

NOTICE

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

ORDINARY BUSINESS

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

SPECIAL BUSINESS

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

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

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

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

NOTES

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

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

By Order of the Board

K. R. SHAH

Chairperson & Managing Director

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

ITEM NO. 5

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

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

Yours Directors recommended the aforesaid resolution for your approval.

ITEM NO. 6

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

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

Yours Directors recommended the aforesaid resolution for your approval.

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

By Order of the Board

K.R.SHAH

Chairperson & Managing Director

DIRECTORS' REPORT
2010-2011

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

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

1. FINANCIAL RESULTS

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

2. DIVIDEND

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

3. REVIEW OF OPERATIONS

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

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

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

4. INSURANCE

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

5. CORPORATE GOVERNANCE

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

6. DIRECTORS

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

7. DIRECTORS' RESPONSIBILITY STATEMENT.

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

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

8. COMPLIANCE CERTIFICATE UNDER SECTION 383A (i)

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

9. PARTICULARS OF EMPLOYEES

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

10. AUDITOR'S REPORT

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

11. APPOINTMENT OF AUDITORS

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

12. LISTING

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

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

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

14. APPRECIATION

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

MUMBAI

DATED: 30/05/2011

REGISTERED OFFICE

Mahul Road, Antop Hill,

Mumbai – 400 037.

By Order of the Board

K.R. SHAH

Chairperson & Managing Director