


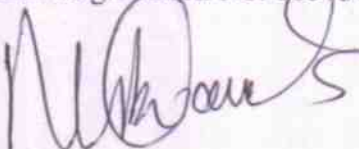


Form A
(Pursuant to Clause 31(a) of listing Agreement)

No.	Particulars	Details
1	Name of the Company	R. J. Shah & Company Limited
2.	Annual Standalone Financial Statements for the year ended	31 st March, 2013
3	Type of Audit Observation	None
4	Frequency of Observation	Not Applicable

5	<p>To be signed by:</p> <p>*Managing Director</p> <p>*Joint Managing Director</p> <p>*Auditors of the Company</p>	<p>Ms. Kalnidi R. Shah - </p> <p>Ms. Tejaswini R. Shah - </p> <p>Refer our Audit Report dated 30th May, 2013 On the Standalone Financial statements of the Company For N. S. Bhatt & Associates Chartered Accountants (Firm Registration No. 130891W)</p> <p></p> <p>N.S. Bhatt Partner Membership No. 010149</p> <p>For Maganlal & Company Chartered Accountants (Firm Registration No. 105731W)</p> <p></p> <p>Mukesh C. Bhatt (Proprietor) Membership No. 014092</p>
---	---	--

DIRECTORS' REPORT
2012-2013

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

The Directors have pleasure in submitting their 55th ANNUAL REPORT along with the Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2013.

1. FINANCIAL RESULTS

	Current Year Rs.	Previous Year Rs.
Income		
Revenue from operations	4,48,05,877	1,34,58,740
Other Income	58,26,976	70,28,604
Total Revenue	5,06,32,853	2,04,87,344
Less : Total Expenses	4,28,48,524	1,53,41,800
Profit Before Depreciation & Taxation	77,84,329	51,45,544
(-) Depreciation	13,15,429	16,69,392
Profit Before Taxation	64,68,900	34,76,152
(-) Provision for Taxation		
(i) Current Tax	21,00,000	6,75,000
(ii) Deferred Tax	(1,00,649)	3,87,347
Profit for the year	44,69,549	24,13,805

2. DIVIDEND

Your Directors are pleased to recommend payment of Dividend @ Rs.1.50/- per share (Previous Year Rs. 1.50/- per share) for the year ended 31st March, 2013.

3. REVIEW OF OPERATIONS

The tunneling work of company under MRVC for Railway has been completed for excavation as Mumbra face after forest clearance has opened up and further portal decision for concreting awaited and hence applied for time extension. The work under joint venture, Dept. – VIDC has not acquired the land and hence no activity is feasible. Further tendering in process to secure further works.

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, Mr. Sunil P. Masand, 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, 2013, 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, 2013 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 & Co. Chartered Accountants, Firm Registration No. 105731W, Mumbai, & M/s. N. S. Bhatt & Associates., Chartered Accountants Mumbai, Firm Registration No 130891W, Statutory Auditors of the Company retires at the ensuing Annual General Meeting. the re-appointment of M/s Maganlal & Co. Chartered Accountants along with M/s. N. S. Bhatt & Associates., Chartered Accountants to be appointed as Joint Auditors of the Company. The Auditors have given the certificate that the re-appointment, if made, will be within the prescribed limit specified under section 224 (1B) of the Companies Act, 1956.

The Auditors' observations read with the Notes to the accounts are self explanatory.

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 2013-14.

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: 30/05/2013

REGISTERED OFFICE

Mahul Road, Antop Hill,

Mumbai – 400 037.

By Order of the Board

K.R. SHAH

Chairperson & Managing Director

AUDITOR'S REPORT

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

Report on the Financial Statements : We have audited the accompanying financial statements of R.J.Shah & Company 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 then ended, 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 and cash flows of the Company 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.

Auditors' 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 31, 2013;
- b) in the case of the Statement of the Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the 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 N.S.Bhatt and Associates
Chartered Accountants
Firm Registration No:130891W

For Maganlal & Company
Chartered Accountants
Firm Registration No:105731W

N.S.Bhatt
(Partner)
Membership No. : 010149

Mukesh C Bhatt
(Proprietor)
Membership No.014092

Place:Mumbai
Date::30th May, 2013

Annexure to the Auditor Report

(Referred to in paragraph (1) of our report of even date)

I In respect of its fixed assets:

- 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 the 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 regards to size of the company and the nature of its assets. As reported by the management no material discrepancies were noticed on such verifications.
- c) In our opinion and according to the information and explanation given to us, a substantial part of the fixed assets has not been disposed off by the company during the year and the going concern status of the company is not affected.

II In respect of its inventories:

- 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 and according to the information and explanation given to us procedure of physical verification of inventories followed by the management, reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanation 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 In respect of unsecured loans granted by the company to the companies covered in the register under section 301 of the companies act, 1956 and according to the information and explanation given to us:-

- a) During the year, the Company has not given any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of sub clauses (a) to (d) of clause 4(iii) of CARO are not applicable to the company.
- b) The Company has not taken any loans, secured or unsecured, from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of sub clauses (e), (f) and (g) of clause 4(iii) of CARO are not applicable to the company.

IV In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and nature of its business with regards to the purchase of inventory and fixed assets and for the work done and services. During The course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system of the Company.

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 need to be entered into 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 transaction made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices of the relevant time.

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 N.S.Bhatt and Associates
Chartered Accountants
Firm Registration No:130891W

For Maganlal & Company
Chartered Accountants
Firm Registration No:105731W

N.S.Bhatt
(Partner)
Membership No. : 010149

Mukesh C Bhatt
(Proprietor)
Membership No.014092

Place:Mumbai
Date::30th May, 2013

- 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 deposit 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 its business.
- VIII As informed to us the Central Government has not prescribed the maintenance of cost records by the Company under section 209 (1) (d) of the Companies Act, 1956, therefore the provision of clause 4 (viii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- IX a) **According to the information and explanation 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, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom 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, Custom Duty and Cess were in arrears as at 31st March, 2013 for a period of more than six months from the date of they became payable.
- c) According to the information and explanations given to us there are no dues of Income Tax, Wealth Tax, Sales Tax, Service Tax, Custom 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 explanation given to us, the company has not defaulted in the repayment of dues to financial institutions, banks and debentures holders at the balance sheet date.
- XII According to the information and explanation 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 The Company is not a chit fund, nidhi or mutual benefit fund / society. Therefore the provisions of clause 4 (xiii) of the Companies (Auditor Report) Order 2003. are 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 4 (xiv) of the Companies (Auditor Report) Order 2003. are not applicable to the Company.
- XV According to the information and explanation given to us, the company has not given any guarantee for loan taken by others from Banks and Financial Institutions.
- XVI The Company has not obtained any term loans. Therefore, the provisions of clause 4 (xvi) of the Companies (Auditors Report) Order 2003 are 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 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.
- XIII According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the

- XIX Companies Act, 1956 during the year and the question of whether the price at which the shares have been issued in prejudicial to the interest of the company does not arise.
- XX 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.
- XXI The Company has not raised money by any public issues 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 beliefs and according to the information and explanations given to us, no material fraud on or by the Company was noticed or reported during the year.

For N.S.Bhatt and Associates
 Chartered Accountants
 Firm Registration No:130891W

For Maganlal & Company
 Chartered Accountants
 Firm Registration No:105731W

N.S.Bhatt
 (Partner)
 Membership No. : 010149

Mukesh C Bhatt
 (Proprietor)
 Membership No.014092

Place:Mumbai
 Date::30th May, 2013

R. J. SHAH & COMPANY Limited
BALANCE SHEET AS AT 31ST MARCH 2013

PARTICULARS	NOTE NO.	AS ON 31ST MARCH 2013	AS ON 31ST MARCH 2012
Amt in ₹			
I EQUITY AND LIABILITIES			
Shareholder's Funds			
a. Share Capital	3	2,801,000	2,801,000
b. Reserves and Surplus	4	154,019,601	150,871,617
		156,820,601	153,672,617
Non Current Liabilities			
Deferred Tax Liability (Net)	5	2,202,929	2,303,578
Long Term Liabilities	6	3,457,729	4,442,039
		5,660,658	6,745,617
Current Liabilities			
a. Short Term Borrowings	7	12,269,411	12,269,411
b. Trade Payable	8	3,342,813	717,313
c. Other Current Liabilities	9	9,930,558	12,058,830
d. Short Term Provisions	10	488,309	488,309
		26,031,091	25,533,863
Total:		188,512,350	185,952,097
II ASSETS			
1 Non-current Assets			
a. Fixed Asstes	11	17,688,871	19,837,556
b. Non - Current Investments	12	268,809	239,610
c. Long Term Loans & Advances	16	12,646,641	15,018,175
		30,604,321	35,095,341
2 Current Assets			
a. Inventories	13	33,710,423	30,738,406
b. Trade Receivables	14	44,256,909	44,256,909
c. Cash & Cash Equivalents	15	71,891,657	70,737,381
d. Short Term Loan & Advances	16	7,211,375	4,262,386
e. Other Current Assets	17	837,665	861,674
		157,908,029	150,856,756
Total		188,512,350	185,952,097

Significant Accounting Policies and notes on financial statement

1 to 35

As per Report of even date

		Chairperson & Managing Director	K. R. SHAH
For Maganlal & Co.	For N. S. Bhatt & Associates		
Chartered Accountants	Chartered Accountants	Joint Managing Director	T. R. SHAH
Firm Registration No: 105731W	No: 130891W		
M. C. Bhatt	N. S. Bhatt	M. N. PATEL	{ Directors
Proprietor	Partner	R. A. RAICHUR	{
Membership No. 014092	No: 010149	S. R. AGARWAL	{
Place: Mumbai			
Date: 30th May 2013			

R. J. SHAH & COMPANY Limited

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2013

Particulars	Note No.	Amt in ₹	
		For the year ended 31.03.2013	For the year ended 31.03.2012
Income		Amount in Rs.	Amount in Rs.
Revenue from Operations	18	44,805,877	13,458,740
Other Income	19	5,826,976	7,028,604
Total Revenue		50,632,853	20,487,344
Expenses			
Changes in inventories	20	(3,096,018)	(3,967,874)
Employees benefit expense	21	4,254,371	3,698,898
Finance Cost	22	1,523,875	1,556,106
Depreciation	23	1,315,429	1,669,392
Other expenses	24	40,166,296	14,054,670
Total Expenses		44,163,953	17,011,192
Profit before Tax		6,468,900	3,476,152
Profit Before Tax Expenses			
(i) Current Tax		2,100,000	675,000
(ii) Deferred Tax		(100,649)	387,347
Profit for the year		4,469,549	2,413,805
Earning per equity share			
share face value of Rs.10/-each		15.96	8.62
Basic & diluted in Rs.			
Significant Accounting Policies and notes on financial statement	1 to 35		

As per Report of even date

For Maganlal & Co.	For N. S. Bhatt & Associates	Chairperson & Managing Director	K. R. SHAH
Chartered Accountants	Chartered Accountants	Joint Managing Director	T. R. SHAH
Firm Registration No: 105731W	No: 130891W		
M. C. Bhatt	N. S. Bhatt	M. N. PATEL	} Directors
Proprietor	Partner	R. A. RAICHUR	
Membership No. 014092	No: 010149	S. R. AGARWAL	
Place: Mumbai			
Date: 30th May 2013			

R. J. SHAH & COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013 PURSUANT TO CLAUSE 32 OF LISTING AGREEMENT

Amount ₹

Particulars	For the Year Ended 31.03.2013	For the Year Ended 31.03.2012	
A			
Cash Flow from Operating Activities			
Net Profit / Loss before Tax	6468900		3476152
Adjustments for:			
Add: Depreciation	1315429		1669392
Profit on sale of Fixed Assets	0		0
Income from Investments			
Dividend	-3200		-3200
Interest	-11808		-4415
Interest paid/payable on loans	1,476,813		1,501,652
Interest received/receivable	(5,775,816)		-5529126
Advance tax/tds(Net of refunds)	-1817804	-4816386	-1887571
Operating profit before working capital changes	1652514		-777116
Adjustments for:			
Trade & other receivables	-828089		1323349
Inventories	-2972017		-3838965
Trade payables	-529983	-4330089	-2906922
Cash generated from operations	-2677575		-6199654
Interest paid	-1476813		-1501652
NET CASH FROM OPERATION ACTIVITIES	-4154388		-7701306
B			
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Investments	-29199		-146183
Income from Investments	0		0
Dividend	3200		3200
Interest	11808		2447
Other Interest	5775816		303818
NET CASH USED IN INVESTING ACTIVITIES	5761625		163282
C			
CASH FLOW FROM FINANCING ACTIVITIES			
Proceed from			
Short term borrowing	0		4300000
Repayment of Short Term Borrowing	0		-700000
Refund of Deposit	0		0
Dividend	-452961		-2745410
NET CASH USED IN FINANCING ACTIVITIES	-452961		854590
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	1154276		-6683434
Opening Cash & Cash Equivalents	70737381		72309313
Closing Cash & Cash Equivalents	71891657		70737381

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

For Maganlal & Co.

Chartered Accountants

Firm Registration No: 105731W

M. C. Bhatt

Proprietor

Membership No. 014092

Place: Mumbai

Date: 30th May 2013

For N. S. Bhatt & Associates

Chartered Accountants

No: 130891W

N. S. Bhatt

Partner

No: 010149

Chairperson & Managing Director

K. R. SHAH

Joint Managing Director

T. R. SHAH

{ M. N. PATEL

{ R. A. RAICHUR

{ S. R. AGARWAL

Directors

R.J. SHAH & CO. LIMITED, MUMBAI
Notes to financial statements for the year ended 31st March, 2013.

1. Corporate Information

R.J. Shah & Co. Limited is a Public Company in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Stock Exchange in India. The Company is engaged in Construction of Small & Medium size Hydro Electric Project with EPC Contract or Civil works with Hydro mechanical works since last several years. Company is specialized in underground works of Tunnels, Cavern Shaft, Inclined Tunnels with Govt. and Semi-government or various Electricity Boards, Railways, Atomic Power Station, Irrigation etc. and work receipt is mainly for these works along with ware-housing.

2. Basis of preparation

The financial statements are prepared on an Annual basis and under historical cost convention except for certain fixed assets which are revalued, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

2.1 Summary of significant accounting policies.

(a) Presentation and disclosure of financial statements.

During the year ended 31st March, 2012 the revised schedule VI notified under the Companies Act, 1956, has become applicable to Company, for preparation and presentation of its financial statements. It has significant impact on presentation and disclosures made in the financial statements the Company have reclassified the previous year figures in accordance with the requirements applicable in the current year.

(b) Use of Estimates.

In preparation of financial statements requires the management to make judgments, estimates and assumption that affect the reported amounts of Assets and Liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets as liabilities in future periods.

(c) Fixed Assets :

Fixed Assets are stated at cost and includes amounts added on revaluations less accumulated depreciations and impairment loss, if any. All costs including financing cost till commencement of commercial activities attributable to the Fixed Assets are capitalized.

(d) Depreciation on Tangible Fixed Assets.

Depreciation on Fixed Assets has been provided on straight line method as per section 2.5 (2) (b) of the Companies Act 1956 for pro-rata period for which the assets is put to use and lease hold land is stated at cost since inception. In respect of assets acquired upto 1.4.1987 on straight line method as per Circular No. 1/86 dated 20.5.1986 issued by the department of Company affairs and in respect of assets acquired from 2nd April 1987 and onwards at straight line method as the rates and in manner specified in schedule XIV of the Companies Act 1956.

(e) Impairment of Assets:

An Asset is treated as impaired when the carrying cost of Assets exceeds its reasonable value. An impairment loss is charged to the profit and loss account in the year in which on asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(f) Foreign currency transactions:

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transactions.

(g) Investments:

The long term investments are stated at cost provision for diminution in the value of the long term investments is made only if such a decline is other than temporary.

(h) Inventories:

The materials and consumables stores are valued at lower of cost or net realizable value. The cost is worked out on F I F O basis and the work in progress is valued at contract rate and / or at realizable value.

(i) Revenue recognition:

The work contracts are evaluated at the end of each year on stage completion method. On contract under execution revenue is recognized by evaluation of the work completed at the end of the accounting year. The claim (including escalations) which in the opinion of the management are recoverable on the contract are recognized at the time of evaluation of the work. Various claims, arbitration matters raised by company are subject to negotiation and 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. Revenue from operations includes sale of scrap, services, service tax and value added tax.

Income from Services: Revenue from, warehousing contracts recognized pro-rata over the period of contract as and when services are rendered.

Interest: Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.

Dividend: Dividend income is recognized when right to receive is established

(J) Employee Benefits:

As per the past practices and as per the understanding between company and the employees the monthly salary is inclusive of leave salary, gratuity and bonus and the salary is paid inclusive of these benefits to employee every month.

(k) Provision for Current and Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provision of the provisions of The Income Tax Act 1961.

Deferred Tax reflect the impact of "timing difference" between taxable income and accounting income originating during the current year and reversal of timing difference for the earlier years. Deferred Tax is measured using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.

Deferred Tax liabilities are recognized for all taxable timing differences. Deferred Tax Asset is recognized and cured forward only to the extent that there is a virtual certainty that the asset will be revised in future.

(l) Provisions and contingent liabilities.

A provision is recognized if the Company has present obligation, as a result of past event, that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligations at the reporting date.

Where no reliable estimate can be made, or disclosure is made as contingent liability

A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probable will not require outflow of resources.

Where there is possible obligation or a present obligation in respect of which the likely wood of outflow of resources is remote, no provision or disclosure is made.

Contingent liabilities are not recognized but are disclosed in the notes.

(m) Earning per Share.

Basic earning per Share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

R. J. SHAH & COMPANY Limited

Notes to Financial Statements For the Year Ended 31st March 2013

3 Share Capital

	Amt in ₹	
	31st March 2013	31st March 2012
Authorized Share Capital:		
50,00,000/- (31st March 2012)		
50,00,000)		
Equity Shares of Rs. 10/- each	50,00,000	50,00,000
	50,00,000	50,00,000
Issued, subscribed & fully paid up Shares		
280100 (280100) Equity shares		
of Rs. 10/- each fully paid up	2,801,000	2,801,000
Total:	2,801,000	2,801,000

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

Name of shareholder	As at 31.03.2013		As at 31.03.2012	
	no. of shares held	%age held	no. of shares held	%age holding in
Ms. K. R. Shah	74000	26.42	74000	26.42
Ms. T. R. Shah	70250	25.08	70250	25.08
J. B. Boda & Company Pvt. Ltd.	24800	8.85	24800	8.85

3.2 Reconciliation of the number of shares outstanding is set out below:

	As at 31.03.2013	As at 31.03.2012
Equity shares at beginning of year	2,801,000	2,801,000
Add: shares issued during year	0	0
Less: shares cancelled	0	0
	2,801,000	2,801,000

3.3 Details of Shares held by holding / ultimate holding Company and/or their subsidiaries / associates

	As at 31.03.2013	As at 31.03.2012
Shares held by associates		
Name of the Associate	No. of shares	No. of shares
Kalindi Engineering Pvt.Ltd.	2850	2850

Current		Non Current	
As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
₹ 304,987	₹ 282,000	₹ 4,442,089	₹ 4,427,759
₹ 304,987	₹ 282,000	₹ 4,442,089	₹ 4,427,759

R. J. SHAH & COMPANY Limited

Notes to Financial Statements For the Year Ended 31st March 2013

	Amt in ₹	
	As at 31.03.2013	As at 31.03.2012
4 Reserves and Surplus		
Capital Reserve		
As per last balance sheet	16,369,730	16,369,730
Closing Balance	<u>16,369,730</u>	<u>16,369,730</u>
Revaluation Reserve		
As per last balance sheet	3,845,768	4,679,024
less: Amount transferred from statement of Profit and loss	(833,256)	(833,256)
	<u>3,012,512</u>	<u>3,845,768</u>
c. General Reserve		
As per last balance sheet	112,511,888	111,511,888
Add: amount trasfered from P & L account	1,000,000	1,000,000
	<u>113,511,888</u>	<u>112,511,888</u>
Surplus in the statement of profit and loss		
As per last balance sheet	18,144,231	17,218,735
Add: Profit for the year	4,469,549	2,413,805
Profit available for appropriation	<u>22,613,780</u>	<u>19,632,540</u>
Less: Appropriations		
Trasfer to General Reserve	1,000,000	1,000,000
Proposed Final Equity Dividend per share Rs.1.5 (Previous year Rs.1.5/-)	420,150	420,150
Tax on proposed equity Dividend	68,159	68,159
	<u>1,488,309</u>	<u>1,488,309</u>
Net Surplus in the P & L account	<u>21,125,471</u>	<u>18,144,231</u>
Total	<u>154,019,601</u>	<u>150,871,617</u>

5 DEFERRED TAX LAIBILITY (NET)

	Amt in ₹	
	As at 31.03.2013	As at 31.03.2012
(Refer Note No. 32)		
Differred Tax Liability		
Difference between block and tax depreciation	2,202,929	2,303,578
Total:	<u>2,202,929</u>	<u>2,303,578</u>

6 LONG TERM LIABILITY

	Amt in ₹			
	Non Current		Current	
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Advance & Deposits from customers	3,457,729	4,442,039	4,285,005	6,304,967
Total:	<u>3,457,729</u>	<u>4,442,039</u>	<u>4,285,005</u>	<u>6,304,967</u>

6.1 Advances & Deposits from customers includes the deposits of Rs.NIL(previous year 4019962) bearing interest @ 6% per annum.

R. J. SHAH & COMPANY Limited
Notes to Financial Statements For the Year Ended 31st March 2013

	As at 31.03.2013	As at 31.03.2012
7 Short Term Borrowings		
Deposits. Unsecured	31,03,2013	31,03,2012
From Directors	12,269,411	12,269,411
Total:	12,269,411	12,269,411

7.1 Fixed Deposits are repayable within one year. The rate of interest 11% per annum.

7.2 Amount due but not paid during the year Rs. Nil.

	As at 31.03.2013	As at 31.03.2012
8 Trade Payable		
Trade Payables	31,03,2013	31,03,2012
Due to related parties (Refer note no. 34)	186,427	195,724
Others	3,156,386	521,589
Total:	3,342,813	717,313

8.1 The information regarding suppliers who are holding permanent registration certificate as an ancillary industrial undertaking issued by the Director 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 of delayed payment to small and ancillary industries act,1993 is not ascertainable.

	As at 31.03.2013	As at 31.03.2012
9 Other Current Liabilities		
Other Liabilities	31,03,2013	31,03,2012
Advance & deposits from Customers (refer note no. 6)	4,941,004	6,304,967
Unclaimed dividend	224,235	256,990
Managerial remuneration payable	904,825	522,795
Other liability	3,673,092	4,811,828
Statutory dues	187,402	162,250
Total:	9,930,558	12,058,830

9.1 Other liabilities include the amount of Rs. 2125715 (P. Y. 2125715) Service Tax adjustment account payable only after amount received from the customers.

	As at 31.03.2013	As at 31.03.2012
10 SHORT TERM PROVISIONS		
Proposed dividend	420,150	420,150
Income tax on proposed dividend	68,159	68,159
Total:	488,309	488,309

Balance	Capital	Reserves	Share
As at 31.03.2013	31,03,2013	31,03,2013	31,03,2013
82,530	118,409	21	
82,530	118,409		
1,52,881	322,881		

R. J. SHAH & COMPANY Limited

Notes to Financial Statements For the Year Ended 31st March 2013

11

FIXED ASSETS AT COST/REVALUATION

Amt in ₹

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31.3.2012	Additions/ Adjustmnt	Sales/ Adjustmnt	As on 31.03.2012	Up To 31.3.2012	For The Year	On Sold Items/ Adjustment	Up To 31.3.2013	As on 31/03/2013	As on 31/03/2012
Leasehold Land	609,609	0		609,609	0	0	0	0	609,609	609,609
Building & Shed	28,437,673	0		28,437,673	22,920,540	1,011,930	0	23,932,470	4,505,203	5,517,133
Plant & Machinery	18,278,393	0	0	18,278,393	8,794,608	730,154	0	9,524,762	8,753,631	9,483,785
Traxcavators and Loaders	8,189,193	0	0	8,189,193	7,566,055	47,728	0	7,613,783	575,410	623,138
Dumpers	10,004,770	0	0	10,004,770	9,352,038	18,919	0	9,370,957	633,813	652,732
Furniture & Fixtures *	925,396	0	0	925,396	624,727	21,286	0	646,013	279,383	300,669
Vehicles	5,315,635	0	0	5,315,635	3,024,635	293,841	0	3,318,476	1,997,159	2,291,000
Sci.Apparatus	514,542	0	0	514,542	155,052	24,827	0	179,879	334,663	359,490
Total	72,275,211	0	0	72,275,211	52,437,655	2,148,685	0	54,586,340	17,688,871	19,837,556
Previous Year	72,275,211	0	0	72,275,211	49,935,007	2,502,648	0	52,437,655	19,837,556	

* Includes Office Equipments

11.1 For Lease hold land the lease deed has been executed by Prothonotary & Senior Master, through Hon'ble High Court of Judicature at Bombay in 1993 for 30 years with condition that it will be renewed on the same terms for a further period of 30 years.

11.2 The Company is using part of the Building for warehousing. The rentals are charged as per agreed terms.

12 Non Current Investments

(Long term investments)

Non-trade investments

At cost:

As at

31.03.2013

Amt in ₹

As at

31.03.2012

(i) In Equity Shares

Quoted:

400 shares of Union Bank of India
of Rs. 10/-each

6,400

6,400

(ii) In Bonds:

Unquoted:

144 8.2% Tax Free bonds of Power Finance Corporation Limited
of Rs. 1000/- each.

144,000

144,000

Investments in Partnerships

118,409

89,210

Total:

268,809

239,610

12.1 Aggregate amount of quoted Investments

Market value of the quoted investment

6,400

6,400

Aggregate amount of unquoted Investments

87,220

93,940

144,000

144,000

12.2 Details of Investments in partnership firm

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

b. Other Details:

Name of the partners:	Profit/loss share ratio 31.03.2013	Capital As on 31.03.2013	Balance As on 31.03.2012
(I) R.J.Shah & Co. Ltd.	51%	118,409	89,210
(II) D.Thakkar Constructions Pvt.Ltd	49%	114,472	86,419
Total Capital of the Firm		232,881	175,629

R. J. SHAH & COMPANY Limited
Notes to Financial Statements For the Year Ended 31st March 2013

	Amt in ₹	
	As at	As at
	31.03.2013	31.03.2012
7 Short Term Borrowings		
Deposits, Unsecured		
From Directors	12,269,411	12,269,411
Total:	12,269,411	12,269,411

7.1 Fixed Deposits are repayable within one year. The rate of interest 11% per annum.

7.2 Amount due but not paid during the year Rs. Nil.

	Amt in ₹	
	As at	As at
	31.03.2013	31.03.2012
8 Trade Payable		
Trade Payables		
Due to related parties (Refer note no. 34)	186,427	195,724
Others	3,156,386	521,589
Total:	3,342,813	717,313

8.1 The information regarding suppliers who are holding permanent registration certificate as an ancillary industrial undertaking issued by the Director 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 of delayed payment to small and ancillary industries act, 1993 is not ascertainable.

	Amt in ₹	
	As at	As at
	31.03.2013	31.03.2012
9 Other Current Liabilities		
Other Liabilities		
Advance & deposits from Customers (refer note no. 6)	4,941,004	6,304,967
Unclaimed dividend	224,235	256,990
Managerial remuneration payable	904,825	522,795
Other liability	3,673,092	4,811,828
Statutory dues	187,402	162,250
Total:	9,930,558	12,058,830

9.1 Other liabilities include the amount of Rs. 2125715 (P. Y. 2125715) Service Tax adjustment account payable only after amount received from the customers.

	Amt in ₹	
	As at	As at
	31.03.2013	31.03.2012
10 SHORT TERM PROVISIONS		
Proposed dividend	420,150	420,150
Income tax on proposed dividend	68,159	68,159
Total:	488,309	488,309

	31.03.2013	31.03.2012
Balance	122,408	114,725
Capital	114,725	237,881
Profit loss	7,683	-123,156
Share reserve	-12,000	-12,000
As on	31.03.2013	31.03.2012

R. J. SHAH & COMPANY Limited

Notes to Financial Statements For the Year Ended 31st March 2013

FIXED ASSETS AT COST/REVALUATION

Amt in ₹

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 31.3.2012	Additions/ Adjustmnt	Sales/ Adjustmnt	As on 31.03.2012	Up To 31.3.2012	For The Year	On Sold Items/ Adjustment	Up To 31.3.2013	As on 31/03/2013	As on 31/03/2012
Leasehold Land	609,609	0		609,609	0	0	0	0	609,609	609,609
Building & Shed	28,437,673	0		28,437,673	22,920,540	1,011,930	0	23,932,470	4,505,203	5,517,133
Plant & Machinery	18,278,393	0	0	18,278,393	8,794,608	730,154	0	9,524,762	8,753,631	9,483,785
Traxcavators and Loaders	8,189,193	0	0	8,189,193	7,566,055	47,728	0	7,613,783	575,410	623,138
Dumpers	10,004,770	0	0	10,004,770	9,352,038	18,919	0	9,370,957	633,813	652,732
Furniture & Fixtures *	925,396	0	0	925,396	624,727	21,286	0	646,013	279,383	300,669
Vehicles	5,315,635	0	0	5,315,635	3,024,635	293,841	0	3,318,476	1,997,159	2,291,000
Sci.Apparatus	514,542	0	0	514,542	155,052	24,827	0	179,879	334,663	359,490
Total	72,275,211	0	0	72,275,211	52,437,655	2,148,685	0	54,586,340	17,688,871	19,837,556
Previous Year	72,275,211	0	0	72,275,211	49,935,007	2,502,648	0	52,437,655	19,837,556	

* Includes Office Equipments

11.1 For Lease hold land the lease deed has been executed by Prothonotary & Seniopr Master, through Hon'ble High Court of Judicature at Bombay in 1993 for 30 years with condition that it will be renewed on the same terms for a further period of 30 years.

11.2 The Company is using part of the Building for warehousing. The rentals are charged as per agreed terms.

12 Non Current Investments

(Long term investments)

Non-trade investments

At cost:

As at

31.03.2013

As at

31.03.2012

(i) In Equity Shares

Quoted:

400 shares of Union Bank of India
of Rs. 10/-each

6,400

6,400

(ii) In Bonds:

Unquoted:

144 8.2% Tax Free bonds of Power Finance Corporation Limited
of Rs. 1000/- each.

144,000

144,000

Investments in Partnerships

118,409

89,210

Total:

268,809

239,610

12.1 Aggregate amount of quoted Investments

Market value of the quoted investment

6,400

6,400

Aggregate amount of unquoted Investments

87,220

93,940

144,000

144,000

12.2 Details of Investments in partnership firm

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

b. Other Details:

Name of the partners:	Profit/loss share ratio 31.03.2013	Capital As on 31.03.2013	Balance As on 31.03.2012
(I) R.J.Shah & Co. Ltd.	51%	118,409	89,210
(II) D.Thakkar Constructions Pvt.Ltd	49%	114,472	86,419
Total Capital of the Firm		232,881	175,629

R. J. SHAH & COMPANY Limited
Notes to Financial Statements For the Year Ended 31st March 2013

Amt in ₹

13 Inventories	As on	As on
(As valued and certified by Managing Director)	31.03.2013	31.03.2012
Consumable Stores	4,009,375	4,133,376
Work In Progress	29,701,048	26,605,030
Total:	33,710,423	30,738,406

14 Trade Receivables	As on	As on
Unsecured considered good	31.03.2013	31.03.2012
Debts outstanding for a period exceeding six months	44,256,909	44,215,265
Other Debts	0	41,644
Total:	44,256,909	44,256,909

14.1 Debts includes Rs.883568 (883568) due from partnership firm where in Company is a partner.

15 Cash and Bank Balances

	As on	As on
	31.03.2013	31.03.2012
Cash on hand	28,943	26,589
Balances with Bank		
In current accounts	1,256,773	354,164
In Fixed Deposits	70,380,105	70,097,981
In unclaimed Dividend account	225,836	258,647
Total:	71,891,657	70,737,381

15.1 The Deposits maintained by the Company with banks comprise time deposits which can be withdrawn by the Company at any point without prior notice or penalty on principal.

15.2 Fixed Deposits with banks includes deposits of Rs.65730105 (previous Year Rs.32380105) with maturity of more than 12 months.

15.3 Fixed Deposits with banks includes Rs.1730105 (Previous Year Rs.21,80105) pledged with contractees and government Departments.

16 Loans and Advances

	Non Current		Current	
(Unsecured and considered good)	As on	As on	As on	As on
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Deposits	7,725,645	7,725,645	0	0
Advances				
Advance Income Tax (Net of provisions)	589,555	864,198	0	0
Withholding and other taxes receivable.	451,425	451,425	768,580	0
Prepaid expenses	0	0	195,441	183,132
Other Advances	3,880,016	5,976,907	6,247,354	4,079,254
Total	12,646,641	15,018,175	7,211,375	4,262,386

16.1 Other Advances includes Rs.NIL(Previous Year Rs.3922513) bearing interest @ 6% per annum.

17 Other Current Assets

	As on	As on
	31.03.2013	31.03.2012
Interest Accrued but not due		
On Bank Fixed Deposits	832,180	859,706
On Long Term Investments	5,485	1,968
Total	837,665	861,674

R. J. SHAH & COMPANY Limited

Notes to Financial Statements For the Year Ended 31st March 2013

		Amt in ₹	
		For the Year ended 31.03.2013	For the Year ended 31.03.2012
18 Revenue from Operations			
Contract receipts		38,429,043	7,183,249
Warehousing Income		6,376,834	6,275,491
		Total:	13,458,740
19 Other Income			
Interest			
1. From long Term Investments		11,808	4,415
2. From Bank Deposits		5,775,816	5,225,308
3. From others		-	303,818
Dividend			
From Long Term Investments		3,200	3,200
Other Non-Operating Income			
Share of Profit from Partnership Firm		1,294	2,183
Sundry Creditors Balance Written Off		-	116,162
Machinery charges		-	1,171,077
Other income		34,858	202,441
		Total:	7,028,604
20 Changes in Inventories			
Work in progress			
Closing Work in progress		29,701,048	26,605,030
Less: Opening Work in progress		26,605,030	22,637,156
		Total:	3,967,874
21 Employees Benefit Expenses			
Salaries and wages		4,043,081	3,546,720
Contribution to Provident Fund		139,144	92,149
Staff Welfare Expenses		72,146	60,029
		Total:	3,698,898
21.1	The Company's Provident Fund is exempted under Section 17 of Employee's Provident Fund and Miscellaneous Provisions Act, 1952.		
22 Finance Costs			
Interest on Deposits		1,349,636	1,189,405
Interest to others		127,177	312,247
Bank charges		47,062	54,454
		Total:	1,556,106
23 Depreciation			
Depreciation		2,148,685	2,502,648
Less: recoupment from revaluation reserve		833,256	833,256
		Total:	1,669,392

23.1 The depreciation is charged on revaluation amount of assets where applicable. The excess of depreciation so charged in accounts over & above the depreciation calculated on original cost of assets for the year ended 31.03.2013. The amount charged has been transferred from Revaluation Reserve Account. This has no impact on profit for the year.

R. J. SHAH & COMPANY Limited

Notes to Financial Statements For the Year Ended 31st March 2013

	Amt in ₹	
	For the Year ended 31.03.2013	For the Year ended 31.03.2012
24 Other Expenses		
Consumption of Stores and spares (idegenous)	460,077	169,122
Payment to sub-contractors	33,359,684	9,072,008
Electricity charges	427,504	306,927
Freight & cartage	18,153	72,096
Legal & Professional charges	1,411,605	497,820
Rent, rates & taxes	426,126	500,110
Insurance	321,799	268,815
Repairs & maintenance:-		
Machinery	115,986	43,095
Building	447,061	213,603
Conveyance Expenses	218,285	201,043
Travelling expenses	125,993	118,533
Telephone expenses	138,912	126,567
Printing & stationery	94,075	85,242
Office expenses	232,741	293,029
Motor car expenses	198,590	145,290
General expenses	97,091	43,615
Service Tax	681,188	568,790
Retainer charges	1,226,789	882,467
Director's meeting fees	20,000	50,000
Payment to Auditors	132,787	177,347
Donation	0	100,000
Income Tax of earlier years	11,850	119,151
Total:	40,166,296	14,054,670

24.1 Value of stores and spares consumed :

	For the year ended 31.03.2013		For the year ended 31.03.2012	
	Amt in ₹	%age of consumption	Amt in ₹	%age of consumption
Imported	Nil	Nil	Nil	Nil
Indegenous	460,077	100%	169,122	100%
	<u>460,077</u>		<u>169,122</u>	

24.2 Payment to Auditors

	For the year ended 31.03.2013	For the year ended 31.03.2012
Statutory Audit fees	78,652	47,166
Tax Audit Fees	16,854	16,545
b. Consultation fees		16,845
c. Taxation matter		16,545
d. Other Capacity	37,281	80,246

24.3 Legal & Professional Fees of Rs. 1411605 (previous year 497820) includes payment made to Directors Rs.30000 (previous year Rs.48000) in their Professional capacity.

24.4 A sum of Rs. 11850 (Previous Year 119151) is included under other expenses representing prior period items.

R. J. SHAH & COMPANY Limited

Notes to Financial Statements For the Year Ended 31st March 2013

Amt in ₹

Particulars	As on	As on
	31/03/2013	31/03/2012
Profit after Taxation as per profit and loss account attributable to Equity shareholders	4,469,549	2,413,805
Weighted Average number of shares	280100	280100
Basic and diluted earning	15.96	8.62
Face value per share	10	10

26.0 Eligible Employees receive benefit from provident fund which is a defined benefit plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees salary. The trust invests in specific designated instruments as permitted by Indian Law. The remaining portion is contributed to government administered fund. As per the past practice and as per the understanding between the Company and the employees the staff benefits like leave salary, gratuity and bonus are worked out and added to the basic monthly salary of the employees. The monthly salary paid is inclusive of all benefits. In view of this understanding the management is of the view that no liability exists on this account for the year ended 31st March 2013

27 CONTINGENT LIABILITIES

	for the year ended	
	31/03/2013	31/03/2012
	Amt in ₹	Amt in ₹
A. In respect of guarantees given to Project Authorities by Bank and counter guaranteed by other Bank	16,492,417	19,089,867
B. Claims against Company not acknowledged as debts	9,055,312	8,348,037
C. In respect of Income Tax pending rectification	3,108,372	3,108,372

28.0 The Company has a single segment namely "Engineering and Construction". Therefore the Company's business does not fall under different business segments as defined by Accounting Standard (AS) 17 on "segment reporting".

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

	Amt in ₹	
	31.03.2013	31.03.2012
Contract Revenue :	40,455,052	9,322,200
Contract costs incurred	32,920,836	7,623,477
Recognised Profits / Losses	7,534,216	1,698,723
Advances Received	4,000,000	8,019,962
Retention Money	1,231,187	215,497
Gross Amount due from Customer for Contract Work	44,161,268	44,160,368
Gross Amount due to Customer for Contract Work	2,835,576	208,194

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

30.0 The machineries of the value approximately ₹.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

31.0 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 considered reasonably necessary

32.0 The Company has accounted for Deferred Tax in accordance with Accounting Standard 22 "Accounting for Taxes on Income". Consequently the Company has credited Deferred Tax Assets/(Liabilities) of ₹ 100649 (previous year ₹ (387347)) to the statement of 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 31/3/2012 ₹	Current year (Charge)/ Credit ₹	Deferred tax assets/(liabilities) as at 31/3/2013 ₹
Difference between block and tax depreciation	(2,303,578)	100,649	(2,202,929)
Retirement benefits	0	0	0
	(2,303,578)	100,649	(2,202,929)

R. J. SHAH & COMPANY Limited

Notes to Financial Statements For the Year Ended 31st March 2013

33 The balance of trade receivables, loans and advances, deposits, trade and other payables as on 31st March 2013 are subject to confirmation.

34 Related Parties disclosures.

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below.

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationship.

Sr. No.	Name of Related Party	Relationship
1	Kalindi Engineering Industries (Pvt)Ltd.	Associates
2	Rajendra Shipping Pvt. Ltd.	Associates
3	Kalindi R. Shah	Managing Director
4	Tejaswini R. Shah	Joint Managing Director

(ii) Transactions during the year with related parties.

Sr.No.	Nature of Transaction	Amt. in Rs.			
		Assocites		Key Managarial personnel	
		KEI(P)LTD Amt in ₹	R.S.L. Amt in ₹	K. R. Shah	T. R. Shah
1)	Service/labour charges	338,054 (276,709)	41,745 (39,930)		
2)	Remuneration & benefit			1,500,000 (2,390,000)	1,080,000 (2,270,000)
3)	Interest paid			844,828 (737,465)	504,808 (451,940)
4)	Loan & Deposit received			nil (2,800,000)	nil (1,500,000)
5)	Loan & Deposit repaid			nil (500,000)	nil (200,000)
Balance as on 31st March 2013					
6)	Deposits			7,680,261 (7,680,261)	4,589,150 (4,589,150)
7)	Trade payable	124,639 (138,546)	61,788 (57,178)		

* Figures in brackets indicates previous year's figures.

35 The Previous year's figures have been regrouped / reclassified wherever necessary to confirm to the current years presentation
As per Report of even date

For Maganlal & Co.

Chartered Accountants

Firm Registration No: 105731W

M. C. Bhatt

Proprietor

Membership No. 014092

Place: Mumbai

Date: 30th May 2013

For N. S. Bhatt & Associates

Chartered Accountants

No: 130891W

N. S. Bhatt

Partner

No: 010149

Chairperson & Managing Director

K. R. SHAH

Joint Managing Director

T. R. SHAH

{ M. N. PATEL

Directors

{ R. A. RAICHUR

{ S. R. AGARWAL