

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

**CIN : L45202MH1957PLC010986**

**62<sup>ND</sup> ANNUAL REPORT**

**2019-2020**

## 62<sup>nd</sup> ANNUAL REPORT

2019-2020

### 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
Mr. Ram Narayan Gupta	: Company Secretary

#### **AUDITORS:**

**Brijesh Dutt & 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

#### **SECRETARIAL AUDITOR**

M/s Deepak Rane

#### **REGISTRAR & SHARE TRANSFER AGENTS**

##### **Satellite Corporate Services Pvt. Ltd.**

Unit No. 49, Bldg No.13-A-B, 2nd Floor,  
Samhita Commercial Co-Op. Soc. Ltd.  
Off Andheri Kurla Road, MTNL Lane,  
Sakinaka, Mumbai - 400 072  
E-mail: [scs\\_pl@yahoo.co.in](mailto:scs_pl@yahoo.co.in)  
Alternate Email Id : [service@satellitecorporate.com](mailto:service@satellitecorporate.com)  
Tel no.28520461-62

#### **BANKERS:**

Union Bank of India  
State Bank of India

**NOTICE**

**(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)**

**REGISTERED OFFICE: Mahul Road, Antop Hill, Mumbai – 400 037.**

**Tel: +91-4148081(Corporate Identity Number: L45202MH1957PLC010986)**

**NOTICE** is hereby given that **62<sup>ND</sup> ANNUAL GENERAL MEETING** of the members of **R. J. SHAH & COMPANY LIMITED** will be held on Tuesday the 29<sup>th</sup> September, 2020 at 2.00 p.m. (IST) through Video Conferencing / Other Audio Visual Means (“VC” / “OAVM”) Facility, to transact the following business:

**ORDINARY BUSINESS**

1. Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, the reports of the Board of Directors and the Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, along with the reports of the Board of Directors and the Auditors thereon as laid before this meeting, be and are hereby received, considered and adopted.”

2. Declaration of Dividend:

To declare dividend on equity share capital for the financial year ended 31<sup>st</sup> March, 2020.

3. Director retiring by rotation,

To appoint a Director in place of Dr. Manubhai Patel, (DIN 00402478) Director (Non-Executive) who retires by rotation at this Annual General Meeting, and being eligible offers himself for re-appointment

**SPECIAL BUSINESS**

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

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V of the Act, including any statutory modification(s) or re-enactment thereof Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (“the Act”) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association and on the recommendation of Nomination and Remuneration Committee & Audit Committee and, as may be required, and such other permissions, sanction(s) as may be required, the consent of the Members of the Company, be and is hereby accorded for revision in the maximum remuneration payable to Ms. Tejaswini R. Shah, Joint Managing Director of the Company with effect from 01<sup>st</sup> April, 2020 for the remaining period of present term of appointment upto 08<sup>th</sup> May, 2022, including the remuneration to be paid to

in the event of loss or inadequacy of profits in any financial year during the aforesaid period be and is hereby specifically sanctioned with the other terms and conditions of appointment remaining the same, and with the liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and/or remuneration, in such manner as may be agreed to between the Board of Directors and Ms. Tejaswini R. Shah, within and in accordance with the Act or such other applicable provisions or any amendment thereto and, if necessary, as may be prescribed by the Central Government

Basic Salary:

Rs. 1, 25,000/ 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"

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

"RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee & Audit Committee and pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V of the Act, including any statutory modification(s) or re-enactment thereof and subject to the approval of the Central Government, as may be required, and such other permissions, sanction(s) as may be required, the consent of the Members of the Company, be and is hereby accorded for revision in the maximum remuneration payable to Ms. Kalindi R. Shah, Managing Director of the Company with effect from 01st April, 2020 for the remaining period of present term of appointment, including the remuneration to be paid to in the event

of loss or inadequacy of profits in any financial year during the aforesaid period be and is hereby specifically sanctioned with the other terms and conditions of appointment remaining the same, and with the liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and/or remuneration, in such manner as may be agreed to between the Board of Directors and Ms. Kalindi R. Shah, within and in accordance with the Act or such other applicable provisions or any amendment thereto and, if necessary, as may be prescribed by the Central Government Basic Salary:

1, 50,000/- 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 Kalindi R. 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 Kalindi 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 Kalindi 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 joint managing director or some or any of them in such 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 31st March, 2020."

## NOTES

1. ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to 'Clarification on holding of annual general meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19' (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - ('SEBI Circular') permitted the holding of the Annual General Meeting ('AGM'/'the Meeting') through VC/OAVM, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') MCA Circulars and SEBI Circular, the 33rd AGM of the Company is being held through VC/OAVM on Monday, 28th September, 2020 at 11:00 a.m. (IST). The deemed venue for the AGM will be the place from where the Chairman of the Meeting conducts the AGM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), MCA Circulars and SEBI Circular, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with (Central Depositories Services Limited ('CDSL') for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well e-Voting on the date of the AGM will be provided by CSDL.
3. As per the provisions of Clause 3.A.II of the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, the matter of Special Business as appearing at item no. 4,5 and 6 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forms part of this Notice.
4. The relative Statement pursuant to Section 102 of the Act in respect of the business under item nos. item no. 4, 5 and 6 set out above and the relevant details of the Directors seeking reappointment/appointment at this AGM in respect of business under item no. 3 & 4 required under Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('Secretarial Standard') are annexed hereto.
5. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS AND THE SEBI CIRCULAR THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULAR, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

6. Institutional Investors, who are members of the Company, are encouraged to attend and vote at the 62nd AGM through VC/OAVM facility. Corporate members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC/ OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at [csdeepakrane@gmail.com](mailto:csdeepakrane@gmail.com) with a copy marked to [www.evoting.cdsl.com](http://www.evoting.cdsl.com) and the Company at [rjshah\\_191@hotmail.com](mailto:rjshah_191@hotmail.com).
7. Only registered members of the Company may attend and vote at the AGM through VC/OAVM facility. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. Members attending the AGM through VC shall only be counted for the purpose of quorum under Section 103 of the Act and the attendance of the members shall be reckoned accordingly. No separate attendance form is being enclosed with the notice.
9. The members can join the AGM in the VC/OAVM mode 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members will be able to view the proceedings on e-voting website of website of CDSL at [www.evoting.cdsl.com](http://www.evoting.cdsl.com).
10. ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT: In line with the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA and the SEBI Circular, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. The Notice of AGM and Annual Report 2019-20 are available on the websites of the Stock Exchanges i.e. the BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also on the website of CDSL at [www.evoting.cdsl.com](http://www.evoting.cdsl.com).
11. Electronic copies of all the documents referred to in the accompanying Notice of the AGM and the Statement shall be made available for inspection. During the 62nd AGM, members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act; the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act; Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at [rjshah\\_191@hotmail.com](mailto:rjshah_191@hotmail.com).
12. SCRUTINIZER FOR E-VOTING: Mr. Deepak Rane, Company Secretary in whole-time-practice having Membership No. ACS 24110 and C .P. No. 8717 has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
13. The Register of Members and Share Transfer Books of the Company will remain closed from the Tuesday 22nd September, 2020 to Tuesday 29th September, 2020 (both days inclusive).

The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date on Tuesday, 22<sup>nd</sup> September, 2020. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Tuesday, 22<sup>nd</sup> September, 2020 may obtain the login ID and password by sending a request at [www.evoting.cdsl.com](http://www.evoting.cdsl.com) or the Company at [rjshah\\_191@hotmail.com](mailto:rjshah_191@hotmail.com) and/or RTA at [service@satellitecorporate.com](mailto:service@satellitecorporate.com).
14. Members desiring any information with regard to Annual Accounts/Annual Report are requested to submit their queries addressed to the Company at

rjshah\_191@hotmail.com at least 10 (ten) days in advance of the Meeting so that the information called for can be made available to the concerned shareholder(s).

15. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on 26th September, 2017.
16. **NOMINATION:** As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in electronic form and to the Company's Registrar and Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting your folio number.
17. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes.
18. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details/NECS/mandates, nominations, power of attorney, change of address/name, Permanent Account Number ('PAN') details, etc. to their Depository Participant only and not to the Company's RTA.  
  
Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the members. In case of members holding shares in physical form, such information is required to be provided to the Company's RTA in physical mode, after restoring normalcy or in electronic mode at [service@satellitecorporate.com](mailto:service@satellitecorporate.com), as per instructions mentioned in the form.
19. **SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.**
20. **TRANSFER OF SHARES PERMITTED IN DEMAT FORM ONLY:** As per Regulation 40 of the SEBI Listing Regulations, as amended, transfer of securities would be carried out in dematerialised form only with effect from April 1, 2019, except in case of transmission or transposition of securities. However, members can continue to hold shares in physical form. In view of the same and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's RTA for assistance in this regard.
21. To support the 'Green Initiative', members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form. All such members are requested to kindly get their e-mail addresses updated immediately which will not only save your Company's money incurred on the postage but also contribute a lot to save the environment of this Planet.



22. The Company has made special arrangement with the RTA and CDSL for registration of e-mail addresses in terms of the MCA Circulars for members who wish to receive the Annual Report along with the AGM Notice electronically and to cast the vote electronically. Eligible members whose e-mail addresses are not registered with the Company/ DPs are required to provide the same to RTA, pursuant to which, any member may receive on the e-mail address provided by the member the Notice of this AGM along with the Annual Report 2019-20 and the procedure for remote e-Voting along with the login ID and password for remote e-Voting.
23. Dividend @ Rs. 10/- per share as recommended by the Board of Directors for the year ended 31st March, 2020 and subject to the approval of the shareholders at the ensuing Annual General Meeting, is proposed to be paid or dispatched not later than 28th October, 2020 to those members whose names appear in the Register of Members of the company as of the close of business hours as on 29th September, 2020.
24. UNCLAIMED DIVIDEND / IEPF: Members are requested to note that, dividends, if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. Unpaid Dividend payable to the Shareholders in respect of the 55th Dividend for the year ended 31st March, 2013 shall be transferred to the Investor Education and Protection Fund under the amended provisions of the Companies Act, 2013 on the expiry of the 7th year from the date of such transfer to unpaid dividend account and hence unpaid dividend for the year 2012-2013 declared on 26th September, 2013 will be transferred to the said Account of Central Government on or before 11-12-2020.
25. Members are requested to note that the payment of dividend to the shareholders who have not opted for electronic mode or to whom the said dividend is required to be paid through issuance of Dividend Warrants/Demand Drafts (DDs) including the NEFT/RTGS/NACH/NECS return cases, could be delayed if the postal services/courier services in the Country are not fully functional due to COVID-19 pandemic. In terms of General Circular No.20/2020 dated 5 May 2020, issued by the Ministry of Corporate Affairs, Government of India, the Company shall dispatch the dividend warrants/demand drafts through post or other permitted dispatch means, upon normalization of postal or other permitted dispatch services. Members may also note that the Company is fully committed to make its best efforts to dispatch the Dividend Warrants/DDs to the aforesaid shareholders promptly once normalcy returns and the dispatch services in the Country are resumed.

## REMOTE E-VOTING THROUGH ELECTRONIC MEANS

1. The instructions for shareholders for remote e-voting are as under
  - i. The remote e -voting period begins on 26<sup>th</sup> September, 2020 at 10.00 am and ends on 28<sup>th</sup> September, 2020 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the “cut-off date” i.e. 22<sup>nd</sup> September, 2020 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
  - ii. Shareholders who have already voted prior to the Meeting would not be entitled to vote at the Meeting.
  - iii. Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - iv. Click on “Shareholders” module.
  - v. Enter their User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. Shareholders holding shares in physical form should enter Folio Number registered with the Company.
  - vi. Next enter the Image Verification as displayed and click on “Login”.

- vii. Shareholders holding shares in dematerialised form and having used www.evotingindia.com earlier and having voted on an earlier e-voting of any company, may use their existing password.
- viii. First time users may follow the steps given below:

	For Shareholders holding shares in Dematerialised Form or Physical Form
PAN	Enter y o u r 10 digit alpha-numeric *PAN issued by the Income Tax Department  Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN field
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- ix. After entering these details appropriately, click on “SUBMIT” tab.
- x. Shareholders h o l d i n g shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat shareholders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for R.J. SHAH AND CO LIMITED
- xiii. On the voting page, shareholders will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Shareholders can select the option YES or NO as desired. The option YES implies that they assent to a Resolution and option NO implies that they dissent from a Resolution.
- xiv. Shareholders should click on the “RESOLUTIONS FILE LINK” if they wish to view the entire Resolution details.
- xv. After selecting the Resolution they have decided to vote on, they should click on “SUBMIT”. A confirmation box will be displayed. If they wish to confirm their vote, click on “OK”, else to change their vote, click on “CANCEL” and they can accordingly modify their vote.
- xvi. Once they “CONFIRM” their vote on a Resolution, they will not be allowed to modify their vote.
- xvii. They can also print details of the votes cast by clicking on “Click here to print” option on the Voting.
- xviii. If a demat account shareholder has forgotten the login password then enter the User ID and the image verification code and click on “Forgot Password” and enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from the internet. Please follow the instructions as prompted by the mobile app while remote e-voting from your mobile.

2) Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for remote e-voting for the resolutions proposed in this Notice

- i. For shareholders holding shares in physical form - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share

- certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA's email ID at [rjshah\\_191@hotmail.com](mailto:rjshah_191@hotmail.com) or [service@satellitecorporate.com](mailto:service@satellitecorporate.com) respectively.
- ii. For shareholders holding shares in dematerialised form - please provide Demat account details (CDSL16 digit beneficiary ID, Name of shareholder, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA's email ID at [rjshah\\_191@hotmail.com](mailto:rjshah_191@hotmail.com) or [service@satellitecorporate.com](mailto:service@satellitecorporate.com) respectively.
  - iii. The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the aforesaid shareholders. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM
    - a. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
    - b. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e- voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
    - c. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
    - d. Further shareholders will be required to switch on the video facility and use Internet connection with a good speed to avoid any disturbance during the Meeting.
    - e. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuations in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to minimize / mitigate any kind of aforesaid glitches.
    - f. Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request in advance between 20th September 2020 and 24th September 2020 mentioning their name, demat account number/folio number, email ID, mobile number at [rjshah\\_191@hotmail.com](mailto:rjshah_191@hotmail.com).
    - g. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.
    - h. Members who need assistance before or during the AGM, or have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.
    - i. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

## INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE MEETING

1. Procedure for e-Voting on the day of the AGM is same as the Remote e-voting as mentioned above.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their votes on the Resolutions through remote e-Voting and are not otherwise barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any votes are cast by shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such shareholders shall be

considered invalid as the facility of e-voting during the Meeting is available only to the shareholders attending the Meeting.

4. Shareholders who have voted through Remote e-Voting facility will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

## INSTRUCTIONS FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

1. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
3. After receiving the login details a “Compliance User” should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
4. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
5. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same
6. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc., to the Scrutinizer and to the Company at the email address viz [rjshah\\_191@hotmail.com](mailto:rjshah_191@hotmail.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## OTHER INSTRUCTIONS

1. Shareholders can update their mobile numbers and e-mail IDs (which may be used for sending future communication(s)) by writing to [service@satellitecorporate.com](mailto:service@satellitecorporate.com).
2. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. 22nd September, 2020 may obtain the login ID and password by sending an email to [rjshah\\_191@hotmail.com](mailto:rjshah_191@hotmail.com) or [service@satellitecorporate.com](mailto:service@satellitecorporate.com) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) by mentioning their Folio No./DP ID and Client ID No.
3. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the Meeting.
4. Mr. Deepak Rane, Proprietor, Company Secretary (CP No. 8717) has been appointed as the Scrutinizer to scrutinize the remote e-voting and e-voting during the meeting in a fair and transparent manner.
5. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer’s report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
6. The results declared along with the report of the Scrutinizer shall be placed on the website of CDSL at [www.evoting.india.com](http://www.evoting.india.com) immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**PLACE: MUMBAI**  
**DATED: 26/06/2020**  
**REGISTERED OFFICE**  
**Mahul Road, Antop Hill,**  
**Mumbai – 400 037.**

**By Order of the Board**

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

## Explanatory Statement

### Pursuant to Section 102(1) of the Companies Act, 2013

#### Item No. 4

Ms. Tejaswini R. Shah, was re- appointed and designated as Joint Managing Director of the Company by the shareholders at its Meeting held on September 26, 2017 for a period of 5 years i.e. from 09<sup>th</sup> May, 2017. Further, considering the contribution of Ms. Tejaswini Shah and the progress made by the Company under his leadership and guidance and as per the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on June 26, 2020 approved the revision in the remuneration of Ms. Tejaswini R. Shah for the remaining period effective from 01<sup>st</sup> April, 2020 on terms and conditions enumerated in the Resolution.

Pursuant to Section 197 read with Schedule V of the Companies Act, 2013, the revised remuneration of Ms. Tejaswini R. Shah as decided by the Board is required to be approved by the Members at their meeting due to inadequacy of profits. It is hereby confirmed that the Company has not committed any default in respect of any of its debts or interest payable thereon for a continuous period of 30 days in the preceding financial year and in the current financial year.

It is submitted that based on the projections, the overall managerial remuneration may exceed the limits Specified in Sec. 197 of the Companies Act, 2013. The Members are requested to consider the revision in remuneration of Ms. Tejaswini Shah, Joint Managing Director of the Company.

The details of remuneration payable to Ms. Tejaswini R Shah and the terms and conditions of her re-appointment 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:

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:

I	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 2020
		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/-
		Earnings per share	Rs.164.53/-
	5)	Foreign investments or collaborations, if any	NIL
		INFORMATION ABOUT MS. TEJASWINI SHAH	

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 33 years' experience in the business
2)	Past Remuneration	
	2017-18	Rs. 10,80,000/- p.s.
	2018-19	Rs. 15,03,731/- p.a. (Including Commission)
	2019-20	Rs. 19,75,018/-p.a. (Including Commission)
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 three 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.
	DISCLOSURES	
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 commends 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.

None of the Directors/ Key Managerial Personnel of the Company/their relatives are in any concerned or interested except Ms. Kalindi R. Shah in the Resolution at the item No. 4 of the Notice

#### **Item No. 5**

Ms. Kalindi Shah, was re- appointed and designated as Managing Director of the Company by the shareholders at its Meeting held on September 28, 2018 for a period of 5 years i.e. from 01<sup>st</sup> January, 2018. Further, considering the contribution of Ms. Kalindi Shah and the progress made by the Company under his leadership and guidance and as per the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on June 26, 2020 approved the revision in the remuneration of Ms. Kalindi R. Shah for the remaining period from 01<sup>st</sup> April, 2020 on terms and conditions enumerated in the Resolution.

Pursuant to Section 197 read with Schedule V of the Companies Act, 2013, the revised remuneration of Ms. Kalindi R. Shah as decided by the Board is required to be approved by the Members at their meeting due to inadequacy of profits. It is hereby confirmed that the Company has not committed any default in respect of any of its debts or interest payable thereon for a continuous period of 30 days in the preceding financial year and in the current financial year.

It is submitted that based on the projections, the overall managerial remuneration may exceed the limits Specified in Sec. 197 of the Companies Act, 2013. The Members are requested to consider the revision in remuneration of Ms. Kalindi Shah, Managing Director of the Company.

The details of remuneration payable to Miss. Kalindi R Shah and the terms and conditions of her re-appointment are given in resolution at item no. 4 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:

I	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 2020
		Total Income	Rs. 1,23,90,104/-
		Profit/ (Loss) before tax	Rs.50,02,687/-
		Net profit/ (Loss) after tax	Rs.37,54,317/-
		Dividend recommended per share	Rs.1.50/-
		Earnings per share	Rs. 13.40/-



	5)	Foreign investments or collaborations, if any	NIL
INFORMATION ABOUT MS. Kalindi R SHAH			
1)		Background details	Ms. Kalindi Shah is M.Sc. from University of Bombay and has been Managing Director of the company having more than 44 years' experience in the business
2)		Past Remuneration	
		2017-18	Rs.15,00,000/- p.a.
		2018-19	Rs.19,23,731/- p.a. (Including Commission)
		2019-20	Rs. 23,95,018/- p.a. (Including Commission)
3)		Recognition and Awards	NIL
4)		Job profile and her suitability	She has worked on number of Company's Project for Irrigation Atomic Power Plant - Railways - Hydro Electric Project and has wide experience in the underground field. Since last more than forty 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 Kalindi R. Shah is lower than the industry for a similar sized firm, considering her experience & knowledge.
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.
DISCLOSURES			
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 Managing Director.	
4)		The Board of Directors of the company had Three non-executive independent directors, to constitute a Remuneration Committee. The decision to re-appoint and payment of remuneration to Ms. Kalindi 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. Kalindi R. Shah's qualifications, past performance, past remuneration	

		etc.
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The re-appointment of Ms. Kalindi R. Shah as 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 upto the date of the annual general meeting. Apart from Ms. Tejaswini R. Shah, her Sister, none of the Directors are concerned or interested in the said resolution, at item no. 5 of the said notice.

The Board recommends the special resolution set out item no. 5 of the notice for approval by the shareholder.

Yours Directors recommended the aforesaid resolution for your approval.

None of the Directors/ Key Managerial Personnel of the Company/their relatives are in any concerned or interested except Ms. Tejaswini R. Shah in the Resolution at the item No. 5 of the Notice

#### **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 also commission is being paid to executive directors

The remuneration payable to Executive & Non-Executive Directors of the Company by way of commission not exceeding one per cent of the net profits of the Company for the year ended 31st March, 2020. Considering the rich experience and expertise brought to the Board by the Executive & Non-Executive Directors, it is proposed that, commission 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 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 31st March, 2020. 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 Executive & 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. 8 for the approval of the Members.

**PLACE: MUMBAI**  
**DATED: 26/06/2020**  
**REGISTERED OFFICE**  
**Mahul Road, Antop Hill,**  
**Mumbai – 400 037.**

**By Order of the Board**

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

**DIRECTORS' REPORT  
2019-2020**

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

The Directors have pleasure in submitting their 62<sup>ND</sup> ANNUAL REPORT along with the Audited Balance Sheet and Profit & Loss Account for the year ended 31<sup>st</sup> March, 2020.

**FINANCIAL RESULTS**

	Current Year ended 31.03.2020	Previous Year ended 31.03.2019
	(Rs.)	(Rs.)
<b><u>Income</u></b>		
Revenue from operations	15,61,68,242	4,40,00,000
Other Income	2,37,25,964	1,22,71,401
<b>Total Revenue</b>	<b>17,98,94,206</b>	<b>5,62,71,401</b>
Less : Total Expenses (Excluding Depreciation)	9,49,45,574	1,67,18,660
<b>Profit Before Depreciation &amp; Taxation</b>	<b>8,49,48,632</b>	<b>3,95,52,741</b>
# (-) Depreciation	7,60,410	11,39,739
<b>Profit Before Taxation</b>	<b>8,41,88,222</b>	<b>3,84,13,002</b>
(-) Provision for Taxation		
(i) Current Tax	2,15,19,000	1,10,00,000
(ii) Deferred Tax	(95,470)	(2,37,789)
<b>Profit for the year</b>	<b>6,27,64,692</b>	<b>2,76,50,791</b>

**OPERATIONAL REVIEW:**

Gross revenues for the year ended 31<sup>st</sup> March, 2020 is Rs. 17, 98, 94,206/- as against Rs. 5, 62, 71,401/- in the previous year. Profit before taxation is Rs 8, 41, 88,222/- as against Rs. 3, 84, 13,002/- in the previous year. The net profit of the Company for the year under review was placed is Rs. 6, 27, 64,692/- as against 2, 76, 50,791/- 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/-.

**SHARE CAPITAL**

The paid up equity capital as on March 31, 2020 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, 2020 and the date of this report i.e. June 26, 2020.

## **GENERAL**

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.

## **DIRECTOR & KMP**

Dr. Manubhai Patel (DIN 00402478) 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.

Mr. Ram Narayan Gupta member of Institute of Company Secretaries of India holding Membership No. [4693]) was appointed as Whole time Company Secretary of the Company with effect from 06th March, 2020

## **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.

## **DEPOSIT:**

During the financial year 2019-20, 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

## **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 2019-20 the Board of Directors met Five times on 24/05/2019, 08/08/2019, 14/11/2019, 30/01/2020 and 06/03/2020 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 strengthens 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:**

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 2019-20.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Company's Stakeholders Relationship Committee has been constituted as per section 177 of the Companies Act, 2013, Five 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**

At the 59<sup>th</sup> AGM held on September 26, 2017 the Members approved appointment of Brijesh Dutt & Associates. (FRN: 144568W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 64<sup>th</sup> AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

## **INTERNAL AUDITOR**

As per section 138 of the Companies Act, 2013, the Company has appointed M/s. N S Bhatt & Co. , internal auditors for the year to 2019-20 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 2019-20.

## **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 Mr. 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**

1. *The company has complied with the provisions of Section 203 of the Companies Act 2013, except for the appointment of Company Secretary, however Company has appointed Company Secretary on 06<sup>th</sup> March, 2020,*

Ans. 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 unviable. However the Company has appointed Mr. Ram Narayan Gupta as Company Secretary w.e.f. 06<sup>th</sup> March, 2020

*2. The Company has not opted for e-voting facility with either of the two Depositories.*

Ans: e-voting Facility AS the Company's 100% equity shares have been admitted in demat and hence e-voting facility will be granted by the Company to the shareholder.

3. The Company has received notice from Bombay Stock Exchange for non-compliance with Regulation 6(1) of SEBI (LODR) Regulation for non-appointment of Company Secretary.

Ans. However, Company made the default good by appointing Mr. Ram Narayan Gupta as Company Secretary w.e.f 06<sup>th</sup> March, 2020

#### **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 the year 2012-13, the underlying shares are also due for transfer to the IEPF Authority in case the dividend remaining unclaimed for a 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.

#### **DEMATERIALIZATION OF SHARES**

As on 31st March 2020, there were approximately 1, 97,860 Equity Shares dematerialized through depository viz. Central Depository Services (India) Limited (CDSL), which represents about 70.64 % of the total issued, subscribed and paid-up capital of the Company.

#### **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, 2020 in Form MGT-9 is annexed herewith

#### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013, CSR Committee of the Board of Directors had framed the policy on Corporate Social Responsibility and the Projects and Programmes undertaken by the Company are being regularly reviewed by the CSR Committee.

In compliance with regulations under the Companies Act, 2013; CSR Committee constituted has been in place and CSR policy adopted by the Company will be applicable from 01.04.2020, However the Company has voluntary spent on CSR activities during the current year under review.



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

SEBI Circular No. SEBI/LAD-NRO/GN/2015-16/013 dated 02<sup>nd</sup> September 2015 for applicability of Corporate Governance and Management Discussion & Analysis reports. It is hereby reported that the Company is under exempted category since both the conditions are not fulfilled as the paid up equity capital of the Company is below Rs.10 Crores and Net worth is above Rs.25 Crores as on the last day of the financial year (audited). i.e. 31.03.2020.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Company has in place robust policy on prevention of sexual harassment at workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaints Committee ('ICC') has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. ICC has its presence at corporate office as well as at site locations. The Policy is gender neutral.

During the year under review, No complaint with allegation of sexual harassment was filed with ICC, as per the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **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.

## **COMPLIANCE WITH SECRETARIAL STANDARDS**

The company confirms compliance with the applicable requirements of secretarial standards.

## **ESTIMATION OF UNCERTAINTIES RELATING TO THE GLOBAL HEALTH PANDEMIC FROM COVID-19 (COVID-19)**

COVID-19 is the infectious disease caused by the most recently discovered coronavirus, SARS-CoV-2. In March 2020, the WHO declared COVID-19 a pandemic.

The Company has adopted measures to curb the spread of infection in order to protect the health of our employees and ensure business continuity with minimal disruption.

The Company immediately took steps to mitigate sanitary and health risks and the Company promptly set up a team of experts to assist the Health and Safety at Work places.

In assessing the recoverability of receivables and other financial assets, the Company has considered internal and external information upto the date of approval of these Standalone financial statements. The impact of the global health pandemic may be different from that of estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

## **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**  
**DATED: 26/06/2020**

**By Order of the Board**

**Sd/-**  
**K.R. SHAH**  
**Din 00402482**  
**Chairperson**

**Format for the Annual report on CSR initiatives to be included in the Board's Report**

- 1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

Brief outline of the Company's CSR objectives and its projects/ programmes are mentioned in the CSR policy of the Company which is available at the registered office of the Company.

**2. Composition of the CSR Committee:**

1. Kalindi R. Shah
2. Raghavendra A. Raichur
3. Swati Agarwal

## EXTRACT OF ANNUAL RETURNS ON THE FINANCIAL YEAR ENDED ON 31.03.2020

[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	Satellite Corporate Services Pvt. Ltd. Unit No. 49, Bldg No.13-A-B, 2nd Floor, Samhita Commercial Co-Op. Soc. Ltd. Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai - 400 072

**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	NIL

**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 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% 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	144250	0	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	2850	0	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
Sub-total(A)(1):-	0	147100	147100	52.52	147100	0	147100	52.52	0
<b>2) Foreign</b>	0	0	0	0	0	0	0	0	0
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
Sub-total (A)(2):-	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	0	147100	147100	52.52	147100	0	147100	52.52	0
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	0								
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) FIs	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
Sub-total (B)(1)	0	5000	5000	1.79	0	5000	5000	1.79	0
<b>2. Non Institutions</b>	0								
a) Bodies Corp. (i) Indian (ii) Overseas	0	24900	24900	8.89	0	24900	24900	8.89	0
b) Individuals  (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh  (ii) Individual	0	90750	90750	32.40	50760	39990	90750	32.40	0

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	50760	77240	128000	45.70	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	133000	133000	47.48	50760	82240	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	197860	82240	280100	100	0

### ii.Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01.04.2019			Shareholding at the end of the year on 31.03.2020			
		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	
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):	<b>There is no change in Promoter's shareholding between 01/04/2019 to 31/03/2020</b>			
	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	9500	3.39	9500	3.39
	Mr. Trikam G. Shah at the end of the year	9900	3.53	9900	3.53
4	Ms. Investor Education and Protection Fund at the beginning of the year	3260	1.16	3260	1.16
	Ms. Investor Education and Protection Fund at the end of the year	7360	2.63	7360	2.63
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	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	3950	1.41	3950	1.41
7	Mr. Jainish Anilkumar Lalcheta at the beginning of the year	3000	1.07	3000	1.07
	Mr. Jainish Anilkumar Lalcheta at the end of the year	3000	1.07	3000	1.07
8	Mr. Anilkumar Lalcheta at the beginning of the year	2900	1.04	2900	1.04
	Mr. Anilkumar Lalcheta at the end of the year	2900	1.04	2900	1.04
9	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
10	Mr. Vadilal L Desai at the beginning of the year	2500	0.89	2500	0.89
	Mr. Vadilal L 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	3100	1.11	3100	1.11
	Mr. Raghvendra A Raichur at the end of the year	3100	1.11	3100	1.11
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
7.	Mr. CS Ram Narayan Gupta	0	0	0	0
	Mr. CS Ram Narayan Gupta	0	0	0	0

**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	1,22,69,411	0	1,22,69,411
ii) Interest due but not paid	0	3,37,409	0	3,37,409
iii) Interest accrued but not due	0	0		0
Total (i+ii+iii)	0	12606820	0	12606820
Change in Indebtedness during the financial year				
- Addition	0	0	0	0
- Reduction	0	3,37,409	0	3,37,409
Net Change	0	0	0	0
Indebtedness at the end of the financial year				



i) Principal Amount	0	1,22,69,411	0	1,22,69,411
ii) Interest due but not paid	0			0
iii) Interest accrued but not due	0	0	0	0
		0		
Total (i+ii+iii)	0	1,22,69,411	0	1,22,69,411

#### **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	15,00,000/- P.A.	1,080,000/- P.A.	25,80,000/-
	(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...	8,95,018/-	8,95,018/-	17,90,036/-
5.	Others, please specify	0	0	0
6.	Total (A)	28,66,305/-	15,03,731/-	4370036/-
	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.	
	<u>Independent Directors</u>	Mr. Ragahavendra Raichur	0	Ms. Swati Agrawal	Mr. Sunil Masand	
	- Fee for attending board committee meetings	15,000/-	0	20,000/-	20,000/-	55,000/-
	- Commission	1,00,000/-	0	1,00,000/-	1,00,000/-	3,00,000/-
	- Others, please specify	0	0	0	0	0
	Total (1)	1,15,000/-	0	1,20,000/-	1,20,000/-	3,55,000/-
	<u>Other Non-Executive Directors</u>	0		0	0	0

	Dr.Manubhai Patel · Fee for attending board committee meetings · Commission · Others, please specify	0 0 0	20,000/- 1,00,000/-	0 0	0 0	0 0
	Total (2)	0	1,20,000/-	0	0	0
	Total (B)=(1+2)	1,15,000/-	1,20,000/-	1,20,000/-	1,20,000/-	4,75,000/-
	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.	<b>Others, please specify</b>	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, 2020				
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty	There were no Penalties, Punishment or compounding of offences during the year ended March 31, 2020				
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, 2020				
Punishment					
Compounding					

## Secretarial Audit Report

Form No. MR-3

FOR FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2020.

[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, 2020, 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, 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, 2020, 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 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, *except the Company has not maintained a functional website as per regulation 62(1).*

- 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, however Company has appointed Company Secretary on 06<sup>th</sup> March, 2020.*
- 2. The Company has not opted for e-voting facility with either of the two Depositories.*
- 3. The Company has received notice from Bombay Stock Exchange for non-compliance with Regulation 6(1) of SEBI (LODR) Regulation for non-appointment of Company Secretary. However, Company made the default good on 06<sup>th</sup> March 2020.*

**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: 26<sup>th</sup> June, 2020  
Place: Mumbai

For Deepak Rane  
Company Secretary

Sd/-  
Proprietor  
ACS: 24110  
CP: 8717

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

**Annexure – I**

**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: 26<sup>th</sup> June, 2020  
Place: Mumbai**

**For Deepak Rane  
Company Secretary**

**Sd/-  
Proprietor  
ACS: 24110  
CP: 8717**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF R. J. SHAH & COMPANY LIMITED Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

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, 2020, the Statement of Profit and Loss (statement of changes in equity) and statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 31st March, 2020 and profit, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key Audit Matters are these matters that, in our professional judgment, were of most significance in our Audit of Standalone financial statement of the current period. These matters were addressed in the context of our Audit of Standalone financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no significant key audit matters observed by us except the matters reported in the notes to accounts.

## **Information other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the management discussion & analysis and director's report included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibility of Management for the Standalone Financial Statements**

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, (changes in equity) 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate implementation and maintenance of accounting policies, making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditors Responsibility for the audit of Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of non detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the standalone financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusion are based on the audit evidence obtained upto the date of our Auditors' Report. However, future events or conditions may cause the group to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the standalone financial statement, including the disclosure and whether the standalone financial statements represent the underline transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decision of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factor in (I) planning the scope of our audit work and in evaluating the results of our work, and (II) to evaluate the effect of any identified misstatements in the financial statements.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

As required by 'the Companies (Auditor's Report) Order 2016 (the order), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 aforesaid 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 31st March, 2020 taken on record by the board of directors, none of the directors is disqualified as on 31st March, 2020 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. h) With

h) 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 27 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, except as mentioned in Note 16 of Financial Statements.

For

**Brijesh Dutt & Associates**

Chartered Accountants

Firm Registration No: 144568W

Sd/-

**Brijesh Dutt Chaturvedi**

**Proprietor**

M. No. : 135871

Place: Mumbai

Date: 26<sup>th</sup> June, 2020

UDIN: 20135871AAAAAL4936

**Annexure A to the Independent Auditor's Report (Referred to in paragraph (1) of our report of even date)**

- 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, Goods and Services 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 **Brijesh Dutt & Associates**  
Chartered Accountants  
Firm Registration No:144568W

Sd/-  
**Brijesh Dutt Chaturvedi**  
Proprietor  
Membership No. : 135871

Place: Mumbai  
Date: 26th June, 2020  
UDIN: 20135871AAAAAL4936

## **Annexure - B to the Independent Auditor's Report**

### **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 & Company Limited ("the Company") as of 31 March 2020 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 statement of the standalone Ind AS 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS 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 2020, 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 **Brijesh Dutt & Associates**

Chartered Accountants

Firm Registration No:144568W

Sd/-

**Brijesh Dutt Chaturvedi**

Proprietor

Membership No. : 135871

UDIN: 20135871AAAAAL4936

Place: Mumbai

Date: 26th June, 2020

**R. J. Shah & Company Limited**  
**Balance sheet as at 31 March 2020**

(Amount in Rupees)

PARTICULARS	Note No.	As at 31 March 2020	As at 31 March 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	9,243,099	10,747,747
Financial Assets			
- Investments	3	182,200	182,200
- Others	4	164,052	7,266,484
Deferred Tax Assets (Net)	13	159,747	64,277
<b>Current Assets</b>			
Inventories	5	3,319,443	58,639,100
Financial Assets			
- Trade and Other Receivables	6	-	-
- Cash and Cash Equivalents	7	305,787,936	186,439,912
- Other Financial Assets	8	1,782,935	1,584,246
Assets for current tax (net)	9	1,782,844	1,816,300
Other Current Assets	10	23,865	74,159
<b>TOTAL ASSETS</b>		<b>322,446,121</b>	<b>266,814,425</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	11A	2,801,000	2,801,000
Other Equity	11B	301,427,989	240,528,494
<b>Total Equity</b>		<b>304,228,989</b>	<b>243,329,494</b>
<b>Non-Current Liabilities</b>			
Financial Liabilities			
- Other Financial Liabilities	12	-	-
Deferred Tax Liabilities (Net)	13	-	-
<b>Current Liabilities</b>			
Financial Liabilities			
- Short Term Borrowings	14	12,269,411	12,269,411
- Trade and Other Payables	15	59,009	377,301
- Other Financial Liabilities	16	5,799,429	10,748,716
Other Current Liabilities	17	89,283	89,503
<b>Total Liabilities</b>		<b>18,217,132</b>	<b>23,484,931</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>322,446,121</b>	<b>266,814,425</b>
<b>The accompanying notes are an integral part of these financial statements.</b>	1 to 35		

As per Report of even date attached  
**For Brijesh Dutt & Associates**  
Chartered Accountants

Firm Registration No: 144568W

Sd/-  
**Brijesh Dutt Chaturvedi**

Proprietor  
Membership No.: 135871

Place: Mumbai  
Date: 26-06-2020  
UDIN:20135871AAAAAL4936

**For and on behalf of the Board**

Sd/-	Sd/-
Kalindi R. Shah	Tejaswini R. Shah
Managing Director	Joint Managing Director
Sd/-	Sd/-
Sd/-	Sd/-
Raghavendra Raichur	Swati Agrawal
Director	Director
	Sd/-
	Sunil Masand
	Director

Sd/-	Sd/-
Dr. Manubhai Patel	Ram Narayan Gupta
Director	Company Secretary

**R. J. Shah & Company Limited**  
**Statement of Profit and Loss for the year ended on 31 March 2020**

(Amount in Rupees)

Particulars	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from Operations	18	156,168,242	44,000,000
Other Income	19	23,725,964	12,271,401
<b>Total Revenue</b>		<b>179,894,206</b>	<b>56,271,401</b>
<b>Expenses</b>			
Cost of Materials Consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade	20	54,986,156	-
Employee Benefit Expense	21	5,671,421	4,741,507
Finance Cost	22	1,375,887	1,375,141
Depreciation and Amortisation Expense	2	760,410	1,139,739
Other Expense	23	32,912,110	10,602,012
<b>Total Expenses</b>		<b>95,705,984</b>	<b>17,858,399</b>
<b>Profit/ (Loss) before Exceptional Items and Tax</b>		<b>84,188,222</b>	<b>38,413,002</b>
Exceptional Items		-	-
<b>Profit/ (Loss) before Tax</b>		<b>84,188,222</b>	<b>38,413,002</b>
<b>Tax Expense</b>			
a) Current Tax		21,519,000	11,000,000
b) Deferred Tax	31	(95,470)	(237,789)
<b>Profit/ (Loss) for the Period</b>		<b>62,764,691</b>	<b>27,650,791</b>
<b>Other Comprehensive Income</b>			-
<b>Total Comprehensive Income for the period</b> <i>(Profit/ loss + other comprehensive income)</i>		<b>62,764,691</b>	<b>27,650,791</b>
<b>Earnings per Equity Share</b>	26		
a) Basic		224.08	98.72
b) Diluted			

The accompanying notes are an integral part of these financial statements.

1 to 35

As per Report of even date attached

**for Brijesh Dutt & Associates**

Chartered Accountants

Firm Registration No: 144568W

Sc

**Brijesh Dutt Chaturvedi**

Proprietor

Membership No.: 135871

Place: Mumbai

Date: 26-06-2020

UDIN: 20135871AAAAAL4936

**For and on behalf of the Board**

Sd/-

Sd/-

**Kalindi R. Shah**

**Tejaswini R. Shah**

Managing Director

Joint Managing Director

Sd/-

Sd/-

Sd/-

Raghavendra Raichur Swati Agrawal

Sunil Masand

Director

Director

Director

Sd/-

Sd/-

Dr. Manubhai Patel

Ram Narayan Gupta

Director

Company Secretary



**R J Shah & Company Limited**  
**Statement of Changes in Equity**

A. Equity Share Capital

Balance as at April 1, 2019	Changes during the year	Balance as of March 31, 2020
2,801,000	-	2,801,000

Balance as at April 1, 2018	Changes during the year	Balance as of March 31, 2019
2,801,000	-	2,801,000

B. Other Equity

Particulars	Capital reserve	Retained earnings	Revaluation reserve	General reserve	Total Other Equity
Balance as at April 1, 2018	16,369,730	78,892,487	1,586,884	116,711,888	213,560,989
Total Comprehensive income for the period					-
Profit for the period		27,650,791			27,650,791
Other Comprehensive income for the period		-			-
Total Comprehensive income for the period		27,650,791			27,650,791
Transfer to Profit and loss account on recoupment			(176,753)	1,000,000	823,247
Transfer to General reserve		(1,000,000)	-		(1,000,000)
Dividend including corporate dividend tax for the FY 2017-18		(506,533)		-	(506,533)
					-
Balance as at March 31, 2019	16,369,730	105,036,745	1,410,131	117,711,888	240,528,494

B. Other Equity

Particulars	Capital reserve	Retained earnings	Revaluation reserve	General reserve	Total Other Equity
Balance as at April 1, 2019	16,369,730	105,036,745	1,410,131	117,711,888	240,528,494
Total Comprehensive income for the period					-
Profit for the period		62,764,691			62,764,691
Other Comprehensive income for the period		-			-
Total Comprehensive income for the period		62,764,691			62,764,691
Transfer to Profit and loss account on recoupment			(176,753)	1,000,000	823,247
Dividend including corporate dividend tax for the FY 2018-19		(1,688,443)			(1,688,443)
Transfer to General reserve		(1,000,000)			(1,000,000)
					-
Balance as at March 31, 2020	16,369,730	165,112,993	1,233,378	118,711,888	301,427,989

As per Report of even date attached

**For Brijesh Dutt & Associates**

Chartered Accountants

Firm Registration No: 144568W

Sd/-

**Brijesh Dutt Chaturvedi**

Proprietor

Membership No.: 135871

Place: Mumbai

Date: 26-06-2020

UDIN: 20135871AAAAAL4936

For and on behalf of the Board

Sd/-

Sd/-

**Kalindi R. Shah Tejaswini R. Shah**

Manging Director Joint Managing Director

Sd/-

Sd/-

Sd/-

**Raghavendra Raichur Swati Agrawal Sunil Masand**

Director

Director

Director

Sd/-

Sd/-

**Dr. Manubhai Patel Ram Narayan Gupta**

Director

Company Secretary

**R J Shah & Company Limited**  
**Notes to Financial Statements for the year ended 31st March, 2020**

**1. Corporate Information and Significant Accounting Policies**

**A.General Information**

R J Shah & Company Ltd is a Public Company in India and incorporated under the provisions of the Companies Act, 1956. It's shares are listed on Bombay Stock exchange in India. The company is engaged in construction of small and medium size Hydroelectric Project with EPC contract or civil work with Hydro Mechanical works since last several years. Company is specialized in underground works of tunnels, cavern shafts, inclined tunnels with government and semi governments or various Electricity Boards, Railways, Atomic power Station, Irrigation etc, and work receipts is mainly for these works .

**B.Basis of preparation of financial statement**

**I.Compliance with Ind AS**

Financial statements have been prepared in accordance with the Indian Accounting Standards (hereafter referred to as the "Ind AS") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards (Ind AS) Rules, 2015 as amended and other relevant provisions of the Act and rules framed thereunder.

**II Historical cost convention:**

The financial statements have been prepared on a historical cost basis.

**III Rounding of amounts:**

All the amounts disclosed in the financial statements and notes are presented in Indian Rupees and have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise states.

**IV Current and Non-current classification:**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the schedule III to the act.

**C. Property, Plant and Equipment**

Freehold land is carried at historical cost. Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes purchase price and expenditures directly attributable to bringing them into working condition for its intended use. Freehold land are carried at cost, less accumulated impairment losses, if any are not depreciated.

Depreciation on property, plant and equipments is provided under the straight line method over the useful lives of assets as prescribed in Schedule II to the Companies Act 2013 ("Act"), and management believes that useful life of assets are same as those prescribed in Schedule II to the Act except the useful life of the building at wadala, based on terms of the lease deed signed as per orders of High Court of Judicature at Mumbai has been estimated as 13 years . The residual values are not more than 5% of the Original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gain or losses arising from derecognition of property, plant and equipment are measured as difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the asset is derecognised.

**D. Inventories:**

Inventories are valued at lower of cost computed on weighted average basis or net realisable value after providing cost of obsolescence, if any. The cost of inventories comprises cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is estimated selling price in ordinary course of business less the estimated cost necessary to make the sale.

**E.Revenue Recognition**

Revenue from sale of products is recognised when the property in the goods, or all significant risks and rewards of ownership of the products have been transferred to the buyer, and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of products as well as regarding its collection. Revenues include excise duty and are shown net of sales tax, value added tax, and applicable discounts and allowances if any.

Revenue includes only those sales for which the Company has acted as a principal in the transaction, takes title to the products, and has the risks and rewards of ownership, including the risk of loss for collection, delivery and returns. The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs.

**F. Employee Benefits**

As per the past practices and as per the understanding between the 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.

## **G. Income tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

## **H. Earnings per share**

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

## **K. Use of estimates and Judgements**

The estimates and judgements used in the preparation of financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors that the management believes to be reasonable under existing circumstances. Difference between actual results and estimates are recognized in the period in which the results are known/materialized. The said estimates are based on the facts and the events, that existed as at the reporting date, or that date but provide additional evidence about conditions existing on the reporting date.

### **I. Impairment of non financial asset:**

Assessment is done at each Balance Sheet date to evaluate whether there is any indication that a nonfinancial asset may be impaired. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

### **II. Depreciation/amortization and useful lives of property, plant and equipment/intangible assets:**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value.

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

### **III. Recoverability of trade receivables:**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counter party, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

### **IV. Provisions and contingent liabilities:**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or where management believes that the amount of future outflow of resources cannot be reliably estimated or the obligation cannot be measured.

## **L. Dividend and Interest Income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably

## **M. Investments**

Investments are measured at fair value, with value changes recognised in Statement of Profit and Loss as per the business model of the Company.

## **N. Functional and Presentation currency**

These financial statements are prepared in Indian rupees; the national currency of India, which is functional currency of the company.

**R J Shah & Company Limited**

**Note 2**

**Property, Plant and Equipments**

(Amount in Rupees)

Particulars	Land	Building and Shed	Plant and Machinery	Traxcavators and Loaders	Dumpers	Furniture and Fixtures	Vehicles	Sci Apparatus	TOTAL
<b>Gross block</b>									
As at 1st April 2018	609,609	28,437,673	15,476,805	8,189,193	5,820,356	940,606	3,986,616	514,542	63,975,400
Additions/Revaluation surplus	-	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-	-	-	-	-
As at 31st March 2019	<b>609,609</b>	<b>28,437,673</b>	<b>15,476,805</b>	<b>8,189,193</b>	<b>5,820,356</b>	<b>940,606</b>	<b>3,986,616</b>	<b>514,542</b>	<b>63,975,400</b>
As at 1st April 2019	609,609	28,437,673	15,476,805	8,189,193	5,820,356	940,606	3,986,616	514,542	63,975,400
Additions/Revaluation surplus	-	-	101,473	-	-	-	-	-	101,473
Disposals/Adjustments	-	-	4,036,643	-	3,965,922	-	1,988,376	-	9,990,941
As at 31st March 2020	<b>609,609</b>	<b>28,437,673</b>	<b>11,541,635</b>	<b>8,189,193</b>	<b>1,854,434</b>	<b>940,606</b>	<b>1,998,240</b>	<b>514,542</b>	<b>54,085,932</b>
<b>Accumulated Depreciation</b>									
As at 1st April 2018	-	20,131,225	13,452,593	7,769,738	5,529,338	875,159	3,659,285	493,823	51,911,161
Charge for the year	-	864,644	381,650	9,995	-	4,750	55,453	-	1,316,492
Disposals/Adjustments	-	-	-	-	-	-	-	-	-
As at 31st March 2019	-	<b>20,995,869</b>	<b>13,834,243</b>	<b>7,779,733</b>	<b>5,529,338</b>	<b>879,909</b>	<b>3,714,738</b>	<b>493,823</b>	<b>53,227,653</b>
As at 1st April 2019	-	20,995,869	13,834,243	7,779,733	5,529,338	879,909	3,714,738	493,823	53,227,653
Charge for the year	-	687,892	248,609	-	-	662	-	-	937,163
Disposals/Adjustments	-	-	3,665,400	-	3,767,626	-	1,888,957	-	9,321,983
As at 31st March 2020	-	<b>21,683,761</b>	<b>10,417,452</b>	<b>7,779,733</b>	<b>1,761,712</b>	<b>880,571</b>	<b>1,825,781</b>	<b>493,823</b>	<b>44,842,833</b>
<b>Net Block</b>									
As at 31st March 2019	<b>609,609</b>	<b>7,441,804</b>	<b>1,642,562</b>	<b>409,460</b>	<b>291,018</b>	<b>60,697</b>	<b>271,878</b>	<b>20,719</b>	<b>10,747,747</b>
As at 31st March 2020	<b>609,609</b>	<b>6,753,912</b>	<b>1,124,183</b>	<b>409,460</b>	<b>92,722</b>	<b>60,035</b>	<b>172,459</b>	<b>20,719</b>	<b>9,243,099</b>

2.1 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.

2.2 Depreciation on Building and Sheds includes depreciation on revaluation of Rs.1,76,563 has been transferred to Revaluation Reserve Account in Other Equity.

**R J Shah & Company Limited**  
Notes to Balance sheet

(Amount in Rupees)

**3. Non Current Investments**

Particulars	As at	
	31-03-20	31-03-19
<b>Non Trade Investments</b>		
In Equity Shares ( 400 shares of Union Bank of India of Rs. 10 each)	38,200	38,200
In Bonds  (144 8.2% Tax Free bonds of Power Finance Corporation Limited of Rs. 1000 each)	144,000	144,000
<b>Total</b>	<b>182,200</b>	<b>182,200</b>

**4. Other Financial Assets**

Particulars	As at	
	31-03-20	31-03-19
Deposits	164,052	5,362,918
Other Advances	-	1,903,566
<b>Total</b>	<b>164,052</b>	<b>7,266,484</b>

**5. Inventories**

Particulars	As at	
	31-03-20	31-03-19
Consumable Stores	1,670,592	2,004,093
Work-in-progress	1,648,851	56,635,007
<b>Total</b>	<b>3,319,443</b>	<b>58,639,100</b>

**6. Trade and Other receivables**

Particulars	As at	
	31-03-20	31-03-19
Trade receivables outstanding for a period exceeding six months		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Trade receivables outstanding for a period less than six months		
Unsecured ,considered good	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**7. Cash and Cash Equivalents**

Particulars	As at	
	31-03-20	31-03-19
a. Cash on hand	8,678	3,905
b. Balances with banks in current account	304,628	929,152
c. Fixed Deposits	305,043,753	185,203,753
d. Unclaimed dividend	430,877	303,102
<b>Total</b>	<b>305,787,936</b>	<b>186,439,912</b>

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.

2. Fixed Deposits with banks includes deposits of Rs.29,38,43,773 (previous Year Rs.18,52,03,753) with maturity more than 12 months.

3.Fixed Deposits with banks includes Rs.2,00,000 (Previous Year Rs.2,00,000) pledged with contractees and government Departments.

**8. Other Financial Assets**

Particulars	As at	
	31-03-20	31-03-19
Interest on Bank deposits	1,777,523	1,578,834
Dividend on Long term investments	5,412	5,412
<b>Total</b>	<b>1,782,935</b>	<b>1,584,246</b>

**9. Assets for Current tax (net)**

Particulars	As at	
	31-03-20	31-03-19
Advance Tax & TDS	33,768,841	13,474,974
GST and Other tax receivable	2,074,003	882,326
Taxation liability	(34,060,000)	(12,541,000)
<b>Total</b>	<b>1,782,844</b>	<b>1,816,300</b>

**10 Other Current Assets**

Particulars	As at	
	31-03-20	31-03-19
Prepaid expenses	23,865	74,159
Other advances	-	-
<b>Total</b>	<b>23,865</b>	<b>74,159</b>

**11.(A) Share Capital**

Particulars	As at	
	31-03-20	31-03-19
<b>Authorised Share Capital</b>		
50,00,000 Equity Shares of ₹ 10 each (50,000,000)	50,000,000	50,000,000
<b>Issued, Subscribed and Paid up</b>		
280100 Equity Shares of ₹ 10 each	2,801,000	2,801,000
<b>Total</b>	<b>2,801,000</b>	<b>2,801,000</b>

**11.1**

Shares in the Company held by shareholder holding more than 5% shares

SR NO	Name of Shareholder	31-03-20		31-03-19	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Ms. K. R. Shah	74,000	26%	74,000	26%
2	Ms. T. R. Shah	70,250	25%	70,250	25%
3	J. B. Boda & Company Pvt. Ltd.	24,800	9%	24,800	9%

**(B) Other Equity**

Particulars	As at	
	31-03-20	31-03-19
Capital Reserve	16,369,730	16,369,730
Retained earnings	165,112,993	105,036,745
Revaluation Reserve	1,233,378	1,410,131
General Reserve	118,711,888	117,711,888
<b>Total</b>	<b>301,427,989</b>	<b>240,528,494</b>

**12. Other Financial Liabilities**

Particulars	As at	
	31-03-20	31-03-19
Advance and Deposits from Customers	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**13. Deferred Tax**

Particulars	As at	
	31-03-20	31-03-19
Property, Plant and Equipment (Depreciation)	159,747	(64,277)
<b>Net Deferred tax liability</b>	<b>159,747</b>	<b>(64,277)</b>

**14. Short Term Borrowings**

Particulars	As at	
	31-03-20	31-03-19
From Directors	12,269,411	12,269,411
<b>Total</b>	<b>12,269,411</b>	<b>12,269,411</b>

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

**15. Trade and other payables**

Particulars	As at	
	31-03-20	31-03-19
Trade Payables	59,009	377,301
<b>Total</b>	<b>59,009</b>	<b>377,301</b>

No amount and interest due as per the Interest on Delayed payment is payable to Micro, Small and Medium Enterprises (Development) Act, 2006.

**16. Other current financial liabilities**

Particulars	As at	
	31-03-20	31-03-19
Advance & deposits from Customers (refer N	4,500	5,890,349
Unclaimed dividend	429,220	301,445
Managerial remuneration payable	2,374,336	1,611,222
Other liability	2,991,373	2,945,700
<b>Total</b>	<b>5,799,429</b>	<b>10,748,716</b>

The IEPF transfer for the year 2019-20 which was due, was not transferred due to technical issue in the MCA portal as the process was changed online from offline and the relevant SRN could not be generated. The amount for the same is Rs.17,820/- (FY 2011-12), for which the relevant PAY ORDER is ready for submission. The necessary extension for the submission of the relevant form has been given by the ministry which is 30.09.2020.

**17. Other Current Liabilities**

Particulars	As at	
	31-03-20	31-03-19
Statutory Dues	89,283	89,503
<b>Total</b>	<b>89,283</b>	<b>89,503</b>

**R J Shah & Company Limited**  
**Notes to Profit and loss**  
(Amount in Rupees)

**18. Revenue from operations**

Particulars	Year Ended	
	31-03-20	31-03-19
Contract receipts	156,168,242	41,500,000
Other Work Receipts	-	2,500,000
<b>Total</b>	<b>156,168,242</b>	<b>44,000,000</b>

**19. Other Income**

Particulars	Year Ended	
	31-03-20	31-03-19
Interest Income		
- Long term investments'	11,808	11,808
- Fixed Deposits	18,208,068	11,947,102
- Other Interest	4,698,153	-
Profit on sale of fixed assets	442,213	-
Gain/(loss) on long term investments	-	520
Other income	365,722	311,971
<b>Total</b>	<b>23,725,964</b>	<b>12,271,401</b>

**20. Changes in inventories**

Particulars	Year Ended	
	31-03-20	31-03-19
Opening WIP	56,635,007	56,635,007
(-) Closing WIP	(1,648,851)	(56,635,007)
<b>Total</b>	<b>54,986,156</b>	<b>-</b>

**21. Employee Benefit expense**

Particulars	Year Ended	
	31-03-20	31-03-19
Salaries, Wages and Bonus	5,519,124	4,574,623
Contribution to Provident and Other Funds	55,962	70,277
Staff Welfare Expenses	96,335	96,607
<b>Total</b>	<b>5,671,421</b>	<b>4,741,507</b>



1. The Company's Provident Fund is exempted under Section 17 of Employee's Provident Fund and Miscellaneous Provisions Act, 1952.

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 2019.

## 22. Finance Cost

Particulars	Year Ended	
	31-03-20	31-03-19
Interest on Deposits	1,349,636	1,349,636
Bank charges	26,251	25,505
<b>Total</b>	<b>1,375,887</b>	<b>1,375,141</b>

## 23. Other Expense

Particulars	Year Ended	
	31-03-20	31-03-19
Consumption of Stores and spares (Indegeneous)	333,501	166,475
Payment to sub-contractors	884,412	848,448
Electricity charges	175,085	171,663
Freight & cartage	5,592	10,930
Legal & Professional charges	5,716,490	3,118,945
Rent, rates & taxes	2,068,274	486,049
Insurance	143,179	204,780
Repairs & maintenance:-		
Machinery	14,310	53,504
Building	6,213,947	788,442
Conveyance Expenses	113,778	158,803
Travelling expenses	82,769	512,333
Telephone expenses	56,476	59,845
Printing & stationery	67,886	78,707
Office expenses	654,432	729,193
Motor car expenses	159,818	194,329
General expenses	49,445	36,835
Retainer charges	3,042,273	2,096,027
Director's meeting fees	75,000	80,000
Payment to Auditors	140,000	123,000
Donations	12,900,000	615,000
Sundry balance written off	136,194	790,808
Income Tax of earlier years	(120,751)	(722,104)
<b>Total</b>	<b>32,912,110</b>	<b>10,602,012</b>

#### 24. Value of Stores and Spares Consumed

Particulars	Year Ended 31 March 2020		Year Ended 31 March 2019	
	Value	% of Consumption	Value	% of Consumption
Imported	Nil	Nil	Nil	Nil
Indegenous	-	100%	-	100%
<b>Total</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>100%</b>

#### 25. Payment to Auditors

Particulars	Year Ended	
	31-03-20	31-03-19
Statutory Audit fees	72,000	72,000
Tax Audit Fees	25,000	25,000
Other Capacity	43,000	26,000
<b>Total</b>	<b>140,000</b>	<b>123,000</b>

#### 26. Basic and Diluted Earnings per Share

Particulars	31-03-20	31-03-19
Net Profit/(loss) for the year (lacs)	62,764,691	27,650,791
Weighted average number of equity shares of Rs.10/- each (Nos.)	280,100	280,100
Basic and Diluted earning per share (Rs.)	224.08	98.72

#### 27. Contingent liabilities and Capital Commitments

Particulars	31-03-20	31-03-19
Claims against company not acknowledged as debt		
BMC Property Tax	2,643,999	17,631,438
BPT Rent	14,905,732	13,927,210
<b>Total</b>	<b>17,549,731</b>	<b>31,558,648</b>

#### 28. Related Party Disclosure

##### 1. Key Managerial Personnel and Relatives

K R Shah	-Key Managerial Personnel
T R Shah	-Key Managerial Personnel
KEI (P) Ltd	- Company in which director is director
R.S.P.L	- Company in which director is director

##### 2. The Following transactions were carried out with the related parties in ordinary course of business:

Transaction	31-03-20	31-03-19
<u>a) Remuneration</u>		
K R Shah	1,500,000	1,500,000
T R Shah	1,080,000	1,080,000
<u>b) Commission</u>		
K R Shah	895,018	423,731
T R Shah	895,018	423,731
<u>c) Interest paid paid</u>		
K R Shah	844,828	844,828
T R Shah	504,808	504,808
<u>d) Loans received</u>		
K R Shah	-	100,000
T R Shah	-	100,000
<u>e) Loan Repaid</u>		
K R Shah	-	100,000
T R Shah	-	100,000
<u>f) Deposits</u>		
K R Shah	7,680,261	7,680,261
T R Shah	4,589,150	4,589,150
<u>g) Non-executive directors</u>		
Sitting Fee	75,000	80,000
Commission	400,000	400,000
<u>h) Company in which director is a director</u>		
<u>Service/Labour Charges</u>		
KEI (P) Ltd	727,498	671,384
Rajendra Shipping Pvt.Ltd.	27,830	25,215
<u>Balance receivable/(Payable)</u>		
KEI (P) Ltd	(57,036)	-
Rajendra Shipping Pvt.Ltd.	(1,973)	(96,191)

## 29. Segment Reporting

The Company has a single segment namely " Engeneering and Construction". Hence segment reporting as defined in Ind AS 33 is not given.

30. In the opinion of the Management, current assets, loans and advances have a value on realization at least equal to the amount at which they are stated in the Books of Accounts and provision for all known liabilities has been made, except as mentioned otherwise. The balance of bank accounts are subject to confirmation due to COVID 19 situation.

## 31. Deferred Tax liability

Particulars	Year Ended	
	31-03-20	31-03-19
Opening balance	(64,277)	173,512
Add: charge for the year	(95,470)	(237,789)
<b>Net Deferred tax liability</b>	<b>(159,747)</b>	<b>(64,277)</b>

## 32. Corporate Social Responsibility

The amount of Rs. NIL need to be spent on CSR Activites by the company for the financial year 2018-19 and the company has spent Rs.1,07,00,000 during the financial year 2019-20 against the same.

## 33. Events occuring after Balance sheet date

The Board of directors has recommended equity dividend of Rs. 10 per share ( Previous Year Rs. 5) for the Financial year 2019-20.

## 34. Impact Of COVID 19 PENDEMIC on the Company

Due to COVID19 pandemic and consequent lockdown restrictions imposed by the National Government w. e. f. 25th of March 2020 which has now extended till 31st May, 2020. Later on, after one and half month some of the activities were gradually allowed to start with certain restrictions. Hence, our Company was permitted to resume its operations with certain restrictions. All guidelines, as issued from time to time by the Government of India and State Governments as well as local authorities have been complied with. In compliance of Regulation 30(3) of LODR the impact on various business activities is to be disclosed in financial statements, which caused unforeseen disruption in operation of manufacturing, marketing, demand, supply, orders, debtors, creditors, and financial activities. As our Company is engaged in the business of executing contracts in specified period. However, there is no impact on the operations of the Company.

35. The figures for previous year have been regrouped/rearranged wherever necessary to make them comparable.

As per Report of even date attached  
**For Brijesh Dutt & Associates**  
Chartered Accountants  
Firm Registration No: 144568W

Sd/-  
**Brijesh Dutt Chaturvedi**  
Proprietor  
Membership No.: 135871

Place: Mumbai  
Date: 26-06-2020  
UDIN:20135871AAAAAL4936

### For and on behalf of the Board

Sd/-	Sd/-		
<b>Kalindi R. Shah</b>	<b>Tejaswini R. Shah</b>		
Managing Director	Joint Managing Director		
Sd/-	Sd/-	Sd/-	Sd/-
<b>Raghavendra Raichur</b>	<b>Swati Agrawal</b>	<b>Sunil Masand</b>	
Director	Director	Director	
Sd/-	Sd/-		
<b>Dr. Manubhai Patel</b>	<b>Ram Narayan Gupta</b>		
Director	Company Secretary		

**R. J. Shah & Company Limited**  
Statement of Cash Flow for the year ended 31 March 2020

(Amount in Rupees)

	Particulars	For the Year Ended	
		31-03-20	31-03-19
<b>A</b>	<b>Cash flows from operating activities:</b>		
	Profit for the year before tax and other comprehensive income after interest, depreciation and Exceptional items	84,188,222	38,413,002
	<b>Adjustments:</b>		
	Depreciation and amortization expense	760,410	1,139,739
	Interest income	(22,918,029)	(11,958,910)
	Dividend Income		
	Gain on Investments	-	(520)
	Gain on sale of Fixed asset, net	(442,213)	-
	Interest expense	1,349,636	1,349,636
	<b>Changes in operating assets and liabilities;</b>		
	Inventories	55,319,657	166,475
	Other assets	6,954,039	2,659,798
	Trade payables, other liabilities and provisions	(318,292)	(345,335)
	Other current liabilities	(4,949,507)	(2,085,125)
	<b>Cash generated from operating activities before taxes</b>	<b>119,943,923</b>	<b>29,338,760</b>
	Income taxes paid, net	(21,485,544)	(12,684,860)
	<b>Net cash generated from operating activities</b>	<b>98,458,379</b>	<b>16,653,900</b>
<b>B</b>	<b>Cash flows from investing activities:</b>		
	Purchase of property, plant and equipment	(101,473)	-
	Proceeds from sale of property, plant and equipment	1,111,168	-
	Reduction in Investment	-	-
	Dividend received	-	-
	Interest received	22,918,029	11,887,798
	<b>Net cash used in investing activities</b>	<b>23,927,724</b>	<b>11,887,798</b>
<b>C</b>	<b>Cash flows from financing activities:</b>		
	Dividend paid during the year	(1,688,443)	(506,533)
	Interest paid on loans and borrowings	(1,349,636)	(1,349,636)
	<b>Net cash used in financing activities</b>	<b>(3,038,079)</b>	<b>(1,856,169)</b>
	<b>Net increase in cash and cash equivalents during the year</b>	<b>119,348,024</b>	<b>26,685,529</b>
	<b>Cash and cash equivalents at the beginning of the year</b>	<b>186,439,912</b>	<b>159,754,383</b>
	<b>Cash and cash equivalents at the end of the year (Note 7)</b>	<b>305,787,936</b>	<b>186,439,912</b>
	<b>Net increase in cash and cash equivalents during the year</b>	<b>119,348,024</b>	<b>26,685,529</b>

As per Report of even date attached

**For Brijesh Dutt & Associates**

Chartered Accountants

Firm Registration No: 144568W

Sd/-

**Brijesh Dutt Chaturvedi**

Proprietor

Membership No.: 135871

Place: Mumbai

Date: 26-06-2020

UDIN: 20135871AAAAAL4936

For and on behalf of the Board

Sd/-

Sd/-

**Kalindi R. Shah Tejaswini R. Shah**

Manging Director Joint Managing Director

**Sd/-**

Sd/-

Sd/-

Raghavendra Raichur

Swati Agrawal

Sunil Masand

Director

Director

Directgor

Sd/-

**Sd/-**

Dr. Manubhai Patel

Ram Narayan Gupta

Director

Company Secretary