



|     |    |   |     |   |
|-----|----|---|-----|---|
| MD  | ✓  |   | BKC | ✓ |
| CS  | NA |   | DPY | ✓ |
| RO  | ✓  |   | DIV | ✓ |
| TRA | NA |   | AC  | ✓ |
| AGM | ✓  | ✓ | SHI | ✓ |
| YE  | ✓  | ✓ |     | ✓ |

# R. J. SHAH & COMPANY LIMITED

Report  junction.com

40TH ANNUAL REPORT

1997-98



## **R.J.Shah & Company Limited**

### **BOARD OF DIRECTORS**

**Ms KALINDI R. SHAH** CHAIRPERSON & MANAGING DIRECTOR

**Ms.TEJASWINI R.SHAH** JOINT MANAGING DIRECTOR

**DR.M.N.PATEL**

**MR.P.S.MASAND**

**MR. S.P. MASAND**

**MRs. SWATI AGARWAL**

### **AUDITORS**

**Maganlal & Company**

Chartered Accountants

### **BANKERS**

**UNION BANK OF INDIA**

**STATE BANK OF INDIA**

### **SOLICITORS & ADVOCATES**

**BHAISHANKER KANGA AND GIRDHARLAL**

**KIRIT N. DAMANIA & CO.**

### **REGISTERED OFFICE**

**Mahul Road, Antop Hill,  
MUMBAI-400 037.**

## N O T I C E

NOTICE is hereby given that the 40th ANNUAL GENERAL MEETING of the members of R. J. SHAH & COMPANY LIMITED will be held on Wednesday, the 30th September, 1998 at 4.00 P.M. at the Registered Office of the Company at Mahul Road, Antop Hill, Mumbai 400037 to transact the following business:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 1998 together with the Profit and Loss Account for the year ended on that date and report of the Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Shri Sunil P. Masand, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. M. N. Patel who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint auditors for the current year and fix their remuneration.

### SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modifications, The following resolution as an ordinary resolution :  

"RESOLVED THAT Mrs. Swati Agarwal appointed as an additional Director under Section 260 of the Companies Act, 1956 be and is hereby appointed a Director of the Company, liable to retire by rotation."

### NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. The Dividend when declared will be payable on or before 10th November, 1998 to those shareholders whose names appear on the Register of Members as on 30th September, 1998.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday the 22nd September, 1998 to Wednesday the 30th September, 1998 (both days inclusive).
4. Pursuant to Section 205A of the Companies Act, 1956, all unclaimed dividends upto the financial year ended 31st March, 1994 have been transferred to the General Revenue Account of the Central Government and for the year ended 31st March 1995 the same will be transferred on or before 16th Nov. 1998. Shareholders who have not encashed their dividend warrants for the year 1993-94 are requested to claim the amount from the Registrar of Companies, Maharashtra, Mumbai.
5. Members are requested to notify immediately any change in their address to the Company.

dividend warrants for the year 1993-94 are requested to claim the amount from the Registrar of Companies, Maharashtra, Mumbai.

5. Members are requested to notify immediately any change in their address to the Company.

MUMBAI

DATED: 28th August, 1998.

By Order of the Board

K.R. SHAH

Chairperson & Managing Director

**REGISTERED OFFICE**

Mahul Road, Antop Hill,  
Mumbai 400 037.

**ANNEXURE TO THE NOTICE**

Explanatory Statements as required Under Section 173 of the Companies Act, 1956.

**ITEM NO. 6**

The Board of directors has appointed Mrs. Swati Agarwal as an additional Director of the Company with effect from 25th November, 1997. Mrs. Swati Agarwal holds office upto the date of ensuing Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 from a Shareholder - signifying his intention to propose the name of Mrs. Swati Agarwal as a candidate for the office of a Director of the Company to be appointed at this Annual General Meeting. Except Mrs. Swati Agarwal no other Director is concerned or interested in the said Resolution.

MUMBAI

DATED: 28th August, 1998.

By Order of the Board

K.R. SHAH

Chairperson & Managing Director

**REGISTERED OFFICE**

Mahul Road, Antop Hill,  
Mumbai 400 037.

**DIRECTORS' REPORT****1 9 9 7 - 9 8**

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

Your Directors have pleasure in submitting 40th Annual Report alongwith the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 1998.

**1. FINANCIAL RESULTS**

|  | Current Year<br>Rs. | Previous Year<br>Rs. |
|--|---------------------|----------------------|
| The Profit before depreciation,<br>provision for taxation and<br>investment allowance reserve. | 44,59,547           | 38,99,175            |
| Less: Depreciation   | 23,23,879           | 20,24,210            |
|  | -----               | -----                |
|  | 21,35,668           | 18,74,965            |
| Provision for Taxation   | 8,40,000            | 9,66,000             |
|  | -----               | -----                |
|  | 12,95,668           | 9,08,965             |
| Add: Investment Allowance<br>Reserve no longer required -!                                     | 4,43,340            | 13,700               |
| Excess provision of I.T of<br>earlier years written back -!                                    | --                  | 1,589                |
| Balance profit<br>brought forward from<br>previous year -!                                     | 7,01,272            | 18,10,318            |
|  | -----               | -----                |
| Amount available for appropriation   | 24,40,280           | 27,34,572            |
|  | =====               | =====                |
| Less: Appropriations:  |                     |                      |
| Retirement benefit i/c gratuity<br>of earlier years  | ---                 | 12,67,080            |
| Proposed Dividend  | 4,20,150            | 5,60,200             |
| Tax on proposed dividend   | 42,015              | 56,020               |
| Trasfer to General Reserve   | 2,00,000            | 1,50,000             |
| Balance carried to Balance Sheet   | 17,78,115           | 7,01,272             |
|  | -----               | -----                |
|  | 24,40,280           | 27,34,572            |
|  | =====               | =====                |

**2. DIVIDEND**

Your Directors are pleased to recommend payment of Dividend @ 15% (Previous Year 20%) for the year ended 31st March, 1998.

### 3. REVIEW OF OPERATIONS

During the year under review, the Company has secured further works for Approach Tunnel to Power House for Ghatghar Hydro Electric Project. The other works at Bhandardara Hydro Electric Project and Kakkad Hydro Electric Project are in advanced stages of completion awaiting commissioning.

### 4. INSURANCE

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

### 5. SUBSIDIARY

As required by the provisions of Section 212 of the Companies Act, 1956 the Balance Sheet and the Profit & Loss Account for the year ended 31st March, 1998 and the Report of the Directors and Auditors thereon of subsidiary Company, Rajendra Shipping Ltd., are annexed to this Report.

### 6. DIRECTORS

Under Article no. 45(d) of the Articles of Association, Shri Sunil P. Masand and Dr. M. N. Patel retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Mrs. Swati Agarwal was appointed as Additional Director of the Company with effect from 25th November, 1997 to hold office upto the date of the ensuing Annual General Meeting.

The Company has received notice from member under section 257 of the Companies Act, 1956 signifying their intention to propose the candidature of Mrs. Swati Agarwal as Director of the Company. Further your Directors have pleasure in recommending the appointment of Mrs. Swati Agarwal as Director of the Company.

### 7. PARTICULARS OF EMPLOYEES

Information as per Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 forms part of this Report. However, as per proviso (b) (iv) to Section 219 (1) of the Companies Act, 1956, this Report together with the Accounts is being sent to all the shareholders of the Company excluding the above statement. Any shareholder interested in obtaining a copy of the said statement may accordingly write to the Registered Office of the Company.

### 8. AUDITOR'S REPORT

Regarding the Auditor's Report Paragraph 4 the Company has secured expert legal advice on the subject and accordingly the Company is satisfied and considers this as a good debt.

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

## 9. APPOINTMENT OF AUDITORS

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

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is given in Annexure I forming part of this report as required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988

## 11. APPRECIATION

The Directors wish to record their sincere appreciation for the co-operation and guidance offered to the Company by the concerned contracting authorities and their officers for the execution of the works. The Directors also wish to place on record their sincere appreciation for the devoted and efficient services rendered by all employees of the Company.

By Order of the Board

MUMBAI

DATED: 28th August, 1998.

Chairperson & Managing Director

### ANNEXURE-I

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 1998.

#### 1. CONSERVATION OF ENERGY :

##### A) Energy conservation measures taken :

The Company started manufacturing of pure water w.e.f. November 1993 and the source of energy required is of the electric supply from B.E.S.T. undertaking. The consumption of electricity is less as the process of manufacture of pure water adopted is through ion exchange than through reverse osmosis which would have consumed more energy. The usual level switches have been provided to minimise energy consumption and avoid any damage to the plant. The entire supply of electricity to the plant is through one distribution board for safety as well as for minimum wastage of electricity during commencement & production.

B) Additional investment and proposal, if any being implemented for reduction of conservation of energy.

As above

C) Impact of the measure at (A) & (B) above for reduction of energy consumption and consequent impact on the cost of production of goods.

Unascertained

D) TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION AS PER FORM 'A'



## OF THE ANNEXURE TO THE RULES IN RESPECT OF INDUSTRIES SPECIFIED IN THE SCHEDULED THERETO.

| A. POWER & FUEL CONSUMPTION  |                                     | 1997-98 | 1996-97 |
|------------------------------|-------------------------------------|---------|---------|
| 1. ELECTRICITY               | a) Purchased Units (in lacs)        |         |         |
|                              | Total Amount (Rs.in lacs)           | 1.14    | 0.001   |
|                              | Rate/units(rs.)                     | 4.00    | 4.00    |
|                              | b) Own Generation                   |         |         |
|                              | i) Through Diesel Generator         |         |         |
|                              | Units (in lacs)                     |         |         |
|                              | Units per litre of diesel oil       |         |         |
|                              | Cost/Unit (Rs.)                     |         |         |
|                              | ii) Through Steam Turbine Generator |         |         |
|                              | Unit/per litre of fuel/oil/gas      |         |         |
|                              | Cost/Unit.                          |         |         |
| 2. COAL (STEAM)              |                                     |         |         |
|                              | Quantity (Tonnes)                   |         |         |
|                              | Total Cost (Rs. in lacs)            |         |         |
|                              | Average Rate (Rs.)                  |         |         |
| 3. FURNACE OIL               |                                     |         |         |
|                              | Quantity (ltr.)                     |         |         |
|                              | Total Amount                        |         |         |
|                              | Average Rate.                       |         |         |
| 4. OTHER/INTERNAL GENERATION |                                     |         |         |
|                              | Quantity                            |         |         |
|                              | Total Cost.                         |         |         |

| B. CONSUMPTION PER UNIT OF PRODUCTION*/PRODUCT |                     | Unit | Standard<br>(If Any) |
|--|---------------------|------|----------------------|
| Product  | Pure Water 'PYOQUA' |      |                      |
| Electricity                                    | 0.10                |      | 0.061                |
| Furnace Oil                                    |                     |      | N.A.                 |
| Coal   |                     |      | N.A.                 |
| Others   |                     |      | N.A.                 |

## II. TECHNOLOGY ABSORPTION

- III. FOREIGN EXCHANGE EARNING & OUTGO
- a) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans.
- b) Total Foreign Exchange used and earned
- Used
- Earned

## AUDITORS' REPORT

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

We have examined the attached Balance Sheet of R. J. SHAH & COMPANY LIMITED as at 31st March, 1998 and the Profit and Loss Account annexed hereto for the year ending on that date which are in agreement with the Company's Books of Accounts and Returns.

As required by the Manufacturing and other Companies (Auditor's Report) Order 1988 and on the basis of such test checks of the Books and records for the year as we consider appropriate, and the information and explanations given to us during the Audit, we state as under:-

- 1) The Company has maintained records showing full particulars of Fixed Assets except that of Furniture and Fixture and Scientific apparatus. We are informed by the Management that these Assets are physically verified by the Management at the end of the year and as reported by the Management, no serious discrepancies were noticed on such verifications.
- 2) The Company has not revalued its Fixed Assets during the year.
- 3) As explained to us the Stocks of Raw Materials, Finished Goods, Spares, Stores and other materials have been physically verified by the Management as at the end of the financial year. In our opinion frequency of verification is reasonable.
- 4) The procedure of physical verification by the Management, in our opinion is reasonable and adequate in relation to the size of the Company and nature of its business.
- 5) The discrepancies noticed on verification between physical stocks and available records were not material having regard to the operations of the Company and the same have been properly dealt with in the Books of Accounts.
- 6) In our opinion the valuation of stock is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
- 7) The Company has accepted Fixed Deposits and Loans from Directors, Companies, Firms and other Parties listed in Register maintained under section 301 and 370(1C) of the Companies Act, 1956. In our opinion the rates of interest and terms and conditions on such loans and deposits are not prima facie prejudicial to the interest of the Company.
- 8) The Company has not granted any loans, secured or unsecured to Companies, Firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956.