	33,274,634



R.J.Shah & Company Limited
Schedules forming Part of Profit and Loss Account for the year ended on 31st March 2011

SCHEDULE 11	For the Year ended 31/03/2011	For the Year ended 31/03/2010
DEFERRED TAX	Rs.	Rs.
Deferred Tax liability (Refer Note No: 6)	(1,916,231)	(2,084,644)
TOTAL:	(1,916,231)	(2,084,644)
SCHEDULE 12		
OTHER INCOME		
Income from investments :		
Dividend	2200	2000
Interest On Bank Deposits(including TDS Rs 285803,previous year Rs.292718)	2,815,787	1,667,105
Interest from others(including TDS Rs.3039483,Previous Year Rs.nil)	30,944,837	0
Warehousing Income	6,166,700	5,510,354
Share of profit from Partnership firm	1,562	7,052
Profit/(loss) on sale of Fixed Assets	0	233,977
Miscellaneous Receipts	1,808,457	1,854,230
SCHEDULE 13	41,739,543	9,274,718
Accretion/(Decretion) In Stock		
Work In Progress:		
Closing Work in Progress	22,637,156	26,115,590
Less:Opening Work In Progress	(26,115,590)	(28,504,274)
SCHEDULE 14	(3,478,434)	(2,388,684)
WAGES,SALARIES AND ALLOWANCES		
Wages including payment to sub-contractors	4,637,993	12,925,854
Salaries,Bonus and Gratuity and other benefits	1,057,806	1,419,753
Retainer charges	1,698,657	839,455
Staff Welfare Expenses	58,593	120,670
Contribution to Provident Fund & other Funds	164,236	327,147
SCHEDULE 15	7,617,285	15,632,879
OTHER EXPENSES AND CHARGES		
Electric Energy		268,923
Freight & Cartage	36,442	129,754
Legal & Professional Charges	2,909,208	1,835,922
Machinery Hire Charge	0	4,467
Repairs to Machinery	46,253	82,868
Repairs to Building	180,310	9,090
Insurance	215,443	293,969
Rent,Rates & Taxes	496,025	584,963
Office Expenses	311,691	452,298
Interest on Sevice Tax	2,768	6,660
Interest on VAT	135,928	
Printing & Stationary	76,553	71,486
Conveyance Expenses	248,026	214,360
Electricity charges	278,025	400,491
Telephone Expenses	125,863	118,262
Motor Car Expenses	157,963	139,228
General Expenses	105,377	135,119
Sundry Advances written off	2,830,311	
Sundry Deposits written off	375,557	
Travelling Expenses(including Rs.7,076/-to Directors-Previous Year Rs.nil)	49,231	140,946
Director's Meeting Fees	27,000	30,000
Bad debts	9,933,357	0
VAT	0	1,681,308
Service Tax	548,784	2,156,187
Payment to Auditors:		
Audit Fees	46,326	46,326
Tax Audit Fees	11,030	11,030
Other Services	151,250	34,127
Remuneration to Directors	3,447,794	2,435,000
TOTAL	22,746,515	11,282,784



R.J.Shah & Company Limited
Schedules forming Part of Profit and Loss Account for the year ended on 31st March 2011

	For the Year ended 31/03/2011 Rs.	For the Year ended 31/03/2010 Rs.
SCHEDULE 16		
INTEREST ON LOANS		
Directors	953,636	953,635
Others	5,180	5,500
	958,816	959,135
SCHEDULE 17		
DEPRECIATION		
Depreciation for the year	2,425,455	2,510,531
Less: Transfer from revaluation reserve	833,256	833,256
	1,592,199	1,677,275

Schedule forming Part of Accounts for the Year ended 31st March 2011

SCHEDULE 18

1. Significant Accounting Policies:-

(i) Revenue Recognition:-

The works contracts are evaluated at the end of each year on stage completion method.. On contracts under execution , revenue is recognised by evaluation of the work completed at the end of the accounting year .The claims (including escalations) which in the opinion of the management are recoverable on the contract are recognised at the time of evaluation of the work. Various claims, arbitration matters raised by the company are subject to negotiations or redetermination. Claims made in respect thereof are accounted as income in the year of receipt of Arbitration Award and/or acceptance by Client or evidence of acceptance received from the Client.

(ii) Valuation of Fixed Assets:-Fixed Assets are valued at cost. In respect of assets scrapped,discarded the book value of such assets after deduction of estimated value is written off as loss .The receipts on sale of assets are accounted for as and when realised

(iii) Depreciation:-Depreciation of Fixed Assets has been provided on straight line method as per Section 205(2)(b) of the Companies Act,1956 for pro rata period for which the asset is put to use as under:-

a)In respect of assets acquired upto 1.4.1987 on straight line method as per Circular No.1/86 dated 21.05.1986 issued by the Department of Company affairs.

b)In respect of assets acquired from 2nd April 1987 onwards at straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act.

(iv) Borrowing Cost:-The borrowing costs that are attributable to the acquisition,construction or production of qualifying assets are capitalised as part of cost of such assets.A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sell.All other borrowing costs are recognised as an expense in the period in which they are incurred.

(v) Valuation of Inventories:-

(a) Materials and consumable stores are valued at lower of cost or net realisable value.The cost is worked out on F I F O basis.

(b)Work in progress is valued at contract rate and/or at realisable value.

(vi) Foreign Currency transactions:-The payment for expenditure in foreign currency has been accounted for at exchange rate on the date of payment.

(vii) Retirement Benefits:-Retirement benefits including gratuity and leave salary are provided in the accounts on accrual basis.

(viii) Investments :-Investments are stated at cost.

(ix) Research and development :-Capital expenditure on this account are shown as additions to fixed assets.

(x) Income Tax:

(a)Provision is made for income tax liability, which is likely to arise on the results for the year at the current rate of tax in accordance with provisions of The Income Tax Act,1961.

(b)Deferred income tax is provided ,using the liability method , on all temporary differences at the Balance Sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

(c)Deferred tax assets are recognised on unabsorbed depreciation only to the extent that there is virtual certainty of their realisation.

(d)Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or subsequently enacted at the Balance Sheet level.

2. CONTINGENT LIABILITIES

A. In respect of guarantees given to Project Authorities by Bank and counter guaranteed by other Bank

B. Claims against Company not acknowledged as debts

C. In respect of Income Tax pending rectification

	For the Year ended 31/03/2011 Rs.	For the Year ended 31/03/2010 Rs.
A.	19,089,867	1,954,000
B.	7,692,635	7,089,659
C.	3,108,372	1,010,160



R.J.Shah & Company Limited
Schedule forming Part of Accounts for the Year ended 31st March 2011

3.MANAGERIAL REMUNERATION: (Excluding contribution to Gratuity Fund, provision for leave encashment on retirement and other retirement benefits) paid/payable to Directors.

	31/03/2011	31/03/2010
Managing and Joint Managing Director	3,447,794	N.A.
Salary:	63,000	N.A.
Contribution to Provident Fund	717,794	N.A.
Commission to Managing Director & Joint Managing Director *	150,000	N.A.
Commission to Non-Executive Directors *	4,378,588	N.A.

(* includes commission subject to shareholders approval)

STATEMENT SHOWING THE COMUTATION OF NET PROFIT IN ACCORDANCE WITH SECTION 198(1) OF THE COMPANIES ACT,1956.

	31/03/2011	31/03/2010
Profit before tax as per P & L A/C	31,511,115	N.A.
Add:		
Provision for depreciation	1,592,199	
Remuneration to Directors	4,378,588	
	5,970,787	N.A.
	37,481,902	N.A.
Less: Depreciation u/s 350 of the Companies Act,1956.	(1,592,199)	
Profit on sale of fixed assets	0	
	1,592,199	N.A.
Total A - B	35,889,703	N.A.
Commission payable to Managing Director and Joint Managing Director	717,794	N.A.

4. The Company has a single segment namely "Engineering & Construction ". Therefore the Company's business does not fall under different business segments as defined by AS-17 "segment reporting" issued by ICAI.

5. Disclosure in accordance with Accounting Standard - 7 (Revised)- amount due from / to customers on construction contracts:

	Rs. 31-03-20011	Rs. 31-03-20010
Contract Revenue :	1917696	43920726
Contract costs incurred	1784407	42712126
Recognised Profits / Losses	133289	1208600
Advances Received	9097450	4000000
Retention Money	1498840	1428964
Gross Amount due from Customer for Contract Work	44161271	46999804
Gross Amount due to Customer for Contract Work	2218678	4555577

Note: The above information is given only in respect of contracts entered into on or after 1.04.2003.

6. The Company has accounted for Deferred Tax in accordance with Accounting Standard 22"Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Consequently the Company has credited Deferred Tax Assets of Rs.168413 previous Year Rs 118480 to the Profit and Loss Account. The year end position of deferred Tax Assets and (Liabilities) are attributed to the following items:-

Items	Deferred tax liabilities) as at 31/3/2010 Rs.	Current year (Charge)/ Credit Rs.	Deferred tax Asstes/(liabilities) as at 31/3/2011 Rs.
Diferrence between block and tax depreciation	(2,569,094)	108,685	(2,460,409)
Retirement benefits	484,450	59,728	544,178
	(2,084,644)	168,413	(1,916,231)

7. The machineries of the value approximately Rs.18.49 lakhs are in possession of the Executive Engineer , Kakkad Hydro Electric Project under Kerala State Electricity Board. The Company's claim in respect of these Machineries is pending with Authority.

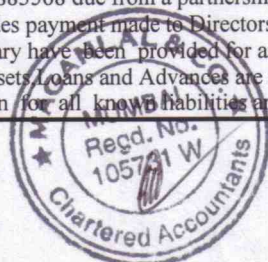
8. The depreciation is charged in profit & loss account on the revaluation amount of assets where applicable . The excess depreciation so charged in accounts over & above the depreciation calculated on the original cost of assets for the year ended 31.03.2011. An amount equivalent to the excess charged has been transferred to profit & loss account from revaluation reserve account.

9.Sundry Debtors of Rs. 44572363 includes Rs. 883568 due from a partnership firm wherein the Company is a partner.

10. Legal & Professional fees Rs.2909208 includes payment made to Directors Rs.448000 in their professional capacity.

11.The accrued liability of gratuity and leave salary have been provided for as certified by Managing Director.

12. In the opinion of the Board,the Current Assets, Loans and Advances are approximately of the value stated , if realised in the ordinary course of business . The provision for all known liabilities are adequate and not in excess of the amounts



R.J.Shah & Company Limited

Schedule forming Part of Accounts for the Year ended 31st March 2011

considered reasonably necessary. There are no contingent liabilities other than those stated in the notes.

13. The taxation liability has been provided in the books on the basis that the obligations for payments to be made u/s 43 B of Income Tax Act, 1961 will be fulfilled by the management before the due date of filing return of income under the Act.

14. The information regarding suppliers also holding permanent registration certificate as an Ancillary Industrial Undertaking or a Small Scale Industrial Undertaking issued by the Directors of Industries of State or Union territory is not available from relevant parties. In the absence of such information the amount and interest due as per the interest on delayed payment to Small and Ancillary Industries Act, 1993 is not ascertainable.

15. Related Parties disclosures.

I. Relationship:

(a) Other Related parties where control exists: Kalindi Engineering Industries (P)Ltd. and Rajendra Shipping (P)Ltd.

(b) Key Managerial Personnel:

Kalindi R.Shah - Managing Director, Tejaswini R.Shah - Joint Managing Director

(c) Relative of Key Management Personnel : Shri Rajendra J.Shah - Relative of Managing Director for part of the previous year.

Note: Related party relationship is as identified by the Company and relied by Auditors.

Nature of transaction	Related Parties		Referred in 1(c) above Rs.
	Referred in 1(a) above Rs.	Referred in 1(b) above Rs.	
Expenses			
Service/labour charges	463435 (1614284)	- 0	-
Remuneration		3297794 (2435000)	nil nil
Interest paid	5180 (5500)	953636 (953635)	nil nil
Sitting Fees			- -
Outstanding Loans received	- (50000)	8669411 (8669411)	- -
Balance Payable	204136 (96980)		
Loans/Deposits (received)		1500000 (nil)	- -
or repaid during the year	50000 (nil)	1500000 (1500000)	nil nil
16. Earning per Share		As at	As at
Particulars		31/03/2011	31/03/2010
Profit after Taxation as per profit and loss account		21,039,528	4,643,328
Weighted Average number of Equity Shares outstanding		280,100	280,100
Basic and diluted earning per share (Face value -Rs. 10/- per share)		75.11	16.58

17. Disclosure of Partnership Firm

Name of the Firm : R.J.Shah & Co.ltd - D.Thakkar Constructions Pvt.Ltd. (JV)

Name of Partner

	Profit/Loss Share ratio	Capital Balance as on 31.03.2011
(a) R.J.Shah & Co.Ltd.	51%	87027
(b) D.Thakkar Constuction P/Ltd.	49%	84321

18. The balance of sundry debtors, loans and advances, unsecured loans and sundry creditors as on 31st March 2011 are subject to confirmation.

19 Previous year's figures are recast and regrouped wherever necessary to make them comparable.

20. Consumption of Materials:

	For the Year ended			
	31.03.2011		31.03.2010	
	Rs.	%age	Rs.	%age
Stores and Spares				
Indegenous	1830807	100	15345448	100
Imported	nil		nil	
Other Materials				
Indegenous	nil		nil	100
Imported	nil		nil	



R.J.Shah & Company Limited
Schedule forming Part of Accounts for the Year ended 31st March 2011

21 Expenditure in Foreign Currency:-	For the Year Ended	
	31-3-2011	31-3-2010
Subscription, books & Periodicals	Rs. NIL	Rs. NIL

22 Balance Sheet Abstract and Company's Business Profile:-

I. Registration Details:-		
Registration Number		10986
State Code		11
Balance Sheet Date		31-Mar-11
II. Capital Raised during the Year :-		
		Rs. in Thousands
Public Issue		NIL
Rights Issue		NIL
Bonus Issue		NIL
Private Placement		NIL
III. Position of mobilisation and Deployment of Funds:-		
		Rs. in Thousands
Total Liabilities		161,250
Total Assets		161,250
Source Of Funds:-		
Paid up Capital		2,801
Reserves & Surplus		149,779
Secured Loans		0
Unsecured Loans		8,669
Application of Funds:-		
Net Fixed Assets		22,340
Investments		93
Net Current Assets		140,732
Deferred Tax Liabilities		(1,916)
Accumalated Losses		0
IV Performance of the Company :-		
Turnover (i/c other income)		66,257
Total Expenditure		34,746
Profit/loss before tax		31,511
Profit/loss after tax		21,040
Earning per Share (Rs.)		75.11
Dividend Rate		
V Generic Names of Principal Products, Services of the Company :-		
Item Code No:		
Product Description		Civil Engineering construction of Projects
Item Code No:		N.A.
Product Description		220112

Chairperson & Managing Director
 Jt. Managing Director

(Signature)
J.R. Shah

} Directors
 }

MUMBAI:
 DATED: 30th MAY 2011



(Signature)
R. Raichand

R.J.Shah & Company Limited
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011 PERSUANT TO CLAUSE 32 OF LISTING AGREEMENT

	For Year Ended 31/03/2011	For Year Ended 31/03/2010
A. CASH FLOW FROM OPERATING ACTIVITIES :-	31,511,115	6,604,848
Net Profit before Tax		
Adjusted for :		
Depreciation	1,592,199	1,677,275
Profit on sale of Fixed Assets	0	(233,977)
Income from Investments	(2,200)	(2,000)
Interest paid/payable on loans	958,816	959,135
Bad debts	9,933,357	
Sundry Adv. w/off	2,830,311	
Sundry Dep. w/off	375,557	
Interest received/receivable	(33,760,624)	(1,667,105)
Advance tax/tds(Net of refunds)	(10,691,878)	(2,199,657)
Operating profit before working capital changes	(28,764,462)	(1,466,329)
Adjustments for :	2,746,653	5,138,519
Trade & other receivables	(1,537,379)	(28,058,653)
Inventories	3,821,098	6,510,069
Trade payables	1,873,989	(2,298,855)
Cash generated from operations	4,157,708	(23,847,439)
Interest paid	6,904,361	(18,708,920)
NET CASH FROM OPERATING ACTIVITIES	(1,178,333)	(740,710)
B. CASH FLOW FROM INVESTING ACTIVITIES :	5,726,028	(19,449,630)
Purchase of fixed assets	(1,231,224)	(817,855)
Sale of fixed assets	0	861,923
Sale of investments	0	0
Purchase of Investments	(27,562)	(25,052)
Interest received from investments	2,200	2,000
others	33,100,358	1,756,372
NET USED IN INVESTING ACTIVITIES	31,843,772	1,777,388
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from :		
Short term borrowing	1,500,000	0
Repayment of Short Term borrowing	(1,500,000)	(1,500,000)
Refund of Deposit	(50,000)	
Dividend paid	(442,400)	(699,764)
NET CASH USED IN FINANCING ACTIVITIES	(492,400)	(2,199,764)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	37,077,400	(19,872,006)
Opening cash & cash equivalents	35,231,913	55,103,919
Closing cash & cash equivalents	72,309,313	35,231,913

This is the Cash Flow Statement referred to in our report of even date.

For **MAGANLAL & COMPANY**
Chartered Accountants
Firm Registration No.: 105731W

Proprietor
Membership No.: 14092
MUMBAI:
DATED: 30th MAY 2011

Chairperson & Managing Director

Jt. Managing Director

} Directors
}

