



**R.J. SHAH & CO. LTD.**  
ENGINEERS & CONTRACTORS

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2414 6082  
GRAMS : ARJ SHAH  
E-MAIL : rjshah\_191@hotmail.com

Regd. Office :  
NEAR WADALA CONTAINER YARD,  
MAHUL ROAD, ANTOP HILL,  
MUMBAI - 400 037, (INDIA)  
CIN No. : L45202MH1957PLC010986

Ref. No.R/202/2017

Date: 13<sup>th</sup> October, 2017

To,  
The Secretary/ Corporate Relation Dept.  
The Bombay Stock Exchange Limited.  
P J Towers,  
Dalal Street,  
Fort, Mumbai -400001.

Script Code:509845

Dear Sir/Madam

**Sub: Submission of Annual Report 2016-17**

**Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015.**

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, we enclosed herewith the Annual Report 2016-17 approved and adopted at the 59<sup>th</sup> Annual General Meeting of the Company, held on September 26, 2017 at 4.00 P.M. at the registered office of the Company at Near Wadala Container Yard, Mahul Road, Antop Hill, Mumbai - 400037.

Kindly take above on record and acknowledge receipt of the same.

Thanking You,

**Yours Faithfully.**  
**For R. J. Shah & Company Limited**

**Ms. Kalindi R. Shah**  
**Managing Director**  
**601-B, Simla House,**  
**Neapean Sea Road,**  
**Mumbai - 400036**



ENGINEERS  
&  
CONTRACTORS

# **R. J. SHAH & COMPANY LIMITED**

CIN No. L45202MH1957PLC010986

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## **59TH ANNUAL REPORT**

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### **2016 - 2017**

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**59<sup>th</sup> ANNUAL REPORT**

**2016-2017**

**R J SHAH AND COMPANY LIMITED**

REGD. OFFICE: Mahul Road, Antop Hill, Mumbai - 400037

CIN: L45202MH1957PLC010986

Tel No: 91-24148081/82

Email ID: [rjshah\\_191@hotmail.com](mailto:rjshah_191@hotmail.com)

**BOARD OF DIRECTORS:**

Ms. Kalindi Shah (DIN-00402482)	: Chairperson & Managing Director
Ms. Tejaswini Shah (DIN- 00402478)	: Joint Managing Director
Dr. Manubhai Patel (DIN- 00909485)	: Director.
Mr. Raghavendra Raichur (DIN- 06926975)	: Independent Non-Executive Director
Mrs. Swati Agrawal (DIN- 00402476)	: Independent Non-Executive Director
Mr. Sunil Masand (DIN- 00371211)	: Independent Non-Executive Director

**AUDITORS:**

**N. S. Bhatt & Associates**  
Chartered Accountants

**LISTING OF EQUITY SHARES:**

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001

**AUDIT COMMITTEE**

Mr. Sunil Masand  
Mr. Raghavendra Raichur  
Ms. Swati Agrawal

**SECTERIAL AUDITOR**

M/s Deepak Rane

**BANKERS:**

Union Bank of India  
State Bank of India

## NOTICE

NOTICE is hereby given that 59<sup>TH</sup> ANNUAL GENERAL MEETING of the members of R. J. SHAH & COMPANY LIMITED will be held on Tuesday the 26<sup>th</sup> September, 2017 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 financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2017, and report of the Board of Directors and Auditors thereon.
2. To declare dividend on equity share capital for the financial year ended March 31, 2017
3. To appoint a Director in place of Dr. Manubhai Patel. (Din No. 00909485), who retires by rotation, and being eligible offers himself for re-appointment
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, and to fix their remuneration.

**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Brijesh Dutt & Associates, Chartered Accountants (ICAI Firm Registration No. 144568W), Mumbai be and is hereby appointed as the Statutory Auditors of the Company in place of M/s. N. S. Bhatt & Associates, Chartered Accountants, Mumbai (FRN: 130891W), the retiring Statutory Auditors, to hold office for a term of five consecutive years from the conclusion of this Annual General Meeting until the conclusion of the 64<sup>th</sup> Annual General Meeting of the Company, subject to ratification of their appointment by the Members at every Annual General Meeting till the 63<sup>rd</sup> Annual General Meeting, at such remuneration plus such taxes as may be applicable and reimbursement of out-of pocket expenses in connection with the audit as the Board of Directors/ Audit Committee may fix in this behalf."

### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V (as may be or amended from time to time) and all other applicable provisions if any, of the Companies Act, 2013, ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the relevant provisions of the Articles of Association of the Company, and in accordance with the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors granted in this regard, approval of the members of the Company be and is hereby accorded to the Re-appointment of Miss. Tejaswini Shah (DIN: 00402478) as "Joint Managing Director" of the Company for a further period of 5(Five) years w.e.f 09<sup>th</sup> May, 2017 on the terms and conditions including remuneration payable to her for a period of 3(Three) years, liable to retire by rotation, on the terms and conditions (including remuneration payable in the event of loss or inadequacy of profits in any financial year during the tenure of her appointment) as set out in the draft agreement, a copy of which initiated by the Managing Director, Miss. Kalindi R. Shah for the purpose of identification, is now placed before this meeting for approval, and in particular, on the remuneration and perquisites, benefits and amenities, as mentioned below, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall deem to include any Committee of the Board constituted to exercise its powers including the powers conferred by this resolution) to determine, alter and vary the terms and conditions of the said appointment, including the remuneration, and tenure, within the overall limits set out in this resolution:

Basic Salary:

10,80,000/- p.a. in the grade of 90,000/- per month.

a) There may be one or more increment(s) in a year, which will be granted on merits, at the absolute discretion of the Nomination and Remuneration Committee/Board of Directors, depending upon the performance of the Company and the Managing Director.

b) Commission: As a percentage of Net Profits of the Company for any financial year, calculated pursuant to the provisions of the Act, subject to the overall ceiling on remuneration to managerial personnel as may be prescribed under the Act from time to time. Such remuneration by way of commission in addition to salary, perquisites and allowances payable, Calculated with reference to the net profits of the Company in a particular financial year during the tenure of this agreement, subject to the overall ceiling stipulated in section 197 read with Schedule V of the Companies Act, 2013. The specific amount payable to Miss Tejaswini Shah will be decided by the Board/ Nomination and Remuneration Committee of the Board and will be payable annually after the annual accounts of the Company have been approved by the Board of Directors and adopted by the shareholders.

c) Others Benefits and Perquisites: Use of car and telephone at residence, or reimbursement of expenses in lieu thereof, medical reimbursement, coverage under Key Managerial Personnel insurance policy or equivalent other insurance policy taken by the Company and personal accident insurance policy, leave and leave travel concession, leave encashment, club fees, education benefits, provident fund, superannuation fund, gratuity, in accordance with the scheme(s) and rule(s) of the Company framed/made for the Executive Directors/Senior Executives of the Company, or any modification(s) thereto from time to time. The perquisites and allowances, wherever applicable, shall be valued as per the Income Tax Rules, 1962. "Family" for the purpose above shall mean the spouse, dependent children and dependent parents of Miss Tejaswini R. Shah.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any Financial Year, subject to the provisions of Schedule V of the Act and such other approvals as may be required, Miss Tejaswini Shah, be paid the same remuneration as mentioned above as minimum remuneration.

RESOLVED FURTHER THAT in order to give effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, as the Board may in its absolute discretion, consider, necessary, expedient or desirable"

6. To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 197 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder, as amended from time to time, a sum not exceeding 1% of the net profits of the Company per annum, calculated in accordance with the provisions of Section 198 of the Act, be paid and distributed amongst the Directors of the Company including the Managing Director and Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be decided by the Board of Directors and such payments shall be made with respect to the profits of the Company for the year ended 31<sup>st</sup> March, 2017."

#### 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. THE FORM OF PROXY FOR THE ANNUAL GENERAL MEETING IS ENCLOSED. PROXY IN ORDER TO BE VALID MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING
2. Dividend @ Rs. 10/- per share as recommended by the Board of Directors for the year ended 31<sup>st</sup> March, 2017 and subject to the approval of the shareholders at the ensuing Annual General Meeting, is proposed to be paid on or dispatched before 25<sup>th</sup> October, 2017 to those members whose names appear in the Register of Members of the company as of the close of business hours as on 15<sup>th</sup> September, 2017.
3. The Register of Members and Share Transfer Books of the Company will remain closed from the Friday 15<sup>th</sup> September, 2017 to Tuesday 26<sup>th</sup> September, 2017 (both days inclusive)
4. The Company has transferred unpaid dividend for the year ended 31<sup>st</sup> March, 2009 to the Investor Education & Protection Fund as per the Rules of Central Government.
5. Unpaid Dividend payable to the Shareholders in respect of the 52<sup>nd</sup> Dividend for the year ended 31<sup>st</sup> March, 2010 onwards shall be transferred to the Investor Education and Protection Fund under the amended provisions of the Companies Act, 2013 on the expiry of the 7<sup>th</sup> year from the date of such transfer to unpaid dividend account and hence unpaid dividend for the year 2009-2010 declared on 29<sup>th</sup> September, 2010 will be transferred to the said Account of Central Government before 28-10-2017. The details of unclaimed dividend lying with the Company as on September 28, 2016 (date of last Annual General Meeting) has been uploaded on Ministry of Corporate Affairs website [www.mca.gov.in](http://www.mca.gov.in) in accordance with the requirements of relevant Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012
6. Since the shares of the Company are not dematerialised, Voting through Electronic mode is not possible and hence facilities of Ballot Papers are being provided alongwith Annual Report.
7. Members are requested to notify immediately any change in their address to the Company alongwith any change in their bank details already registered with the company.

MUMBAI  
DATED: 15/05/2017  
REGISTERED OFFICE  
Mahul Road, Antop Hill,  
Mumbai -- 400 037.

By Order of the Board

K. R. SHAH  
Chairperson & Managing Director  
Din No. 0402482

## Explanatory Statement

### Item No. 5

The existing tenure of Miss. Tejaswini R. Shah as Joint Managing Director re-appointed for a period of Five years with effect from May 9, 2017. It is proposed to re-appoint Miss. Tejaswini Shah as Joint Managing Director for a tenure of 5(Five) years with effect from May 9, 2017, on the terms and conditions as detailed in the special resolutions proposing their respective re-appointments.

The said re-appointments and their terms (including the terms of remuneration) have been approved by the Board of Directors at its meeting held on February 10, 2017 and the Nomination and Remuneration Committee of the Directors has also approved their terms of remuneration at its meeting held on the same date. The proposed appointments would be in accordance with the applicable provisions of the Companies Act, 2013, and Rules made thereunder.

The special resolutions under item nos. 5 together with this explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 197 of the Companies Act, 2013.

The details of remuneration payable to Miss. Tejaswini Shah and the terms and conditions of their respective appointments are given in resolution at item no. 5 of the Notice of this Annual General Meeting.

The information required under the Sub-clause B of Section II, Part II, of the Schedule V to the Companies Act 2013 is given here below:

1	1)	Nature of Industry	Engineers & Contractors
	2)	Date of expected date of commencement of commercial production	Not applicable because it is a running company
	3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
	4)	Financial performance based on given indicators	As at 31st March 2017
		Total Income	Rs.15,71,57,596/-
		Profit/ (Loss) before tax	Rs.6,89,63,351/-
		Net profit/ (Loss) after tax	Rs.4,60,85,363/-
		Dividend recommended per share	Rs.10/-
		Earning per share	Rs.164.53/-
	5)	Foreign investments or collaborations, if any	NIL
		<b>INFORMATION ABOUT MS. TEJASWINI SHAH</b>	
	1)	Background details	Ms. Tejaswini Shah is M.Sc. from University of Bombay and has been Joint Managing Director of the company having more than 30 years' experience in the business
	2)	Past Remuneration	
		2013-14	Rs. 10,80,000/-
		2014-15	Rs. 10,80,000/-
		2015-16	Rs. 10,80,000/-
	3)	Recognition and Awards	NIL
	4)	Job profile and her suitability	She has vast experience on number of Company's Project for Irrigation Atomic Power Plant – Railways – Hydro Electric Project and has wide experience in claims, arbitration & court matters. Since last more than thirty years with management of Company Officers and related issues of the Company.
	5)	Remuneration proposed	As per the details given above
	6)	Comparative remuneration profile with respect to industry, size of company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his/her origin)	The remuneration paid to Tejaswini R. Shah is lower than the industry for a similar sized firm.
	7)	Pecuniary relationship, directly or indirectly with the company or relationship with the managerial personnel, if any	She is already director in Rajendra Shipping Private Limited & Kalindi Engineering Industries Private Limited undertaking job work
		Other information:	
	1)	Reasons for loss or inadequate profits	The Company is Earning profits
	2)	Steps taken or proposed to be taken for improvement	The company's profitability would be dependent on the orders from the Government Sector/ Semi Government / Private Sector etc.
	3)	Expected increase in productivity and profits in measurable terms	The company expects an increase in productivity and profits in line with the economic growth, investment aptitude, market demand etc.
		<b>DISCLOSURES</b>	

1)	The remuneration package of the managerial person is given in the explanatory statement above.
2)	Since the corporate governance is not applicable to the company, additional information required to be given in the corporate governance report of the annual report is not furnished.
3)	The company has not made any default in repayment of any of its debts (including public deposits, if any) or debentures or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date of re-appointment of the Joint Managing Director.
4)	The Board of Directors of the company had four non-executive independent directors, to constitute a Remuneration Committee. The decision to re-appoint and payment of remuneration to Ms. Tejaswini R. Shah was taken by the Board in which she did not take part in the deliberations. The Board while considering the remuneration, took into account the financial position of the company, trend in the industry, Ms. Tejaswini R. Shah's qualifications, past performance, past remuneration etc.

The re-appointment of Ms. Tejaswini R. Shah as Joint Managing Director requires the consent of the shareholders at a general meeting by way of special resolution. The Board of Directors commend the resolution for approval of the shareholders at the ensuing annual general meeting.

The related documents are kept at the registered office of the company open for inspection during 11.00 a.m. to 1.00 p.m. on all working days up to the date of the annual general meeting. Apart from Ms. Kalindi R. Shah, her Sister, none of the Directors are concerned or interested in the said resolution.

Yours Directors recommended the aforesaid resolution for your approval.

#### **Item no. 6**

Section 197 of the Companies Act, 2013 permits payment of remuneration to Non-Executive Directors of a Company by way of commission, if the Company authorised such payment by way of a resolution of members.

The remuneration payable to Executive & Non-Executive Directors of the Company including the Managing Director and Whole-time Directors by way of commission not exceeding one per cent of the net profits of the Company for the year ended 31<sup>st</sup> March, 2017. Considering the rich experience and expertise brought to the Board by the Non-Executive Directors, it is proposed that, remuneration not exceeding one per cent of the net profits of the Company calculated in accordance with provisions of the Act, be continued to be paid and distributed amongst the Executive & Non-Executive Directors including the Managing Director and Whole-time Directors of the Company in accordance with the recommendations of the Nomination and Remuneration Committee of the Board and approval by the Board of Directors of the Company, for the year ended 31<sup>st</sup> March, 2017. Such payment will be in addition to the sitting fees for attending Board/Committee meetings.

None of the Directors, Key Managerial Personnel or their respective relatives, except all of the Non-Executive Directors of the Company to whom the resolution relates are concerned or interested in the Resolution mentioned at Item No. 6 of the notice. The Board recommends the resolution set forth in Item No. 6 for the approval of the Members.

**MUMBAI**  
**DATED: 15/05/2017**  
**REGISTERED OFFICE**  
**Mahul Road, Antop Hill,**  
**Mumbai – 400 037.**

**By Order of the Board**

**K. R. SHAH**  
**Chairperson & Managing Director**  
**Din No. 0402482**

**Information relating to the re-appointment of Director(s) at the 59<sup>th</sup> Annual General Meeting**  
[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**Item No. 3: Re-appointment of Dr. Manubhai Patel as a Director of the Company, liable to retire by rotation**  
Dr. Manubhai Patel Non Executive Director of the Company retire on ensuing annual general meeting on and eligible for reappointed.

Dr Manubhai Patel B.E. (Civil), Michigan State University, USA, A.M.I.E. & Technical Consultation for all types of engineering works since last 45 years

Name of the Director	Dr Manubhai Patel
Date of Birth	08 <sup>th</sup> June, 1927
Date of Appointment	31 <sup>st</sup> May, 2016
Qualification	B.E. (Civil), Michigan State University, USA, A.M.I.E.
Expertise in Specific Functional Areas	Technical Consultation for all types of engineering works since last 45 years
Directorship held in other Public Company	Nil
Membership/ Chairmanship of Committees of other Public Company	Nil
Number of shares held in the company	1100
Relationship between directors inter-se	N.A.

**DIRECTORS' REPORT**  
2016-2017

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

The Directors have pleasure in submitting their 59<sup>th</sup> ANNUAL REPORT along with the Audited Balance Sheet and Profit & Loss Account for the year ended 31<sup>st</sup> March, 2017.

**FINANCIAL RESULTS**

	Current Year ended 31.03.2017 (Rs.)	Previous Year ended 31.03.2016 (Rs.)
<b>Income</b>	14,53,59,554	81,30,520
Revenue from operations	1,17,98,042	68,00,667
Other Income	15,71,57,596	1,49,31,187
<b>Total Revenue</b>	8,67,85,581	1,17,56,596
Less : Total Expenses (Excluding Depreciation)	7,03,72,015	31,74,591
<b>Profit Before Depreciation &amp; Taxation</b>	14,08,664	17,78,511
# (-) Depreciation	6,89,63,351	13,96,080
<b>Profit Before Taxation</b>		
(-) Provision for Taxation		8,30,000
(i) Current Tax	2,32,15,000	(4,11,425)
(ii) Deferred Tax	(3,37,312)	9,77,505
<b>Profit for the year</b>	4,60,85,663	

**OPERATIONAL REVIEW:**

Gross revenues for the year ended 31<sup>st</sup> March, 2017 is Rs. 15,71,57,596/-, as against Rs. 1,49,31,187/- in the previous year. Profit before depreciation and taxation is Rs. 7,03,72,015/- as against Rs. 31,74,591/- in the previous year. The net profit of the Company for the year under review was placed is Rs. 4,60,85,663/- as against Rs. 9,77,505/- in the previous year.

**DIVIDEND**

The Board of Directors are pleased to recommend dividend @100% i.e. Rs. 10/- per share on 2,80,100 Equity shares of Re.10/- each for the year under review subject to the approval of members at the ensuing Annual General Meeting of the Company.

The dividend, if approved by the Shareholders at the Annual General Meeting, shall entail a payout of Rs.28,01,000/- and Dividend Distribution Tax (DDT) of Rs.570284/-.

**SHARE CAPITAL**

The paid up equity capital as on March 31, 2017 was Rs.28,01,000/-. During the year under review, the Company has not issued any shares.

**CHANGES IN THE NATURE OF BUSINESS**

There is no change in the nature of business of the Company during the year.

**MATERIAL CHANGES AND COMMITMENTS**

There have not been any material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company as on March 31, 2017 and the date of this report i.e. May 15, 2017.

**GENERAL**

During the financial year 2016-17, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 and rules made there under.

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.



The Company has in place policy as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, no case was reported to the Committee constituted under the said Act.

#### **DIRECTOR & KMP**

Dr. Manubhai Patel (DIN 00909485) shall be the Director liable to retire by rotation at the ensuing Annual General Meeting in accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company; and being eligible, offers himself for re-appointment.

#### **DECLARATION OF INDEPENDENT DIRECTORS**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

#### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit,

#### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

#### **SUBSIDIARY COMPANIES:**

The Company does not have any subsidiary.

#### **Meetings**

Minimum four prescheduled Board meetings are held every year. Additional meetings are held to address specific needs of the Company. In case of any exigency/ emergency, resolutions are passed by circulation. During the Financial Year 2016-17 the Board of Directors met four times on- 30/05/2016, 11/08/2016, 11/11/2016 and 10/02/2017. The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under Regulation 17 of the Listing Regulations and Secretarial Standards.

#### **RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The detail of the investments made by company is given in the notes to the financial statements.

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

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Accounts Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies.

Based on the report of internal audit function, corrective action is taken and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

## **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee has been constituted as per the section 178(1) of the Companies Act, 2013. One Meeting of the Nomination & Remuneration Committee Held during the Year

## **REMUNERATION POLICY**

### **Remuneration to Executive Directors:**

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

### **Remuneration to Non- Executive Directors:**

The Board decides the payment of commission within the limits in ensuing Annual General Meeting not exceeding 1% of its net profit to Non-executive Directors shall be applicable subject to approval by members of the Company in general meeting. During the year no commission was paid to the nonexecutive Directors of the

Remuneration by way of sitting fees for attending Board meetings, are paid to Non-executive Director per meeting Rs. 5,000/- per person

## **AUDIT COMMITTEE**

The Company's Audit Committee has been constituted as per section 177 of the Companies Act, 2013. Four meetings of the Audit Committee were held during the financial year 2016-17.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Company's Stakeholders Relationship Committee has been constituted as per section 177 of the Companies Act, 2013, two meeting of the Stakeholder Relationship Committee During the year

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Fraud Risk and Management Policy to deal with instances of fraud and mismanagement, if any.

The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

#### **BUSINESS RISK MANAGEMENT:**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 the company has constituted a business risk management committee. The details of the committee and its terms of reference are set out in the corporate governance report forming part of the Boards report.

At present the company has not identified any element of risk which may threaten the existence of the company.

#### **AUDITORS & REPORT thereon**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the term of Statutory Auditors of the Company M/s. N S Bhatt & Associates (FRN:130891W), ends at the conclusion of the ensuing Annual General Meeting and not eligible for re-appointment. The Audit Committee has recommended the appointment of M/s. Brijesh Dutt & Associates. (FRN: 144568W), in place of retiring Statutory Auditors. M/s. Brijesh Dutt & Associates. have furnished a certificate that their appointment, if made, will be within the limits prescribed under the Companies Act. The Directors recommend their appointment as the Statutory Auditors for a period of five years for approval of the Members. Members are requested to approve their appointment as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the 64th Annual General Meeting of the Company, subject to the ratification of their appointment by the Members at every Annual General Meeting till the 63rd Annual General Meeting.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

#### **INTERNAL AUDITOR**

As per section 138 of the Companies Act, 2013, the Company has appointed M/s. Ravindra B. Shah & Co. , internal auditors for the year to 2016-2017 to conduct the internal audit and to ensure adequacy of the Internal controls, adherence to Company's policies and ensure statutory and other compliance through, periodical checks and internal audit.

#### **COST AUDITORS**

As per Section 148 read with Companies (Audit & Auditors) Rules, applicable to cost auditors, the company was not liable to appoint Cost auditors for the financial year 2016-17.

#### **SECRETARIAL AUDITOR:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s Deepak Rane a Practising Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith

#### **REPLY ON SECRETARIAL AUDITOR OBSERVATION**

(i) The company's paid up capital is only Rs. 28 lacs with Bombay Stock Exchange (BSE) listed and the shares are in physical mode with no trading place. The Company is enjoying the services of Practising Company Secretary (PCS) since last so many years for observance and compliance as per the Companies Act, 2013 & other applicable corporate laws. The Companies Act, 2013 mandates the appointment but since the company's sole purpose of continuation is to recover its outstanding and no further orders have been executed for the last few years, the appointment looks very difficult and un viable

(iii) e-voting Facility AS the Company's shares are in physical mode with no activity taking place and further the linkage of electronic mode has not been availed by the Company, the e-voting facility has not been granted by the Company to the shareholder but the ballot paper options has been given in its place

(iii) The company's paid up capital is only Rs. 28 lacs with Bombay Stock Exchange (BSE) listed and the shares are in physical mode with no trading place. Company's sole purpose of continuation is to recover its outstanding and no further orders have been executed for the last few years so the company has not maintain functional website

#### **TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND**

In pursuance of the provisions of Section 124(6) of the Companies Act, 2013 and the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 notified on 7th September, 2016, in addition to the transfer of amounts of unclaimed/ unpaid dividend for 2008-09, the underlying shares are also due for transfer to the IEPF Authority in case the dividend of further 7 (Seven) continuous years.

This was in pursuance of the recent enforcement of section 124(6) of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 which requires every Company to mandatorily transfer to IEPF, the underlying shares in respect of which unpaid/ unclaimed dividend has been transferred to IEPF and for which the dividend has still remained unpaid or unclaimed for a consecutive period of next 7 (seven) years.

## **EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return of the Company for the financial year ended on March 31, 2017 in Form MGT-9 is annexed herewith

## **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

In compliance with regulations under the Companies Act, 2013; CSR Committee has been constituted and CSR policy has been adopted by the Company.

Since there was no average profit in the last three financial years; your Company was not required to spend statutorily on CSR activities during the year.

## **CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS**

SEBI Circular No. SEBI/LAD-NRO/GN/2015-16/013 dated 02<sup>nd</sup> September 2015, The Company is under exempted category as the paid up equity capital of the Company is below Rs.10 Crores and Net worth is below Rs.25 Crores as on the last day of the previous financial year (audited). i.e. 31.03.2017.

## **PARTICULARS OF EMPLOYEES**

Information as per Section read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is not applicable.

## **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.

## **DETAILS OF FRAUDS REPORTED BY AUDITORS:**

During the year under review, there were no frauds reported by Statutory Auditors under provision of section 143(12) of the Companies Act, 2013 and rules there under.

## **ACKNOWLEDGEMENTS:**

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

Place : Mumbai                      By Order of the Board  
DATED: 15/05/2017  
REGISTERED OFFICE  
MAHUL ROAD,  
ANTOP HILL,  
MUMBAI - 400037                      K.R. SHAH  
Din 00402482  
Managing Director

T. R. Shah  
Din. 00402478  
Joint Managing Director

Secretarial Audit Report

Form No. MR-3

FOR FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017.

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
R J SHAH AND COMPANY LIMITED.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by R J Shah And Company Limited (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31<sup>st</sup> March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers and minute books, as mentioned in Annexure I, Forms and returns filed and other records maintained by R. J. Shah And Company Limited ("The Company"), for the year ended on 31<sup>st</sup> March, 2017 to the extent applicable to the provisions of:

- I. The Companies Act, 2013 ("The Act") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- III. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not Applicable
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company during the year:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: Not applicable
  - e. The Company has complied with the requirements under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 entered into with BSE Limited. *The Company has not maintained a functional website as per regulation 62(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.*
- V. We have relied on the representation made by the Company and its Officers for systems and mechanism put in place by the Company for Compliances under other applicable Act, Laws and Regulations to the Company.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. *The company has complied with the provisions of Section 203 of the Companies Act 2013, except for the appointment of Company Secretary.*
2. *The Company has not opted for e-voting facility with either of the two Depositories.*

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance; and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Date: 15/05/2017  
Place: Mumbai

For Deepak Rane  
Company Secretary

Proprietor  
ACS: 24110 CP: 8717

This report is to be read with our letter of even date which is annexed as Annexure II and forms an integral part of this report.

Annexure – I

**BOOKS, PAPERS AND MINUTE BOOKS MAINTAINED BY THE COMPANY**

1. Book containing the Minutes of Board Meeting, General Meeting and Committee Meeting
2. Book of accounts
3. Register of Members.
4. Register of Transfer.
5. Register of Directors and Key Managerial Personnel
6. Register of Director's shareholdings
7. Register of Charges
8. Register of Shareholders Attendance.
9. Register of investments or loans made, guarantee or security provided.
10. Register of particulars of contracts in which Directors are interested.
11. Register of Contracts.

Annexure – II

To,  
The Members,  
R J Shah and Company Limited.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 15/05/2017  
Place: Mumbai

For Deepak Rane  
Company Secretary

Proprietor  
ACS: 24110 CP: 8717

## EXTRACT OF ANNUAL RETURNAS ON THE FINANCIAL YEAR ENDED ON 31.03.2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	L45202MH1957PLC010986
ii.	Registration Date	16/12/1957
iii.	Name of the Company	R J Shah & Company Limited
iv.	Category / Sub-Category of the Company	Company Limited By Shares Indian Non-Government Company
v.	Address of the Registered office and contact details	Near Wadala Container Yard, Mahul Road, Antop Hill, Mumbai - 400037
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Company Has In house Share Department

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Civil Engineering works for Hydro Electric Project, Railways, Irrigation etc.	45206	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.			N.A.		
2.					

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**I. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	0	144250	144250	51.50	0	144250	144250	51.50	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	2850	2850	1.02	0	2850	2850	1.02	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total(A)(1):-</b>	<b>0</b>	<b>147100</b>	<b>147100</b>	<b>52.52</b>	<b>0</b>	<b>147100</b>	<b>147100</b>	<b>52.52</b>	<b>0</b>
<b>2) Foreign</b>									
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>147100</b>	<b>147100</b>	<b>52.52</b>	<b>0</b>	<b>147100</b>	<b>147100</b>	<b>52.52</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	5000	5000	1.79	0	5000	5000	1.79	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1)</b>	<b>0</b>	<b>5000</b>	<b>5000</b>	<b>1.79</b>	<b>0</b>	<b>5000</b>	<b>5000</b>	<b>1.79</b>	<b>0</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.	0	24900	24900	8.89	0	24900	24900	8.89	0
(i) Indian									
(ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	90750	90750	32.40	0	90750	90750	32.40	0
(ii) Individual									



shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (Specify) Directors/ Relative	0	12350	12350	4.41	0	12350	12350	4.41	0
Sub-total (B)(2)	0	128000	128000	45.70	0	128000	128000	45.70	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	133000	133000	47.48	0	133000	133000	47.48	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	280100	280100	100	0	280100	280100	100	0

**ii. Shareholding of Promoters**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1.	Ms. Kalindi R. Shah	74000	26.42	0	74000	26.42	0	0
2.	Ms. Tejaswini R. Shah	70250	25.08	0	70250	25.08	0	0
3.	Kalindi Engineering Industries Private Limited	2850	1.02	0	2850	1.02	0	0
	<b>Total</b>	<b>147100</b>	<b>52.52</b>	<b>0</b>	<b>147100</b>	<b>52.52</b>	<b>0</b>	<b>0</b>

**iii. Change in Promoters' Shareholding ( please specify, if there is no change**

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	There is no change in Promoter's shareholding between 01/04/2016 to 31/03/2017			
	At the End of the year				

Shareholding pattern of Top ten share holder

Sr. no	For Each of the Top Ten Shareholders	Shareholding at the beginning / end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	
1	M/s J. B. Boda & Company pvt. Ltd. Beginning of the year	24800	8.85	24800	8.85
	M/s J. B. Boda & Company pvt. Ltd. end of the year	24800	8.85	24800	8.85
2	Mr. Sudhir M. Shah at the beginning of the year	11700	4.18	11700	4.18
	Mr. Sudhir M. Shah at the end of the year	11700	4.18	11700	4.18
3	Mr. Trikam G. Shah at the beginning of the year	9400	3.36	9400	3.36
	Mr. Trikam G. Shah at the end of the year	9400	3.36	9400	3.36
4	Mrs. Prafulla S. Shah at the beginning of the year	5400	1.93	5400	1.93
	Mrs. Prafulla S. Shah at the end of the year	5400	1.93	5400	1.93
5	M/s. Oriental Insurance Company Limited at the beginning of the year	5000	1.79	5000	1.79
	M/s. Oriental Insurance Company Limited at the end of the year	5000	1.79	5000	1.79
6	Mr. Jainish Anilkumar Lalcheta at the beginning of the year	0	0	3000	1.07
	Mr. Jainish Anilkumar Lalcheta at the end of the year	0	0	3000	1.07
7	Mr. Dhavalkumar Lalcheta at the beginning of the year	5900	2.11	2900	1.04
	Mr. Dhavalkumar Lalcheta at the end of the year	5900	2.11	2900	1.04
8	Mr. Shashikant Patel at the beginning of the year	2800	1.00	2800	1.00
	Mr. Shashikant Patel at the end of the year	2800	1.00	2800	1.00
9	Mr. Krishnakant R. Desai at the beginning of the year	2750	0.98	2750	0.98
	Mr. Krishnakant R. Desai at the end of the year	2750	0.98	2750	0.98
10	Mr. Vadilal Desai at the beginning of the year	2500	0.89	2500	0.89
	Mr. Vadilal Desai at the end of the year	2500	0.89	2500	0.89

Shareholding of Directors & Key Managerial Personnel :

Sr. no	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Ms. Kalindi R. Shah at the beginning of the year	74000	26.42	74000	26.42
	Ms. Kalindi R. Shah at the end of the year	74000	26.42	74000	26.42

2	Ms. Tejaswini R. Shah at the beginning of the year	70250	25.08	70250	25.08
	Ms. Tejaswini R. Shah at the end of the year	70250	25.08	70250	25.08
3	Mrs. Swati R. Agrawal at the beginning of the year	1000	0.36	1000	0.36
	Mrs. Swati R. Agrawal at the end of the year	1000	0.36	1000	0.36
4	Mr. Raghvendra A Raichur at the beginning of the year	3000	1.07	3000	1.07
	Mr. Raghvendra A Raichur at the end of the year	3000	1.07	3000	1.07
5	Dr. Manubhai N. Patel at the beginning of the year	1100	0.39	1100	0.39
	Dr. Manubhai N. Patel at end of the year	1100	0.39	1100	0.39
6	Mr. Sunil P. Masand at the beginning of the year	2400	0.86	2400	0.86
	Mr. Sunil P. Masand at the end of the year	2400	0.86	2400	0.86

#### V. INDEBTEDNESS

Indebtedness of the Company including Interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness in Rs.
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	1,22,69,411	1,22,69,411
ii) Interest due but not paid	0	0	3,37,409	3,37,409
iii) Interest accrued but not	0	0	0	0
Total (i+ii+iii)	0	0	12606820	12606820
Change in Indebtedness during the financial year				
- Addition	0	0	0	0
- Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	1,22,69,411	1,22,69,411
ii) Interest due but not paid iii) Interest accrued but not due	0	0	3,37,409	3,37,409
	0	0	0	0
Total (i+ii+iii)	0	0	12606820	12606820

#### viii. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Ms. Kalindi R. Shah	Ms. Tejaswini R. Shah	Total Amount in Rs.
1.	Gross salary	1500000/- P.A.	1080000/- P.A.	2580000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission - as % of profit - others, specify...	0	0	0
5.	Others, please specify	0	0	0
6.	Total (A)	1500000	1080000	2580000
	Ceiling as per the Act	Within the prescribed limits as per companies act, 2013		

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount in Rs.
		Mr. Ragahavendra Raichur	Dr. Manubhai Patel	Ms. Swati Agrawal	Mr. Sunil Masand	
	<u>Independent Directors</u>					
	• Fee for attending board committee meetings	20000	5000	20000	20000	80000
	• Commission	0	0	0	0	0
	• Others, please specify	0	0	0	0	0
	Total (1)	20000	5000	20000	20000	80000
	<u>Other Non-Executive Directors</u>					
	• Fee for attending board committee meetings	0	15000	0	0	0
	• Commission	0	0	0	0	0
	• Others, please specify	0	0	0	0	0
	Total (2)	0	15000	0	0	0
	Total (B)=(1+2)	20000	20000	20000	20000	80000
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
	Overall ceilings as per the act	Within the prescribed limit as per Companies Act 2013.				

**C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel	
		Ms. Tejaswini R. Shah - CFO	Total amount in Rs.
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0  0  0	0  0  0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission - as % of profit - others, specify...	0	0
5.	<u>Others, please specify</u>	0	0
6.	Total	0	0

**ix. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees Imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty	There were no Penalties, Punishment or compounding of offences during the year ended March 31, 2017				
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty	There were no Penalties, Punishment or compounding of offences during the year ended March 31, 2017				
Punishment					
Compounding					
<b>C. Other Officers In Default</b>					
Penalty	There were no Penalties, Punishment or compounding of offences during the year ended March 31, 2017				
Punishment					
Compounding					

## Auditor Report

To The Members of R. J. Shah & Company Limited

### Report on the Financial Statements

1. We have audited the accompanying standalone financial statements of R.J.Shah & Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, 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 Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial that were operating effectively for ensuring the accuracy and completeness of the accounting records 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

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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.
6. 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 finance control relevant to the Company's preparation of the financial statements that give a true and fair view 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 the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 of the state of affairs of the company as at 31<sup>st</sup> March, 2017 and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

8. As required by 'the Companies (Auditor's Report) Order 2016', issued by the Central Government of India in terms of sub section (11) of section 143 of the Act (hereinafter referred to as "order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-A statement on the matters specified in paragraph 3 and 4 of the order.
9. As required by section 143(3) of the Act, we report that:
  - a) We have sought and 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 it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the afore said standalone financial statements comply with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies(Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the board of directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, in our opinion and to the best of our information and according to the explanations given to us:
- 1) The Company has disclosed the impact of pending litigations on its financial position in its financial statements, refer to Note no.14.2 & Note no.26 to the financial statements.
  - 2) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - 3) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
  - 4) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. Based on audit procedure and relying on management representation we report that disclosure are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

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

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

Place: Mumbai  
Date: 15<sup>th</sup> May, 2017

#### Annexure - A to the Auditors' Report

Referred to in paragraph 9 of the Independent's Auditor Report of even date to the members of R. J. Shah & Company Limited on the standalone financial statements as of and for the year ended March 31, 2017

- I
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation 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) As per the information and explanations given to us, the Title Deeds of Immovable Properties are held in the name of company.
- II The Inventory has been physically verified by the management at reasonable intervals during the year and as per the information and explanations given to us and according to the records produced to us, no material discrepancies noticed on such physical verification as compared to book records.
- III As per the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013..
- IV As per the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 wherever is applicable.
- V The Company has not accepted any deposits from public within the meaning of section 73 and 74 of the Act and the rules framed thereunder to the extent notified.

- VI As per the information and explanations given by the management, the Central Government has not prescribed for the maintenance of Cost records under section 148(1) of the Companies Act, 2013, therefore the provision under this clause are not applicable to the Company.
- VII a) As per the information and explanations given to us and records of the company examined by us, in our opinion the Company is regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty and Other Statutory dues applicable to it, with the appropriate authorities.
- b) 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.
- VIII 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 debentures holders at the balance sheet date.
- IX The Company has not raised any money by way of Initial Public Offer or Further Public Offer (including debt instruments) and term loans during the year.
- X To the best of our knowledge and beliefs and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year under review.
- XI To the best of our knowledge and beliefs and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- XII The Company is not a Nidhi Company as per the provisions of section 406 of the Companies Act, 2013.
- XIII As per the information and explanations given to us all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the note no.32 on financial statements as required by the applicable accounting standards.
- XIV The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- XV As per the information and explanations given to us the company has not entered into any non cash transactions with directors or person connected with him.
- XVI As per the information and the examination of the financial statements, the company is not required to be register under section 45-1A of the Reserve Bank of India Act, 1934.

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

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

Place: Mumbai  
Date: 15<sup>th</sup> May, 2017

**Annexure - B to the Auditors' Report**

Referred to in paragraph 10 (f) of the Independent's Auditor Report of even date to the members of R. J. Shah & Company Limited on the standalone financial statements as of and for the year ended March 31, 2017

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of R.J.Shah & Co. Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.



## Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

N.S.Bhatt  
(Partner)  
Membership No. : 010149  
Place: Mumbai  
Date: 15<sup>th</sup> May, 2017

**R. J. SHAH & COMPANY Limited**  
**BALANCE SHEET AS AT 31ST MARCH 2017**  
 Amt in ₹

PARTICULARS	NOTE NO.	AS ON 31ST MARCH 2017	AS ON 31ST MARCH 2016
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
a. Share Capital	3	2,801,000	2,801,000
b. Reserves and Surplus	4	203,704,789	161,176,160
		<u>206,505,789</u>	<u>163,977,160</u>
<b>Non Current Liabilities</b>			
Deferred Tax Liability (Net)	5	459,953	797,265
Long Term Liabilities	6	196,971	452,489
		<u>656,924</u>	<u>1,249,754</u>
<b>Current Liabilities</b>			
a. Short Term Borrowings	7	12,269,411	12,269,411
b. Trade Payable	8	815,020	1,826,084
c. Other Current Liabilities	9	34,965,190	15,366,935
d. Short Term Provisions	10	3,380,284	337,123
		<u>51,429,905</u>	<u>29,799,553</u>
<b>Total:</b>		<u>258,592,618</u>	<u>195,026,467</u>
<b>II ASSETS</b>			
<b>1 Non-current Assets</b>			
a. Fixed Asstes	11	7,287,700	8,810,331
b. Non - Current Investments	12	150,400	308,587
c. Long Term Loans & Advances	16	32,284,803	11,081,355
		<u>39,722,903</u>	<u>20,200,273</u>
<b>2 Current Assets</b>			
a. Inventories	13	51,882,772	53,208,636
b. Trade Receivables	14	0	44,321,361
c. Cash & Cash Equivalents	15	164,174,660	74,927,624
d. Short Term Loan & Advances	16	1,199,873	1,456,936
e. Other Current Assets	17	1,612,410	911,637
		<u>218,869,715</u>	<u>174,826,194</u>
<b>Total</b>		<u>258,592,618</u>	<u>195,026,467</u>

Significant Accounting Policies and notes on financial statement

1 to 33

As per Report of even date

For N. S. Bhatt & Associates

Chartered Accountants

Firm Registration No: 130891W

N.S.Bhatt

Partner

Membership No.: 010149

Place: Mumbai

Date: 15th May 2017

Chairperson & Managing Director K. R. SHAH

Joint Managing Director T. R. SHAH

{ 1. M. N. PATEL  
 Directors { 2 S.P. MASAND  
 { 3 S.R.. AGRAWAL  
 { 4 R.A. RAICHUR

**R. J. SHAH & COMPANY Limited**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2017**

Amt in ₹

Particulars	Note No.	For the year ended 31.03.2017	For the year ended 31.03.2016
<b>Income</b>			
Revenue from Operations	18	145,359,554	8,130,520
Other Income	19	11,798,042	6,800,667
<b>Total Revenue</b>		<b>157,157,596</b>	<b>14,931,187</b>
<b>Expenses</b>			
Changes in inventories	20	0	(7,537,215)
Employees benefit expense	21	5,668,227	3,902,571
Finance Cost	22	1,371,886	1,398,170
Depreciation	23	1,408,664	1,778,511
Other expenses	24	79,745,468	13,993,070
<b>Total Expenses</b>		<b>88,194,245</b>	<b>13,535,107</b>
<b>Profit before Tax</b>		<b>68,963,351</b>	<b>1,396,080</b>
<b>Profit Before Tax Expenses</b>			
(i) Current Tax		23,215,000	830,000
(ii) Deferred Tax		(337,312)	(411,425)
<b>Profit for the year</b>		<b>46,085,663</b>	<b>977,505</b>
<b>Earning per equity share</b>			
share face value of Rs.10/-each	25	164.53	3.49
<b>Basic &amp; diluted in Rs.</b>			

Significant Accounting Policies and notes on financial statement

1 to 33

As per Report of even date

For N. S. Bhatt & Associates

Chartered Accountants

Firm Registration No: 130891W

N.S.Bhatt

Partner

Membership No.: 010149

Place: Mumbai

Date: 15th May 2017

Chairperson & Managing Director K. R. SHAH

Joint Managing Director T. R. SHAH

{ 1. M. N. PATEL

Directors { 2 S.P. MASAND

{ 3 S.R.. AGRAWAL

{ 4 R.A. RAICHUR

**R. J. SHAH & COMPANY LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**  
**PERSUANT TO CLAUSE 32 OF LISTING AGREEMENT**

Amount ₹

Particulars	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016	
<b>A</b>			
Cash Flow from Operating Activities			
Net Profit / Loss before Tax	68,963,351		1,396,080
Adjustments for:			
Add: Depreciation	1,408,664	1,778,511	
Profit on sale of Fixed Assets	(532)	(102,139)	
Income from Investments	(11,808)	(11,808)	
Dividend	(780)	(2,400)	
Interest	0	(247)	
Interest paid/payable on loans	1,349,636	1,349,636	
Interest received/receivable	(10,495,299)	(6,475,990)	
Advance tax/tds(Net of refunds)	(22,862,797)	(22,161,200)	(5,680,557)
Operating profit before working capital changes	38,350,435		(4,284,477)
Adjustments for:			
Trade & other receivables	45,263,910	9,499,982	
Inventories	1,325,864	(7,444,502)	
Trade payables	(39,607,800)	(20,999,390)	(4,445,900)
Cash generated from operations	8,097,942		(4,328,936)
Interest paid	(1,349,636)		(1,349,636)
<b>NET CASH FROM OPERATION ACTIVITIES</b>	<b>7,962,979</b>		<b>(5,678,572)</b>
<b>B</b>			
CASH FLOW FROM INVESTING ACTIVITIES			
Reduction in Investments	1,581,870	(66,023)	
Sale of Fixed Assets	2,52,370	2,66,667	
Income from Investments	1,18,080	1,18,080	
Dividend	780	2,400	
Interest	9,794,526	6,437,054	
Other Interest	0	247	
Purchase of tangible assets	(87,490)	0	
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>9,903,048</b>		<b>6,652,153</b>
<b>C</b>			
CASH FLOW FROM FINANCING ACTIVITIES			
Proceed from			
Dividend	(2,85,805)	(4,07,005)	
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(2,85,805)</b>		<b>(4,07,005)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>89,247,036</b>		<b>5,66,576</b>
Opening Cash & Cash Equivalents	74,927,624		74,360,975
Closing Cash & Cash Equivalents	1,64,174,660		74,927,624

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

For N. S. Bhatt & Associates

Chairperson & Managing Director : K. R. SHAH

Chartered Accountants

Firm Registration No: 130891W

Joint Managing Director : T. R. SHAH

N. S. Bhatt

Partner

{ 1. M. N. PATEL

Membership No.: 010149

Directors { 2 S. P. MASAND

Place: Mumbai

{ 3 S. R. AGRAWAL

Date: 15th May 2017

{ 4 R.A. RAICHUR

**1. Corporate Information**

R.J. Shah & Co. Limited is a Public Company in India and incorporated under the provisions of the Companies Act, 1956. It's 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, 2013.

**2.1 Summary of significant accounting policies.**

**(a) 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.

**(b) 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.

**(c) Depreciation on Tangible Fixed Assets.**

(i) Depreciation on Plant and Machinery, Electrical installations and Equipment etc. is provided on a Straight Line Method over the estimated useful life of assets.

(ii) Based on terms of the Lease Deed signed as per Orders of the High Court of Judicature at Bombay, the useful life of building at Wadala has been estimated as 13 years (on a single shift basis), which is different from that prescribed in Schedule II of the Act.

(iii) Depreciation on additions to assets or on sale/discardment of assets, is calculated pro rata from the month of such addition or upto the month of such sale / discardment, as the case may be.

**(d) 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.

**(e) Foreign currency transactions:**

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

**(f) 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.

**(g) 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.

**(h) 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, service tax and value added tax.

**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

**(i) 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.

**(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 Deferred Tax:**

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

Deferred Tax reflected 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 carried forward only to the extent that there is a virtual certainty that the asset will be revised in future.

(l)

**(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

**Notes to Financial Statements For the Year Ended 31st March 2017**

Amt in ₹

**3 Share Capital****Authorized Share Capital:**

50,00,000/- (31st March 2014  
50,00,000)

Equity Shares of Rs. 10/- each

	As On 31st March 2017	As On 31st March 2016
	50,000,000	50,000,000
	<u>50,000,000</u>	<u>50,000,000</u>
<b>Issued, subscribed &amp; fully paid up Shares</b>		
280100 (280100) Equity shares of Rs. 10/- each fully paid up	2,801,000	2,801,000
<b>Total:</b>	<u>2,801,000</u>	<u>2,801,000</u>

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

Name of shareholder	As at 31.03.2017		As at 31.03.2016	
	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 31.03.2017	As at 31.03.2016
Equity shares at beginning of year	2,801,000	2,801,000
Add: shares issued during year	0	0
Less: shares cancelled	0	0
	<u>2,801,000</u>	<u>2,801,000</u>

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

28 NIL

# R. J. SHAH & COMPANY Limited

Notes to Financial Statements For the Year Ended 31st March 2017

	As at 31.03.2017	As at 31.03.2016
<b>4 Reserves and Surplus</b>		
Capital Reserve	16,369,730	16,369,730
As per last balance sheet		
Closing Balance	16,369,730	16,369,730
Revaluation Reserve		
As per last balance sheet	2,059,823	2,059,823
less: Amount transferred from statement of Profit and loss	(176,753)	(119,433)
	1,763,637	1,940,390
<b>c. General Reserve</b>		
As per last balance sheet	115,611,888	115,511,888
Add: amount trasfered from P & L account	1,000,000	100,000
	116,611,888	115,611,888
<b>Surplus in the statement of profit and loss</b>		
As per last balance sheet	27,254,155	26,713,770
Add: Profit for the year	46,085,663	977,505
Profit available for appropriation	73,339,818	27,691,275
<b>Less: Appropriations</b>		
Trasfer to General Reserve	1,000,000	100,000
Proposed Final Equity Dividend per share Rs.10/- ( Previous year Rs.1/-)	2,801,000	280,100
Tax on proposed equity Dividend	579,284	57,023
	4,380,284	437,123
<b>Net Surplus in the P &amp; L account</b>	68,959,534	27,254,152
<b>Total</b>	203,704,789	161,176,160

	As at 31.03.2017	As at 31.03.2016
<b>5 DEFERRED TAX LAIBILITY (NET)</b>		
(Refer Note No. 30)		
Differred Tax Liability		
Difference between block & tax depreciation and tax depreciation	(459,953)	(797,265)
<b>Total:</b>	(459,953)	(797,265)

## 6 LONG TERM LIABILITY

	Non Current		Current	
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
Advance & Deposits from customers	196,971	452,489	5,963,153	5,905,349
<b>Total:</b>	196,971	452,489	5,963,153	5,905,349

## Managerial remuneration paid / payable to Directors

salary to M.D. & Jt. M. D.	2017	2016	
	4508396		
Commission to M. D. & Jt. M. D.	1,528,396		* includes commission subject to shareholder's approval
Commission to non executive directors	400,000		* includes commission subject to shareholder's approval

statement showing the computation of net profit in accordance with section 198(1) of the Companies Act, 2015

Profit before tax as per P & L a/c	68,963,351
add: provision for depreciation as per Companies Act	1,408,664
remuneration to directors	6,436,792
less: depreciation u/s 350 of the Companies Act, 2015	388,452
Profit on sale of fixed assets	532
	76,419,823
Commission to MD and Jt.MD	1,528,396

%age olding in
26.42
25.08
8.85

# R. J. SHAH & COMPANY Limited

Notes to Financial Statements For the Year Ended 31st March 2017

	Amt in ₹	
	As at 31.03.2017	As at 31.03.2016
<b>7 Short Term Borrowings</b>		
Deposits- Unsecured		
From Directors	12,269,411	12,269,411
<b>Total:</b>	<b>12,269,411</b>	<b>12,269,411</b>

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 31.03.2017	As at 31.03.2016
<b>8 Trade Payable</b>		
Trade Payables		
Micro, Small and Medium Enterprises	0	0
Due to related parties (Refer note no. 32)	435,626	376,139
Others	379,394	1,449,945
<b>Total:</b>	<b>815,020</b>	<b>1,826,084</b>

8.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:-

	As at 31.03.2017	As at 31.03.2016
Particulars		
Principal amount paid and remaining unpaid	-	-
Interest due on the above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day of the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due & payable in succeeding years	-	-

	As at 31.03.2017	As at 31.03.2016
<b>9 Other Current Liabilities</b>		
Other Liabilities		
Advance & deposits from Customers (refer Note No. 6)	5,963,153	5,905,349
Taxation Liability	23,215,000	851,880
Unclaimed dividend	220,990	226,695
Managerial remuneration payable	2,100,121	4,607,250
Other liability	3,343,859	3,635,012
Statutory dues	122,067	140,749
<b>Total:</b>	<b>34,965,190</b>	<b>15,366,935</b>

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 31.03.2017	As at 31.03.2016
<b>10 SHORT TERM PROVISIONS</b>		
Proposed dividend	2,810,000	280,100
Income tax on proposed dividend	570,284	57,023
<b>Total:</b>	<b>3,380,284</b>	<b>337,123</b>

(A) Disclosure of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016:-

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	140000	32124.59	172124.59
(+) Permitted Receipts		154000.00	154000.00
(-)permitted payments	140000	142021.00	282021.00
Closing cash in hand as on 30.12.2016		44103.59	44103.59



**R. J. SHAH & COMPANY Limited**

**Notes to Financial Statements For the Year Ended 31st March 2017**

Amt in ₹

**11 FIXED ASSETS AT COST/REVALUATION**

Description	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As on 31.3.2016	Additions/ Adjustmnt	Sales/ Adjustmnt	As on 31.03.2017	Up To 31.3.2016	For The Year	Adj. of depr.	On Sold Items/adj	Up To 31.3.2017	As on 31.03.2017	As on 31.03.2016
Leasehold Land	609,609	0		609,609	0	0	0	0	0	609,609	609,609
Building & Shed	28,437,673	0		28,437,673	25,477,022	247,279	0	0	25,724,301	2,713,372	2,960,651
Plant & Machinery	15,454,690	87,490	69,375	15,472,805	11,967,402	945,946	0	65,907	12,847,441	2,625,364	3,487,288
Traxcavators and Loaders	8,189,193	0	0	8,189,193	7,745,819		0	0	7,745,819	443,374	443,374
Dumpers	5,820,356	0	0	5,820,356	5,517,402	23,871		0	5,541,273	279,083	302,953
Furniture & Fixtures *	925,396	0	0	925,396	853,790	25,335	0		879,125	46,271	71,606
Vehicles	4,411,365	0	424,749	3,986,616	3,625,941	280,082		403,512	3,502,511	484,105	785,424
Sci.Apparatus	514,542	0	0	514,542	365,116	62,904	0		428,020	86,522	149,426
<b>Total</b>	<b>64,362,824</b>	<b>87,490</b>	<b>494,124</b>	<b>63,956,190</b>	<b>55,552,492</b>	<b>1,585,417</b>	<b>0</b>	<b>469,419</b>	<b>56,668,490</b>	<b>7,287,700</b>	<b>8,810,331</b>
Previous Year	67,906,890	0	3,544,067	64,362,823	57,034,087	1,897,944	0	3,379,539	55,552,492	8,810,331	

\* Includes Office Equipments

- 11.1 The Company's Building at Wadala is on land which is on lease with BPT. Lease Agreement is signed as per Order dated 20th June, 1992 of the High Court of Judicature at Bombay on 11.03.1993 with lease period of 30 years from 25.01.1968, i.e. till 24.01.1998. As per Clause 3 of the lease deed signed by Prothonotary and Senior Master of the High Court of Judicature at Bombay on behalf of BPT the lease term is renewable for a further period of 30 years i.e. till 24.01.2028. And on the completion of the lease term the building is to be demolished and the land to be returned to BPT. Accordingly life of the Building though it is 60 years as per Company's Act, 2013 Schedule II Part C 5 1(a) the Company has restricted the life till 2027 only assuming one year for demolition and clearance and accordingly the depreciation has been provided keeping the revised residual life of the Building.
- 11.2 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

**12 Non Current Investments**

(Long term investments)

Non-trade Investments

At cost:

As at

31.03.2017

As at

31.03.2016

(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

(iii) Investments in Partnerships

0

158,187

**Total:**

**150,400**

**308,587**

Note: The Joint Venture Partnership has been dissolved as of 31.03.2017 as no further works are in hand and losses incurred during the year.

# R. J. SHAH & COMPANY Limited

## Notes to Financial Statements For the Year Ended 31st March 2017

12.1 Aggregate amount of quoted Investments	6,400	6,400
Market value of the quoted investment	62,380	52,140
Aggregate amount of unquoted Investments	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 31.03.2016	Capital As on 31.03.2017	Balance As on 31.03.2016
(I) R.J. Shah & Co. Ltd.	51%	0	158,187
(II) D.Thakkar Constructions Pvt.Ltd	49%	0	152,689
<b>Total Capital of the Firm</b>		<b>0</b>	<b>310,876</b>

13 Inventories (As valued and certified by Managing Director)	As on 31.03.2017	As on 31.03.2016
Consumable Stores	2,256,518	3,582,382
Work In Progress	49,626,254	49,626,254
<b>Total:</b>	<b>51,882,772</b>	<b>53,208,636</b>
14 Trade Receivables Unsecured considered good	As on 31.03.2017	As on 31.03.2016
Debts outstanding for a period exceeding six months	0	44,215,265
Other Debts	0	106,096
<b>Total:</b>	<b>0</b>	<b>44,321,361</b>

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

14.2 The Company has written off all the the sundry debtors as the Company has ascertained that the same are not recoverable in the present circumstances.

15 Cash and Bank Balances	As on 31.03.2017	As on 31.03.2016
Cash on hand	15,598	15,295
Balances with Bank		
in current accounts	636,415	633,977
In Fixed Deposits	163,300,000	74,050,000
In unclaimed Dividend account	222,647	228,352
<b>Total:</b>	<b>164,174,660</b>	<b>74,927,624</b>

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.100300000 (previous Year Rs.64600000) with maturity more than 12 months.

15.3 Fixed Deposits with banks includes Rs.1700000 (Previous Year Rs.1700000) pledged with contractees and government Departments.

16 Loans and Advances (Unsecured, considered good)	Non Current		Current	
	As on 31.03.2017	As on 31.03.2016	As on 31.03.2017	As on 31.03.2016
Deposits	7,034,797	7,106,333	-	-
Advances				
Advance Income Tax	22,862,797	973,863	-	-
Withholding and other taxes receivable	483,643	483,643	1,065,716	1,065,716
Prepaid expenses	-	-	108,130	135,494
Other Advances	1,903,566	2,517,516	26,027	255,726
<b>Total</b>	<b>32,284,803</b>	<b>11,081,355</b>	<b>1,199,873</b>	<b>1,456,936</b>

17 Other Current Assets	As on 31.03.2017	As on 31.03.2016
Interest Accrued but not due		
On Bank Fixed Deposits	1,606,998	906,225
On Long Term Investments	5,412	5,412
<b>Total</b>	<b>1,612,410</b>	<b>911,637</b>

**R. J. SHAH & COMPANY Limited**  
**Notes to Financial Statements For the Year Ended 31st March 2017**

	Amt in ₹	
	For the Year ended 31.03.2017	For the Year ended 31.03.2016
<b>18 Revenue from Operations</b>		
Contract receipts	145,359,554	8,130,520
<b>Total:</b>	145,359,554	8,130,520
<b>19 Other Income</b>		
Interest		
1. From long Term Investments	11,808	11,808
2. From Bank Deposits	10,495,299	6,475,990
3. Other Interest	0	247
Dividend		
From Long Term Investments	780	2,400
Other Non-Operating Income		
Share of Profit from Partnership Firm	0	66,023
Profit on Sale of Fixed Assets	532	102,139
Other income	1,289,623	142,060
<b>Total:</b>	11,798,042	6,800,667
<b>20 Changes in Inventories</b>		
Work in progress		
Closing Work in progress	49,626,254	49,626,254
Less: Opening Work in progress	49,626,254	42,089,039
<b>Total:</b>	0	7,537,215
<b>21 Employees Benefit Expenses</b>		
Salaries and wages	5,480,503	3,715,034
Contribution to Provident Fund	90,131	96,423
Staff Welfare Expenses	97,593	91,114
<b>Total:</b>	5,668,227	3,902,571
21.1 The Company's Provident Fund is exempted under Section 17 of Employee's Provident Fund and Miscellaneous Provisions Act, 1952		
21.2 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 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 2017.		
<b>22 Finance Costs</b>		
Interest on Deposits	1,349,636	1,349,636
Bank charges	22,250	48,534
<b>Total:</b>	1,371,886	1,398,170
<b>23 Depreciation</b>		
Depreciation	1,585,417	1,897,944
Less: recoupment from revaluation reserve	176,753	119,433
<b>Total:</b>	1,408,664	1,778,511

**R. J. SHAH & COMPANY Limited**  
**Notes to Financial Statements For the Year Ended 31st March 2017**

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 31.03.2015. The amount charged has been transferred from Revaluation Reserve Account. This has no impact on profit for the year.

	Amt in ₹	
	For the Year ended 31.03.2017	For the Year ended 31.03.2016
<b>24 Other Expenses</b>		
Consumption of Stores and spares (Indegeneous)	1,325,864	92,713
Payment to sub-contractors	17,297,910	8,311,287
Electricity charges	272,808	284,599
Freight & cartage	6,653	17,930
Legal & Professional charges	4,212,783	1,366,019
Rent, rates & taxes	535,524	633,941
Insurance	231,155	245,722
Repairs & maintenance:-		
Machinery	32,876	38,861
Building	1,157,915	520,000
Conveyance Expenses	133,246	177,510
Travelling expenses	18,150	30,695
Telephone expenses	83,184	129,922
Printing & stationery	64,218	79,114
Office expenses	629,952	440,612
Motor car expenses	161,515	152,671
General expenses	195,768	65,256
Service Tax	239,250	-
Retainer charges	2,626,269	1,060,930
Director's meeting fees	80,000	60,000
Payment to Auditors	152,595	151,700
Donations	5,000,000	-
Bad debts	45,071,915	-
Sundry balance written off	71,536	-
Expenses of earlier years	-	10,786
Income Tax of earlier years	144,382	122,802
<b>Total:</b>	<b>79,745,468</b>	<b>13,993,070</b>

24.1 Value of stores and spares consumed :

	For the year ended 31.03.2017		For the year ended 31.03.2016	
	Imported	Indegenous	%age of consumption	%age of consumption
	Nil	Nil	Nil	Nil
	1,325,864	100%	92,713	100%
	1,325,864		92,713	

24.2 Payment to Auditors

	For the year ended 31.03.2017	For the year ended 31.03.2016
Statutory Audit fees	82,800	80,500
Tax Audit Fees	28,750	28,500
Other Capacity	41,045	42,700

24.3 A sum of Rs. 144382 (Previous Year 133588) is included under other expenses representing previous years items.

**R. J. SHAH & COMPANY Limited**  
**Notes to Financial Statements For the Year Ended 31st March 2017**

Amt in ₹

25.0 Earning per Share	As on 31/03/2017	As on 31/03/2016	
Particulars			
Profit after Taxation as per profit and loss account	46,085,663	977,505	
Weighted Average number of shares	280100	280100	
Basic and diluted earning	164.53	3.49	
Face value per share	10	10	
<b>CONTINGENT LIABILITIES</b>		for the year ended	
		31/03/2017	31/03/2016
26 A. Claims against Company not acknowledged as debts		14,491,924	12,508,372
B. In respect of Income Tax pending rectification		0	3,108,372

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".

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

28.0	31.03.2017	31.03.2016
Contract Revenue :	0	8130520
Contract costs incurred	0	7758162
Recognised Profits / Losses	0	372358
Advances Received	0	4000000
Retention Money		-
Gross Amount due from Customer for Contract Work	0	44267364
Gross Amount due to Customer for Contract Work	0	1110819

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

Note: The contract revenue during the year pertains to contracts awarded prior 2003.

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.

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 ₹ 419635 (previous year ₹ (411425)) to the statement of Profit & Loss

The year end position of deferred tax Assets / liabilities are attributable to the following items:-

Items	Deferred tax /(liabilities) as at 31/3/2016	Current year (Charge)/ Credit	Deferred tax /(liabilities) as at 31/3/2017
Depreciation difference	(797,265)	337,312	(459,953)
	(797,265)	337,312	(459,953)

31 The balance of trade receivables, loans and advances, deposits, trade and other payables as on 31st March 2016 are subject to confirmation.

32 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 relations:

Sr. No.	Name of Related Party	Relationship
1	Kalindi Engineering Industries (Pvt)Ltd.	Company in which Director is a Director
2	Rajendra Shipping Pvt. Ltd.	Company in which Director is a Director
3	Kalindi R. Shah	Managing Director
4	Tejaswini R. Shah	Joint Managing Director
5.	Dr. M. N. Patel	Non Executive Director
6.	Mr. Sunil Masand	Non Executive Director
7.	Mrs. Swati Agrawal	Non Executive Director
8.	Mr. R. A. Raichur	Non Executive Director

## R. J. SHAH & COMPANY Limited

Notes to Financial Statements For the Year Ended 31st March 2017

(ii) Sr.No.	Transactions during the year with related parties. Nature of Transaction	Company in which Director is a Director		Amt in ₹ Key Managarial personnel	
		KEI(P)LTD	R.S.P.L.	K. R. Shah	T. R. Shah
1)	Service/labour charges	628,850 (549,356)	32,310 (32,420)		
2)	Remuneration & benefit			2,264,188 (1,500,000)	1,844,188 (1,080,000)
3)	Interest paid			844,828 (844,828)	504,808 (504,808)
4)	Loan & Deposit received			- (300,000)	- (200,000)
5)	Loan & Deposit repaid			- (300,000)	- (200,000)
6)	Deposits			7,680,261 (7,680,261)	4,589,150 (4,589,150)
7)	Trade payable	349,846 (297,723)	85,780 (78,416)		
8)	Non executive Directors	480000	0		

\* Figures in brackets indicates previous year's figures.

33 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 N. S. Bhatt & Associates

Chartered Accountants

Firm Registration No: 130891W

N.S.Bhatt

Partner

Membership No.: 010149

Place: Mumbai

Date: 15th May 2017

Chairperson & Managing Director K. R. SHAH

Joint Managing Director T. R. SHAH

{ 1. M. N. PATEL  
Directors { 2 S.P. MASAND  
          { 3 S.R. AGRAWAL  
          { 4 R.A. RAICHUR

**R.J. SHAH & COMPANY LIMITED**  
**Cin No. L45202MH1957PLC010986**  
Registered Office : Near Wadala Container Yard, Mahul Road, Antop Hill, Wadala (E), Mumbai – 400 037

**ATTENDENCE SLIP**

Serial No.

Name & Address of the Shareholder
-----------------------------------

Folio No.
No. of Shares

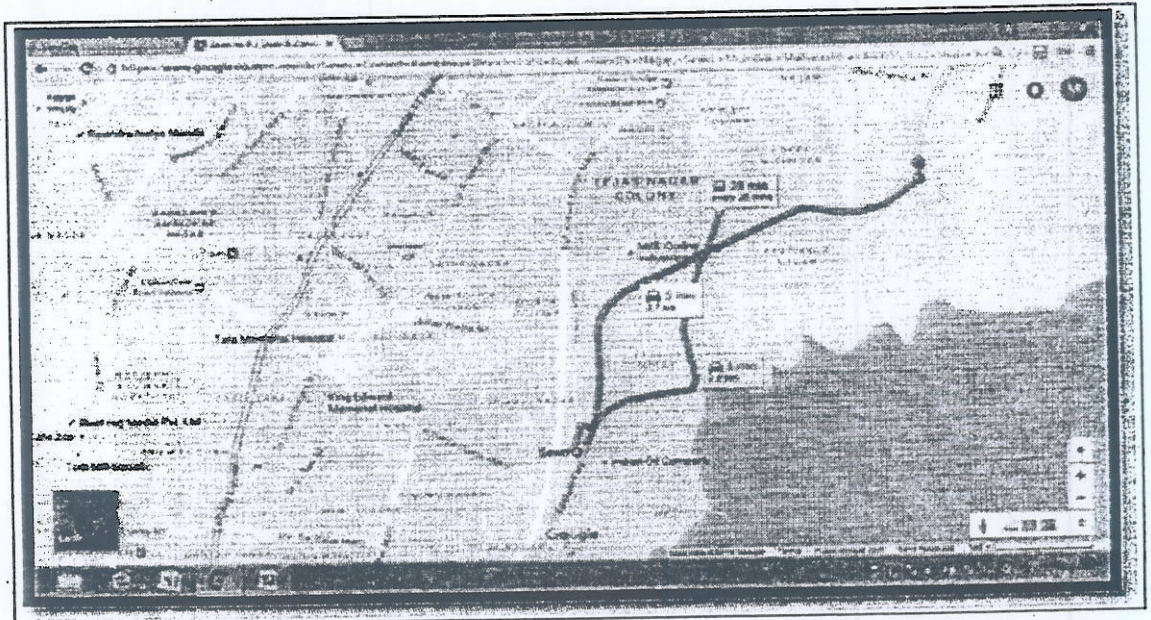
I hereby record my presence at the 59<sup>th</sup> ANNUAL GENERAL MEETING of the Company being held on Tuesday the 26th September, 2017 at 4.00 PM. at " Near Wadala Container Yard, Mahul Road, Antop Hill, Wadala (E), Mumbai – 400 037.

Signature of the Member or Proxy
----------------------------------

No. of Shares held
--------------------

**Note: PLEASE BRING THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF ' NEAR WADALA CONTAINER YARD, MAHUL ROAD, ANTOP HILL, WADALA (E), MUMBAI – 400 037**

Route Map to the venue of the AGM



**Polling Paper**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

<b>Name of the Company: R.J. SHAH &amp; COMPANY LIMITED</b> <b>Registered Office: Near Wadala Container Yard, Mahul Road, Antop Hill, Wadala (E), Mumbai – 400 037.</b> <b>CIN: L45202MH1957PLC010986</b>				
<b>BALLOT PAPER</b>				
<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>		
1.	Name of the first named Shareholder (In Block Letters)			
2	Postal address			
3	Registered Folio No.			
4	Class of Share	Equity Shares		
	Ordinary Business			
<b>No.</b>	<b>Item No.</b>	<b>No. of Shares held by me</b>	<b>I assent to the resolution</b>	<b>I dissent from the resolution</b>
1	Audited financial Statements of the Company as at 31 <sup>st</sup> March, 2017, together with the Profit & Loss Account for the year ended on that date and report of the Directors and Auditors thereon			
2	Declaration of Dividend for the year ended 31 <sup>st</sup> March, 2017			
3	Re-appointment of Dr Manubhai Patel, who retires by rotation			
4	Appointment of M/s Brijesh Dutt & Associates, Chartered Accountants (ICAI Firm Registration No. 144568W) as Auditors & Fix their remuneration			
5	Re-appointment of Ms. Tejaswini R. Shah as a Joint Managing Director			
6	Approval for payment of Commission to Executive & Non-Executive Directors of the Company including Managing Director and Joint Managing Director			
<b>Place:</b> <b>Date:</b>				
<b>(Signature of the shareholder*)</b>				

(\*as per Company records)



Five  
Rupees  
Postal  
Stamp

BOOK POST

TO,  
R J SHAH & COMPANY LIMITED  
MAHUL ROAD, ANTOP HILL,  
WADALA (E),  
MUMBAI - 400037