



## Rajoo Engineers Limited

Rajoo Avenue  
Survey No.210, Plot No.1  
Industrial Area, Veraval (Shapar)  
Rajkot - 360 024, India

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Fax : +91-2827-252700  
E-mail : rel@rajoo.com  
Web : www.rajoo.com

**RAJOO®**  
excellence in extrusion

4<sup>th</sup> October, 2016

To,  
**The Department of Corporate Services,**  
The Bombay stock Exchange Ltd.,  
Phiroz Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001.

**ATTN:- The Department of Corporate Services**

Dear Sir,

### **Sub: Annual Report for the Financial Year 2015-16**

Please find enclosed herewith Annual Report for the Financial Year 2015-16 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly approved and adopted by the members as per the provisions of the Companies Act, 2013

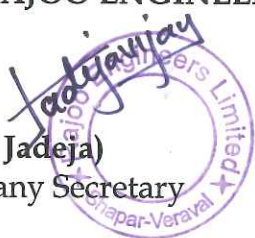
Please take on your record and oblige.

Thanking you,

Yours faithfully,

For, **RAJOO ENGINEERS LIMITED,**

(Vijay Jadeja)  
Company Secretary



Years of  
Excellence in  
Extrusion

29th Annual report  
2015-16

# Global Player In Plastic Extrusion Machinery

## Product Range:

- FOI**EX** : Mono layer blown film lines
- MULTI**FOIL** : Multilayer blown film lines
- AQUA**FLEX** : Downward extrusion blown film lines
- FOM**EX** : Foam extrusion system (chemical and physical)
- LAM**INA** : Mono & multilayer sheet lines
- DISPO**CON** : Thermoforming & vacuum forming machines
- FLOW**EX** : Twin screw uPVC & CPVC pipe plants
- WOODPLE**EX** : Wood plastic composite sheet and profile extrusion
- DRIP**EX** : Drip irrigation pipe plant for round and flat dripper
- LAB**EX** : Lab equipments

# Rajoo Engineers Limited

ANNUAL REPORT  
2015-2016

29<sup>th</sup> ANNUAL GENERAL MEETING

Date : 26th September, 2016

Day : Monday

Time : 11.00 a.m.

Venue : Registered Office, Junagadh Road,  
Manavadar - 362 630

District : Junagadh (Gujarat)

Admn. & Mktg. Office :  
Rajoo Avenue, Survey No.210,  
Plot No. 1, Industrial Area, Veraval (Shapar),  
Dist. : Rajkot - 360 024. Gujarat, India  
Phone : +91-97129-62704/52701  
Fax : +91 02827 252700  
E-mail : rel@rajoo.com

Regd. Office :  
Junagadh Road, Manavadar-362 630.  
Dist. : Junagadh (Gujarat)  
E-mail : relmvr@rajoo.com

CIN : L27100GJ1986PLC009212

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### Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the members feedback form given hereunder and register the same to

**Link Intime India Private Limited,**  
303, 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, B/h Shoppers Plaza II, Off. C. G. Road, Ahmedabad - 380009. Phone: 079-26465179. Email: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in) (Postage for sending the feedback form will be borne by the Company).

## PERFECT BLEND OF EXPERIENCE AND EXPERTISE

Our Eminent team is responsible for the corporate governance and is ultimately accountable for overall strategy, risk management and financial performance of the company.

The team is led by our Chairman and Managing Director-Mr. R.N.Doshi and is ably assisted by the Executive Team.



**R. N. Doshi** Chairman & Managing Director

Responsible for the overall operations including production, new developments and services, is the co-founder of this company. He has more than 25 years of experience in plastic processing, machinery manufacturing, engineering and product innovation and development. He is adept in selection of world class inputs for our products, cost reduction and inventory control to ensure our continued competitiveness. His extensive management experience includes several start-ups, plant installations and significant processing improvements in record time.

**Sunil Jain** Executive Director

Overall marketing, business development, diversification and growth strategies at the corporate level are the responsibilities of Mr. Jain. He has more than 30 years of experience in the flexible packaging industry and plastic extrusion machinery industry. He has successfully developed key relationships with our esteemed customers and overseas partners. Prior to joining Rajoo, he has worked with various flexible packaging conversion Units, holding various senior managerial and technical positions. He is a graduate in Mechanical Engineering from BITS (Pilani), a reputed institute of India.



**Khushboo Chandrakant Doshi** Executive Director

Khushboo Chandrakant Doshi, a second generation entrepreneur, joined Rajoo Engineers in 2007 as Head of Marketing and Communications. She is an architect by education and holds a Master's Degree in Industrial Product Design from UK. She is also a Masters in Management for Entrepreneurs from IIM, Ahmedabad and Family Businesses from IIM Bangalore..

Khushboo has cross functional expertise in marketing, corporate branding, PR and Communications strategy. As Product Manager of Rajoo's foam business, she was responsible for introducing this concept for the Company and co-ordinating with the collaborators - Commodore of US. At Rajoo, she is also responsible for human capital management, financial management and most important - after-sales-service. As Director of the Company, Khushboo is an integral part of the senior management that is leading the company in the next phase of expansion in the global market.

**Utsav Doshi** Technical Director

Utsav Doshi, a second generation entrepreneur, joined Rajoo Engineers in 2011 as an Engineer – Vender Development. He holds a Bachelor's Degree in Mechanical Engineering with a Masters in Polymer technology from HTW Aalen University, Germany. Utsav Doshi has cross functional expertise in Design and Operations. Utsav Doshi is an integral part of the senior management and responsible for entire manufacturing activity at REL

Utsav Doshi has technical experience to convert market requirements into technical layout, and having thorough knowledge in manufacturing and Plastic Processing.



## A LETTER TO THE SHAREHOLDER

---

“Your Company believes people are the lifeblood of any business. Effective management of this valuable asset is essential for unlocking an organization's growth.”



**R N Doshi**  
Chairman & Managing Director  
Rajoo Engineers Limited

Dear REL Shareholders,

Fiscal 2015-16 was a period of stabilization and consolidation. Many strategic initiatives initiated were successfully implemented focusing primarily on customer delight. Overall, the Company's operations, competitive posture and foundation for profitable growth continue to be on the path of progress and profitability.

Your Company is pleased to have paid an interim dividend of 25% (Rs. 0.25 per share) on the paid-up share capital of the Company in the month of March 2016. Banning of plastic products, especially disposable plastic containers in various states posed a challenge since machines for producing these products forms a substantial part of the Company's business. However, it was successful compensated by expanding the footprint geographically and reaching out wider and deeper in uncharted territories.

Blown film segment, which once again contributes substantially to Company's product mix witnessed successful execution of prestigious projects. High-width high- output blown film was installed and commissioned, Rajoo being the only Indian Company with this home-grown technology. Another high output three layer fully automated blown film line for liquid packaging was also successfully commissioned, firmly establishing Rajoo's leadership in the industry.



Volatility in crude prices affected the traditional markets in Africa. Foreseeing this trend, Company expanded its footprint at an appropriate juncture and successfully penetrated in Thailand, Vietnam, Sri Lanka, Pakistan and Iran in the last fiscal year.

Economic growth in India accelerated in FY2015-16 despite a double-digit decline in exports. It is projected to dip marginally in FY2016-17 due to a slowdown in public investment, stressed corporate balance sheets, and declining exports, then expected to pick up in FY2017-18 as newly strengthened bank and corporate finances allow a revival in investment. Notwithstanding unexpected delays in enacting some economic reforms, the prospects for continued rapid growth are undiminished.

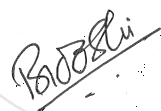
Flexible packaging, an industry to which the Company caters to has been the fastest growing sectors in the packaging industry over the past 10 years, largely attributed to burgeoning middle class, increasing number of working couples, focus on convenience and sustainability. This segment is expected to exponentially grow. Flexible packaging is the most economical format to package, preserve and distribute goods, beverages, pharmaceuticals and products demanding extended shelf life.

The total global market for flexible packaging is forecast to grow at an annual average rate of 3.4% during the 2015-2020 period reaching USD 248 million. Food packaging occupies over 70% of the world consumer flexible packaging market and is growing by 4.0% on average in volume terms. Currently, while North America dominates the global flexible packaging market, Asia Pacific is expected to grow at the fastest growth rate owing to increasing disposable incomes and rising demand and changing packaging trends in the end user segment which are expected to have a positive impact. Currently, rising population and the significant demand for beverages, packaged foods, pharmaceuticals and personal care products are the growth drivers in India and neighboring countries where the Company already operates.

Experiencing a gap in development of barrier packaging in the country, the Company embarked to set-up a packaging development centre, a first of its kind in Asia. Christened- Rajoo Centre of Innovation, the facility will be equipped with sophisticated and automated multilayer blown film lines, sheet extrusion lines and laboratory. Processors, convertors and raw materials will be able to test and develop barrier packaging concepts. Skill development and training is yet another objective in addition to capacity and technology support to the plastic packaging industry. The centre is planned to be fully operational in next fiscal year.

Your Company believes people are the lifeblood of any business. Effective management of this valuable asset is essential for unlocking an organization's growth. During 2015-16, your Company arranged 13 different training programs with participation of more than 150 employees from various categories to enable them contribute more effectively.

I want to thank our employees whose creativity, hard work and customer dedication have made this year's achievements possible laying a strong foundation for future. Our strong connection with customers continues to be a key asset in an increasingly competitive marketplace. While the economy remains challenging, we are well prepared to meet customers' changing needs, pursue continued growth and maximize shareholder value.



R. N. Doshi  
Chairman & Managing Director

Date: 30/05/2016



## THE YEAR 2015-16, AT A GLANCE

Over 3 decades Rajoo has aligned its industrial footprint with market conditions & customer needs. The Company continues to upgrade its plants with the aim of improving asset performance, cost competitiveness & customer satisfaction.

Some of the significant initiatives underway or completed include new Infrastructure, implementation of 5s - Japanese work place management system and in-house manufacturing of control panels to name a few.

Here are some treasured moments that captured 2015-16

### 1. Transcendent Moments – One step closer to dreams



Yet another step to achieve business excellence

8th June, 2015 - a day when one more step to the journey towards business excellence was initiated, in conviction to the dream of our visionary and Founder Late Shri Chandrakant N Doshi.

We started 5s work place management programme "Shrestha –a journey towards excellence" under the guiding logo of "Chandra- the guiding light" – a symbol representing our feelings for our founder and mentor Late Shri Chandrakant N. Doshi seeking his blessings in all our deeds.

Celebration of this event holds the promise of another such moments to come...

### 2. Peak Moments – a moment of happiness and fulfillment



Yet again Rajoo's innovation recognized!

The industry continues to recognize Rajoo as an innovator, quality supplier and always on the forefront in empowering the plastic processing industry with advanced technologies.

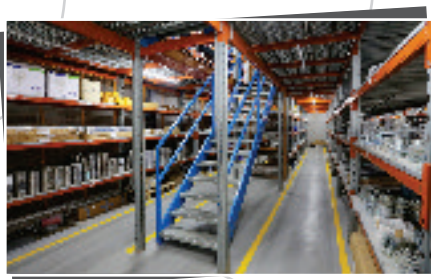
This recognition was further acknowledged when Rajoo Engineers was appreciated at the recent 6th National Award for Technology Innovation in Petrochemicals & Downstream Plastics Processing Industry (2015-16) for its contribution to technology innovation in the category of innovation of polymer processing machinery and equipment.

"Rajoo's Tilting Mould Thermoformer - Dispotilt" addressed the long-standing demand of the industry for stacking solutions for low weight disposable glasses, high productivity and comfort of use with minimal manpower. The disposable containers market now has an integrated solution for thermoforming, stacking, counting and packing; Rajoo fulfilled its market commitment.

### 3. Glorious Moments – infrastructure enhancement

#### a. Shree Bhandaralaya - Stores

With an intention to improve inventory management and control and adopt “Just in Time” resulting into better customer support without delay, we have set up a new store christened “Shri Bhandaralaya” with hi-tech facilities for proper storage and retrieval.



Shree Bhandaralaya - Centralized inventory system



Shree Bhandaralaya - Centralized inventory system

#### b. Shree Vidhyutalaya - Control Panel Division

“In-house control panel division” was a dream of our Founder & Mentor Late Shri C N Doshi carried forward by our Chairman Shri R N Doshi. In spite of many hurdles in 2013-14, as a result of untiring efforts with shared hardships by other team members, we were able to manufacture 6 panels in-house. Subsequently, in 2014-15 we manufactured 100 panels in house, a commendable achievement.

This accomplishment boosted our confidence and we decided to establish a separate division to manufacture all types of control panels.



Lamp lighting by Ms. Khushboo Chandrakant Doshi,  
Executive Director-Rajoo Engineers Limited



Shree Vidhyutalaya Team at the inauguration ceremony

- c. **New Infrastructure** - Contemporary architecture is a central theme and is applied to a range of styles of recently built structures with an intention to optimize the space for current usage.



New administrative building



Front desk area



Training room

#### 4. **Customer Delight** - living to expectations and beyond



FLOWEX - Twin screw uPVC & CPVC pipe plant

- a. A veteran in uPVC pipe manufacturing and a user of 12 pipe extrusion lines, the Gazi Group of Bangladesh has more than a reason to change.

In a short period of 6 months of using the Rajoo-Bausano line, the Gazi Group clearly realised the benefits that the line delivered; it not only lived up to its committed performance, but also was miles ahead of their existing lines in comparison. On account of power alone, the savings were a staggering 40% with comparatively reduced consumption of raw materials, the output of the thin-walled pipe possessed excellent mechanical properties complying with all quality tests.

The result was confidence...The Gazi Group reiterated this confidence in Rajoo Bausano by placing a repeat order of a staggering 6 machines in one go! Rajoo Bausano is now a strategic partner in the growth of the Gazi Group.



MULTIFOIL - 3 layer blown film line

- b. A repeat order is most gratifying a third machine, from a relatively new entrant, who is producing one of the best barrier and non-barrier films on our machines and effectively compete with machines imported from other parts of the world'

Devendran Plastic Private Limited, one of the youngest but fastest growing companies in the business of flexible packaging in South India, ordered its third blown film line from Rajoo.

Technological supremacy of Rajoo in blown film extrusion, coupled with a strong intent and astute comprehension of Devendran Plastic in understanding the market needs has helped create this winning combination.

## VISION

“To become one of the most trusted and passionate solution providers for the plastic extrusion machinery world-wide in the best interests of all the stakeholders pursuing ethical business practices”

**C. N. Doshi**

Founder & Mentor, Rajoo Engineers Ltd.



The above vision is intrinsic to each facet of our operations. And we strive to realize this objective with passion and fervor.

We will continue to achieve through constant innovation in technology and machines, cordial and inspiring work environment for our employees who endeavor to convert ideas into solutions for our customers with ethical business practices.

Our co-operation with the polymer industry and with internationally acclaimed rheologists and machine designers enables us to provide technology of the developed nations too at developing countries.

Plastics, a material of choice for over centuries has made deep inroads into all walks of human life, be it food packaging, housing, clothing, automobiles, agriculture, building and construction and a variety of other domains. We strive to contribute to the development of plastics through extrusion. We also strive to contribute to the sustainable use of natural resources as well as energy savings and waste reduction. We aim at providing excellence in sheet and blown film extrusion incorporating world class technology at affordable price levels.

Our obsession for innovation and enthusiasm for understanding of polymers are significant elements which encourage us to achieve our goals and put us above the rest.

"Excellence in Extrusion" is our Company's maxim and is an expression of our corporate vision and culture which guides us in all that we do.



## 30 YEARS OF LEADERSHIP

1986



Commenced business as Rajoo Engineers Pvt. Ltd. at Manavadar, a small village in Junagadh Dist., Gujarat, India to manufacture mechanical cutting- sealing machines.

1988

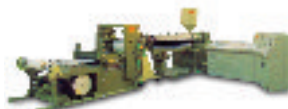
Launched monolayer blown film line, christened FOILEX



Ventured into the manufacture of blown film lines and delivered first PPTQ blown film line



1989



Launched the first ever **sheetline** for HIPS, christened LAMINA

1991



Introduced the first Indian co-extrusion feed block for multilayer sheet line

1990



Made an entry into the International market with maiden export of a blown film line to Tanzania



Launched the first ever blown film line to manufacture chemically foamed PE films

Launched Asia's first ever chemically foamed sheet line for EPE wads, christened FOMEX



1992

Rajoo introduced India's first ever Foamed PVC profile line and delivered to the pioneer in this field, M/S Trio Polymers, Junagadh



1994



Introduced the first ever indigenously designed and developed Oscillating Haul-off system for blown film lines and displayed at Plastindia



Begun operation at Rajkot. Entered into a technical collaboration with a British Company - Wittey Machinery. Went public and the issue was over subscribed by nearly 24 times.

**1995** introduced the first indigenously designed and manufactured extruder incorporating grooved feed bush, barrier screw and cross-hole mixing section



Introduced the first indigenously designed wide width blown film line for a lay-flat width of 3000 mm



**1997** Introduced Internal Bubble Cooling System for blown film lines



**1999** Secured ISO 9001 certification  
AN ISO 9001 COMPANY



**2001** Introduced world's highest output TQPP downward extrusion blown film line at Plastivision 2002, christened AQUAFLEX



**2003** Awarded Export Excellence Certificate from Engineering Export Promotion Council of India in recognition of highest exports during the year



Asia's first 2 layer PP film plant - 100 kg/hour



Launched Asia's highest output 3 layer blown film line with stack die (UCD) during Plastindia



**1996** Exported country's first "CE" marked machine to the British market



**1998** Rajoo made a break-through and introduced its first plug assist, roll fed thermoforming machine, christened DISPOCON



**2000** 5 layer stack die (UCD) with horizontal spirals – first time in Asia & 4th in the world



Launched the first ever **sheet line** for PET at Plastindia



**2002** Introduced India's first Electro-hydro-pneumatic plug-assist thermoformer with in-mould cutting for Polypropylene & PS containers



2005

Developed Asia's first seven layer blown film line and exported to Colombia



Developed Asia's first resin sack three layer blown film line and exported to Iran



2007



Entered into technical collaboration with Commodore Inc. U.S.A. for manufacture of XPS sheet line and thermoformer

2009

Vacuum forming machine with mould : model RECR - 7086 XPS received award - "Machinery for packaging operations" from IPMMI - IMDIR 2009



2011

Rajoo's LABEX - Multifoil - Nano 3 Layer Co-extruded Blown Film Line was awarded with the IMDIR-2011 under the category - IPMMI - Machinery Design / Development / Innovation

Supplied Asia's first CE compliant 7 layer fully automatic blown film line to Turkey



Developed India's first ever PP non woven fabric making machine



Awarded GUJARAT GAURAV AWARD for its outstanding contributions to the plastic industry



Developed a CE compliant high output sheetline for processing PET regrind with an output of 700 kg/hr and exported to Germany



Became a STAR EXPORT HOUSE recognised by Government of India



Developed and supplied first sheet line for physically foamed PE sheets using carbon dioxide as blowing agent



Developed Asia's first seven layer blown film line incorporating conical spiral stack (INCOSS)® die



Developed Asia's first three layer wide width blown film line incorporating die of 1200 mm dia and 4000 mm LFW with maximum output of 1200 kg/hr



Developed Asia's first ever 2000 mm width physically foamed sheetline



Launched India's first PS foam extrusion line and vacuum forming machine and exported to Ghana



Developed world's first ever four extruder five layer blown film with sheet extrusion system for the Product Application Centre of Reliance Industries



Developed Asia's first ever four extruder five layer barrier sheet extrusion system with inclined (Unitilt) polishing roll stack assembly

**WONDERPACK**  
the thermoforming people

Wonderpack merger: A unified approach for the benefit of the thermoforming industry



Rajoo Engineers forges ahead; Technical collaboration with Hosokawa Alpine AG, Germany



Rajoo Engineers JV with Bausano of Italy: plastic pipe manufacturing industry in India gets a fillip

2010

2004

2006

2008



2013



- Company's founder and mentor Late Mr. C. N. Doshi awarded Life time Achievement Award in recognition of his contribution to the innovation in plastics processing machinery segment and to the global plastic fraternity by Elite Plus

- Shri C.N.Doshi awarded for excellent contribution to polymer industry in recognition of his outstanding contribution to plastics machinery industry by Indian Plastics Institute

Rajoo's Labex - Lamina - Nano 5 layer barrier sheet line was awarded with the IMDIR-2013 under the award category-IPMMI-Machinery Design/Development/Innovation



Developed CSD (Cylindrical Spiral Die) die head with rheologically optimized melt flow path for blown film line

2014

Launched Two extruder three layer blown film line to meet highly competitive market of carry bags, Christened MULTIFOIL - LITE



Launched Drip irrigation pipe plant for flat drippers and became India's largest supplier



2016



On 8th June, 2015, we started 5s work place management programme - "Shrestha - a journey towards excellence" and also inaugurated a guiding logo "Chandra- the guiding light"



Rajoo's Tilting Mould Thermoformer-Dispotilt was recognized in the category of innovation of polymer processing machinery and equipment at the 6th National Award for Technology Innovation in Petrochemicals & Downstream Plastics Processing Industry (2015-16)

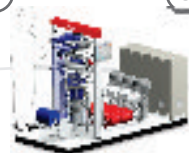


Manufactured asia's biggest three layer blown film vertical spiral die

Our growth is evidence of your trust



2013



Developed world's first smallest 3 layer blown film line and exported to USA

Launched Drip irrigation pipe plant



Launched and displayed first ever fully automatic Hybrid 5 layer blown film and displayed at Plastindia



Developed Asia's first ever 65mm **sheetline** extruder for 180 kg/hr output



Exported India's first ever twin screw PVC pipe Plant, OD ranging from 250-500mm; with Maximum Output 1100 kg/hr to Malawi

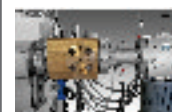


India's first ever live demonstrations of cPVC Twin screw pipe plant with an output of 250 kg/hr with pipe OD ranging from 250-500mm, christened FLOWEX

2015



Launched Asia's first ever WPC line capable of processing 70% sawdust



Launched Asia's first ever highest output (500 kg/hour) sheet extrusion system amongst its class of lines & displayed at Plastindia



RAJOO chosen for the 7th Plaston Silver Award for Innovative Plastics Processing Machinery & Ancillary Equipment (National). The honour was bestowed on Rajoo for its world's Smallest Three Layer Blown Film Lab Line - LABEX



Launched tilting mould thermoformer with stacking, counting and packing solution, christened DISPOTILT



Developed Asia's first ever and Rajoo's 21st five layer blown film line with elevated air ring and displayed at Plastindia

2012

## BOARD OF DIRECTORS

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### EXECUTIVE DIRECTORS:

Rajesh N. Doshi  
Chairman & Managing Director

Sunil B. Jain  
Whole Time Director

Khushboo C. Doshi  
Whole Time Director

Utsav K. Doshi  
Whole Time Director

### NON EXECUTIVE DIRECTORS:

Ramesh A. Shah  
Independent Director

Kirit R. Vachhani  
Independent Director

Rajendra G. Vaja  
Independent Director

Laxman R. Ajagiya  
Independent Director

### KEY MANAGERIAL PERSONNEL:

J. T. Jhalawadia  
Chief Financial Officer

Vijay Jadeja  
Company Secretary

### BANKERS:

Axis Bank Ltd.

### STATUTORY AUDITORS:

M. N. Manvar & Co., Chartered Accountants

### REGISTERED OFFICE:

Junagadh Road,  
Manavadar-362 630.  
Dist. Junagadh. (Gujarat)

### WORKS:

Rajoo Avenue,  
Survey No. 210, Plot No. 1,  
Industrial Area, Veraval (Shapar),  
Dist. Rajkot – 360 024. Gujarat

## Summary of Operating and Financial Position for past 5 years

[Rupees in Lacs]

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
<b>OPERATING RESULTS</b>					
Revenue From Operations & Other Income	10701.79	11719.27	10145.83	9093.23	7895.58
Profit before depreciation & Interest	1000.87	1079.46	783.22	551.21	718.05
Profit before tax (PBT)	700.75	774.04	515.30	253.81	403.33
Profit after tax (PAT)	457.61	523.96	345.64	169.33	279.20
PAT as % of Sales	4.28%	4.48%	3.42%	1.86%	3.55%
Retained earnings	283.00	329.35	209.85	74.28	159.70
Earning per share (EPS) Rs.	0.79	0.90	0.63	0.46	0.76
Dividend % p.a.	25%	25%	20%	14%	28%
<b>FINANCIAL SUMMARY</b>					
<b>Assets</b>					
Non- Current Assets					
(a) Fixed Assets (Net)	2462.98	2168.10	2023.22	1672.97	1731.50
(b) Non- Current Investment	198.14	198.14	198.14	51.14	51.14
(c) Long Term Loans & Advances	111.44	21.60	18.52	12.71	10.28
(d) Other Non - Current Assets	13.03	19.55	26.06	4.08	0.00
Current Assets	4993.94	4957.34	5168.74	4475.03	5043.78
<b>Total</b>	<b>7779.54</b>	<b>7364.73</b>	<b>7434.69</b>	<b>6215.93</b>	<b>6836.70</b>
<b>Equity and Liabilities</b>					
Shareholders Fund					
(a) Share Capital	580.31	580.31	580.31	367.20	367.20
(b) Reserves & Surplus	3099.18	2816.18	2486.83	2250.73	2168.54
Total Shareholders Funds	3679.49	3396.49	3067.14	2617.93	2535.74
Non Current Liabilities	289.20	278.20	287.59	851.82	1296.46
Current Liabilities	3810.86	3690.04	4079.95	2746.18	3004.49
<b>Total</b>	<b>7779.54</b>	<b>7364.74</b>	<b>7434.70</b>	<b>6215.94</b>	<b>6836.70</b>
Current Ratio	1.31	1.34	1.27	1.63	1.68
Debts Equity	0.00:1	0.00:1	0.00:1	0.10:1	0.10:1
<b>OTHERS</b>					
Book Value per Share (Rs.)	6.34	5.85	5.29	7.13	6.91
Gross Fixed Assets	4280.14	3783.41	3359.08	2713.35	2616.48

## AGM NOTICE

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### NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of the Members of the Company will be held on Monday, 26th September, 2016 at 11:00 a.m. at the Registered Office of the Company situated at Junagadh Road, Manavadar-362 630, Dist. Junagadh, to transact the following business:

#### Ordinary Business:

1. To receive, consider and adopt Audited Balance Sheet as on 31st March 2016 and Profit & Loss Account for the year ended on that day along with the Directors' and Auditors Report thereon.
2. To approve the Interim Dividend already paid on Equity Shares for the financial year ended on 31st March, 2016.
3. To appoint M/s. M. N. Manvar & Co., Chartered Accountants, Rajkot (Firm Registration No. 106047W) as Statutory Auditors of the Company, from the conclusion of this 29th Annual General Meeting until the conclusion of the 30th Annual General Meeting of the Company and to authorize the Board to fix remuneration of auditors. The retiring Auditors M/s. M. N. Manvar & Co., Chartered Accountants, Rajkot are eligible for re-appointment and has given a written certificate as per Section 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014.
4. To appoint Director in place of Khushboo Chandrakant Doshi, (Holding DIN: 00025581) who is liable to retire by rotation and, being eligible, offers herself for reappointment.

#### Special Business:

5. To ratify the appointment of Cost Auditor for the Financial Year 2016-2017 by passing the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 40,000/- plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31st March, 2017 as approved by the Board of Directors of the Company, to be paid to Messrs. Shailesh Thaker & Associates, Cost Accountants, for the conduct of the cost audit of the Company's cost records relating to 'Machinery and Mechanical Appliances' product(s)/ Service(s), be and is hereby ratified and confirmed."

6. To consider and if thought fit to pass with or without modification(s) the following resolutions as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made there under Mr. Laxman Rudabhai Ajagiya (DIN: 07517935), who was appointed as an Additional Director with effect from 13th May, 2016 and who holds office till the date of AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Laxman Rudabhai Ajagiya (DIN: 07517935) as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and hold office for a period of five consecutive years from 13th May, 2016 to 12th May, 2021."

7. To consider and if thought fit to pass with or without modification(s) the following resolutions as a Special Resolution:

"RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under Mr. Utsav Kishor Doshi (DIN: 00174486), who was appointed as an Additional Director with effect from 13th May, 2016 and who holds office till the date of AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Utsav Kishor Doshi (DIN: 00174486) as a candidate for the office of the Director of the Company, be and is hereby appointed as an Executive Director of the Company."

8. To consider and if thought fit, to pass with or without modification, the following Resolution, as a Special Resolution:

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and pursuant to Articles of Association of the Company, the consent of the Company be and is hereby accorded re-appointment of Mr. R. N. Doshi, as Chairman and Managing Director of the Company for a period of five years commencing from 01.07.2016 on the remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee and as explanatory statement annexed to the notice.

“RESOLVED FURTHER THAT where in any financial year during the currency of his tenure, the Company is not having profits or its profits are inadequate, Managing Director shall be paid the remuneration as may be determined by the Nomination and Remuneration Committee which shall not exceed the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as it may in its absolute discretion consider necessary, appropriate and incidental thereto to give effect to this resolution including settling of any question with regard thereto and to delegate all or any of the powers herein conferred, to any Director or Directors and/or any officer or Officers of the Company to give effect to this resolution”

9. To consider and if thought fit, to pass with or without modification, the following Resolution, as a Special Resolution:

“RESOLVED THAT in pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and pursuant to Articles of Association of the Company, the consent of the Company be and is hereby accorded re-appointment of Mr. Sunil Jain, as Whole-time Director of the Company, for a period of five years commencing from 01.07.2016 on the remuneration, terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice.

“RESOLVED FURTHER THAT where in any financial year during the currency of his tenure, the Company is not having profits or its profits are inadequate, Whole Time Director shall be paid the minimum remuneration as may be determined by the Nomination and Remuneration Committee which shall not exceed the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as it may in its absolute discretion consider necessary, appropriate and incidental thereto to give effect to this resolution including settling of any question with regard thereto and to delegate all or any of the powers herein conferred, to any Director or Directors and/or any officer or Officers of the Company to give effect to this resolution.”

10. To consider and if thought fit, to pass with or without modification, the following Resolution, as a Special Resolution:

“RESOLVED THAT in pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and pursuant to Articles of Association of the Company, the consent of the Company be and is hereby accorded re-appointment of Ms. Khushboo Chandrakant Doshi, as Whole-time Director of the Company, for a period of five years commencing from 01.07.2016 on the remuneration, terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice.

“RESOLVED FURTHER THAT where in any financial year during the currency of her tenure, the Company is not having profits or its profits are inadequate, Whole Time Director shall be paid the minimum remuneration as may be determined by the Nomination and Remuneration Committee which shall not exceed the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as it may in its absolute discretion consider necessary, appropriate and incidental thereto to give effect to this resolution including settling of any question with regard thereto and to delegate all or any of the powers herein conferred, to any Director or Directors and/or any officer or Officers of the Company to give effect to this resolution.”

11. To consider and if thought fit, to pass with or without modification, the following Resolution, as a Special Resolution:

“RESOLVED THAT pursuant to Sections 94 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), the Register and Returns required to be maintained by the Company under Companies Act, 2013 will be maintained at the Company's Head Office at , Rajoo Avenue, Survey No. 210, Plot No. 1, Industrial Area, Veraval (Shapar), Rajkot -360024, Gujarat, India.”

Date: 30/05/2016  
Place: Veraval (Shapar), Rajkot

For and on behalf of the Board of Directors of  
Rajoo Engineers Limited

(R. N. DOSHI)  
Chairman & Managing Director



#### Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint proxy/proxies to attend and vote on a poll instead of him/her and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10 percentage of the total share capital of the Company.

The instrument appointing proxy in order to be effective should be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of the Meeting. Members/Proxies should bring the attendance slips duly filled in and PHOTO ID Proof for attending the meeting.

Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

2. An Explanatory Statement on the business to be transacted at the Meeting is annexed hereto.
3. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder, who is higher in the order of names, will be entitled to vote at the Meeting.
5. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Wednesday, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
6. (a) In order to provide protection against fraudulent encashment of dividend warrants, Members who hold shares in physical form are requested to intimate the Company's Registrars and Transfer Agents, M/s. Link Intime India Private Limited (formerly Intime Spectrum Registry Limited) under the signature of the Sole/First joint holder, the following information to be incorporated on dividend warrants:
  - (i) Name of the Sole/First joint holder and the Folio Number.
  - (ii) Particulars of Bank Account, viz.:
    - (a) Name of Bank
    - (b) Name of Branch
    - (c) Complete address of the Bank with Pin Code Number
    - (d) Account type, whether Savings Account (SA) or Current Account (CA)
    - (e) Bank Account Number
- (b) Members who hold shares in dematerialized form may kindly note that their Bank Account details, as furnished by their Depositories to the Company, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for deletion of or change in such Bank Account details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic form. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account.
7. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the share certificates to the Company's Registrars and Transfer Agents, M/s. Link Intime India Private Limited for consolidation into a single folio.



8. Non-Resident Indian Members are requested to inform the Company's Registrars and Transfer Agents, M/s. Link Intime India Private Limited immediately of:-
  - a) The change in the Residential status on return to India for permanent settlement.
  - b) The particulars of the Bank Account maintained in India with complete name, branch, and account type, account number and address of Bank with Pin Code Number, if not furnished earlier.
9. Members holding shares in physical form are requested to consider converting their holding to Dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio Management.
10. The Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not Registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. Members are requested to note that as per Section 205A of the Companies Act, 1956, dividends not encased/claimed within seven years from the date of declaration will be transferred to Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company.
12. The Register of Members and Transfer Books of the Company will be closed from Friday, 16th September, 2016 to Monday, 26th September, 2016 (both the days inclusive) for the purpose of Annual General Meeting.
13. Voting through Electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by Companies Management and Administration) Rules, 2015, and Regulation 44 of Listing Regulations, the Company is pleased to provide Members with a facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through Electronic Voting (e-Voting) Services. The facility for casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Service Limited (CDSL):

#### **INSTRUCTIONS FOR E-VOTING**

The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting period begins on 23rd September, 2016 10.00 a.m and ends on 25th September, 2016, 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 19th September, 2016 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user then follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If 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 (iv).</li> </ul>

- (i) After entering these details appropriately, click on "SUBMIT" tab.
- (ii) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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 holders 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.
- (iii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iv) Click on the EVSN for Rajoo Engineers Limited on which you choose to vote.
- (v) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (vii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (viii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (ix) You can also take out print of the votes cast by clicking on "Click here to print" option on the Voting page.

(x) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xi) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- 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).
- 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.
- The list of accounts 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.
- 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.

(xii) In case you 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).

(xiii) M. N. Manvar, Proprietor of M. N. Manvar & Co, Practising Chartered Accountant (Membership No. 036292) Rajkot, has been appointed as the Scrutiniser to scrutinize the e – Voting Process as well as the voting by way of poll, to be conducted at the AGM, in fair and transparent manner.

#### Contact Details:

Company	:	Rajoo Engineers Limited
Registrar & Transfer Agent	:	Link Intime India Pvt. Ltd
Ahmedabad Office	:	303, 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, Off C. G. Road, Navrangpura, Ahmedabad-380009
E- Voting Agency	:	Central Depository Services (India) Limited Email: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>
Scrutinizer	:	Mr. M. N. Manvar, Proprietor of M. N. Manvar & Co, Practising Chartered Accountants, Rajkot. Email: <a href="mailto:ca.mnmanvar@gmail.com">ca.mnmanvar@gmail.com</a>

The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.rajoo.com](http://www.rajoo.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited (“BSE”) where the shares of the Company are listed.

## **EXPLANATORY STATEMENT AS PER SECTION 102 OF THE COMPANIES ACT, 2013**

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 10 of the accompanying Notice:

### **Item No.5**

A Proposal for appointment of Cost Auditor for the Financial Year 2016- 17 was recommended by the Audit Committee to the Board. It was proposed to re-appoint M/s. Shailesh Thaker & Associates, Cost Accountant, Ahmedabad as Cost Auditor.

Certificate dated 12.04.2016 issued by the above firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the registered office of the Company during 11.00 A.M to 1.00 P.M. and shall also be available at the Meeting.

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014, the appointment and remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial Personnel or relatives of them are interested in the above resolution.

The Board of Directors recommends the resolution for your approval.

### **Item No. 6**

The Board of Directors, at its meeting held on 13th May, 2016, appointed Mr. Laxman Rudabhai Ajagiya as an Additional Director of the Company with effect from 13th May, 2016 pursuant to Section 161 of the Companies Act, 2013.

Pursuant to Section 161 of the Companies Act, 2013, Mr. Laxman Rudabhai Ajagiya will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a Member proposing the Candidature of Mr. Laxman Rudabhai Ajagiya for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Laxman Rudabhai Ajagiya (i) consent in writing to act as Director in Form DIR -2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in term of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-Section 2 of the Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of Independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of the Members for the appointment of Mr. Laxman Rudabhai Ajagiya as an Independent Director of the Company for a period up to 25th September, 2021 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He will not be liable to retire by rotation.

In the opinion of the Board, Mr. Laxman Rudabhai Ajagiya, the Independent Director proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013, and the Rules made thereunder and he is Independent of the Management. A Copy of the draft letter for the appointed of Mr. Laxman Rudabhai Ajagiya as an Independent Director setting terms and conditions is available for inspection by the Members at the Company's registered office during normal business hours on working days up to date of the AGM.

No Director, Key Managerial Personnel or their relatives except Mr. Laxman Rudabhai Ajagiya, to whom resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth Item No.6 for the approval of the members.

#### **Item No.7**

The Board of Directors, at its meeting held on 13th May, 2016, appointed Mr. Utsav Kishor Doshi as an Additional Director of the Company with effect from 13th May, 2016 pursuant to Section 161 of the Companies Act, 2013.

Pursuant to Section 161 of the Companies Act, 2013, Mr. Utsav Kishor Doshi will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a Member proposing the Candidature of Mr. Utsav Kishor Doshi for the office of Executive Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Utsav Kishor Doshi (i) consent in writing to act as Director in Form DIR -2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, and (ii) intimation in Form DIR 8 in term of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-Section 2 of the Section 164 of the Companies Act, 2013,

The resolution seeks the approval of the Members for the appointment of Mr. Utsav Kishor Doshi as an Executive Director of the Company pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

A summary of the material terms and conditions relating to appointment of Mr. Utsav Doshi as Executive Director are as follows:

Term: for a period of Five years from 01.07.2016 to 30.06.2021

Remuneration w.e.f 01.07.2016 for period of three years:

#### **Salary**

Rs. 2,11,000/- per month including all allowances and benefits such as medical allowance, housing allowance, transport allowance, food coupon, uniform allowance, special allowance, conveyance allowance and leave travel allowance.

Further, Mr. Utsav Kishor Doshi, shall also be entitled to

- i) Contribution towards Provident fund up to 12% of basic salary or such other percentage as may be prescribed under the Rules of the respective funds.
- ii) Contribution towards Gratuity fund and benefits payable as per rules.
- iii) Use of Company Car along with facility of driver and reimbursement of maintenance expenses of car.
- iv) Encashment of un-availed leaves as per Rules of the Company.

No Director, Key Managerial Personnel or their relatives except Mr. Utsav Kishor Doshi, to whom resolution relates, are interested or concerned in the resolution.

The Board recommends the resolution set forth Item No.7 for the approval of the members.

## Item No. 8, 9 & 10

### Re-appointment of Mr. R. N. Doshi as Chairman & Managing Director:

Taking into consideration of the valuable services rendered by Mr. R. N. Doshi during the past 30 years for the growth of the company and subject to the approval of the members of the Company in General Meeting and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 01.07.2016 had re-appointed Mr. R. N. Doshi as Chairman & Managing Director of the Company for a period of five (5) years from 01.07.2016 to 30.06.2021 on the terms and conditions set out in the draft agreement to be entered into with him.

A summary of the material terms and conditions relating to appointment of R. N. Doshi as Chairman and Managing Director are as follows:

Term: for a period of Five years from 01.07.2016 to 30.06.2021

Remuneration w.e.f 01.07.2016 for period of three years:

### Salary

Rs. 5,00,000/- per month including all allowances and benefits such as medical allowance, housing allowance, transport allowance, food coupon, uniform allowance, special allowance, and conveyance allowance and leave travel allowance.

Further, Mr. Rajesh N. Doshi, shall also be entitled to

- i) Medical reimbursement of Self and family members of the actual amount incurred.
- ii) Contribution towards Provident fund up to 12% of basic salary or such other percentage as may be prescribed under the Rules of the respective funds.
- iii) Contribution towards Gratuity fund and benefits payable as per rules.
- iv) Use of Company Car along with facility of driver and reimbursement of maintenance expenses of car.
- v) Encashment of un-availed leaves as per Rules of the Company.
- vi) Reimbursement of Travel Expenses of Self and family members.
- vii) Reimbursement of electricity expenses of residence.

The re-appointment and the remuneration proposed fulfill the conditions stipulated in Schedule V of the Companies Act, 2013 and hence approval of the Government of India is not required.

Except Mr. Rajesh N. Doshi being proposed beneficiary, no other Director of the Company, is connected or interested in this resolution.

### Re-appointment of Mr. Sunil Jain as Whole Time Director:

The Board of Directors at their meeting held on 01.07.2016 have, subject to the approval of the Shareholders, re-appointed Mr. Sunil Jain as Whole-time Director of the Company with effect from 01.07.2016 for a period of 5 years on the remuneration, terms and conditions recommended by the nomination and remuneration committee as set out herein.

While re-appointing Mr. Sunil Jain as Whole-time Director of the Company, the Board of Directors considered his contribution in the overall progress of the Company. The Company during the year has achieved remarkable turnover crossing 100 crore. Moreover, the Company is aggressively concentrating on its expansion plans besides exploring opportunities both in India and abroad.

The Board is of the opinion that his services should continue to be available to the Company to achieve still greater heights, by re-appointing him as Whole-time Director as mentioned in the resolution, subject to the approval of shareholders.

A summary of the material terms and conditions relating to appointment of Mr. Sunil Jain as Whole Time Director are as follows:

Term: for a period of Five years from 01.07.2016 to 30.06.2021

Remuneration w.e.f 01.07.2016 for period of three years:

**Salary**

Rs.3,30,000/- per month including all allowances and benefits such as medical allowance, housing allowance, transport allowance, food coupon, uniform allowance, special allowance, conveyance allowance and leave travel allowance.

Further, Sunil B. Jain, shall also be entitled to

- i) Contribution towards Provident fund up to 12% of basic salary or such other percentage as may be prescribed under the Rules of the respective funds.
- ii) Contribution towards Gratuity fund and benefits payable as per rules.
- iii) Reimbursement of driver's Salary.
- iv) Encashment of un-availed leaves as per Rules of the Company.

Except Mr. Sunil B. Jain, being proposed beneficiary, no other Director of the Company, is connected or interested in this resolution.

**Re-appointment of Ms. Khushboo Chandrakant Doshi as Whole Time Director:**

The Board of Directors at their meeting held on 01.07.2016 have, subject to the approval of the Shareholders, re-appointed Ms. Khushboo Chandrakant Doshi as Whole-time Director of the Company with effect from 01.07.2016 for a period of 5 years on the remuneration, terms and conditions recommended by the nomination and remuneration committee as set out herein.

While re-appointing Ms. Khushboo Chandrakant Doshi as Whole-time Director of the Company, the Board of Directors considered her contribution in the overall progress of the Company. The Company during the year has achieved remarkable turnover crossing 100 crore. Moreover, the Company is aggressively concentrating on its expansion plans besides exploring opportunities both in India and abroad.

The Board is of the opinion that her services should continue to be available to the Company to achieve still greater heights, by re-appointing her as Whole-time Director as mentioned in the resolution, subject to the approval of shareholders.

A summary of the material terms and conditions relating to appointment of Ms. Khushboo Chandrakant Doshi as Whole Time Director are as follows:

Term: for a period of Five years from 01.07.2016 to 30.06.2021

Remuneration w.e.f 01.07.2016 for period of three years:

**Salary**

Rs. 2,51,000/- per month including all allowances and benefits such as medical allowance, housing allowance, transport allowance, food coupon, uniform allowance, special allowance, conveyance allowance and leave travel allowance.



Further, Ms. Khushboo C. Doshi, shall also be entitled to

- i) Contribution towards Provident fund up to 12% of basic salary or such other percentage as may be prescribed under the Rules of the respective funds.
- ii) Contribution towards Gratuity fund and benefits payable as per rules.
- iii) Use of Company Car along with facility of driver and reimbursement of maintenance expenses of car.
- iv) Encashment of un-availed leaves as per Rules of the Company.

Except Ms. Khushboo Chandrakant Doshi being proposed beneficiary, no other Director of the Company, is connected or interested in this resolution.

## INFORMATION REQUIRED UNDER SECTION II, PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013

### I. General Information

Nature of Industry	Manufacturer of Plastic Extrusion Machinery
Date or expected date of commencement of Commercial production	The Company commenced business on 8th December, 1986.
In case of new companies, expected date of commencement of the activities as per project approved by the financial institutions appearing in the prospectus	Not Applicable.
Financial performance based on given indicators	The details of financial performance of the Company for the years 2014-15 and 2015-16 are provided in the Annual Report 2016 which accompanies this Notice.
Foreign Investments or collaborations, if any	<p>Company has a 49:51 joint venture with Bausano Holdings SRL, Italy under the name of Rajoo Bausano Extrusion Private Limited to manufacture and market pipe and profile extrusion lines including for wood composite profiles in India, with a special emphasis on Africa, Gulf and SAARC markets.</p> <p>Foreign investors, mainly comprising NRIs, and Foreign Nationals are investors in the Company on account of past issuances of securities/secondary market purchases.</p> <p>The Company has no subsidiaries as on 31.03.2016</p>

## II. Information about the appointees

	R. N. Doshi	Sunil Jain	Khushboo Doshi
Background details	32 years of technical experience to convert market requirements in to technical layout, and having thorough knowledge in manufacturing and Plastic Processing, which will be a great asset to the Company.	Sunil Jain has vast experience in the field of flexible packaging and international marketing.	Initially started as head MarCom now looking after MarCom, HR, Customer Care, Trial & Testing and Accounts & Finance.
	Detailed information of appointees are provided below in head-Details of Directors seeking reappointment and Directors whose remuneration is proposed to be increased.		
Past Remuneration	Remuneration drawn by R. N. Doshi, Sunil Jain & Khushboo Doshi during the Financial Year ended 31st March, 2016 has been mentioned in the Report of Board of Directors on Corporate Governance.		
Job Profile and his/her suitability.	Rajesh N. Doshi Responsible for the overall operations including production, new developments and services, is the co-founder of this company. He has more than 30 years of experience in plastic processing, machinery manufacturing, engineering and product innovation and development. He is adept in selection of world class inputs for our products, cost reduction and inventory control to ensure our continued competitiveness. His extensive management experience includes several start-ups, plant installations and significant processing improvements in record time.	Overall marketing, business development, diversification and growth strategies at the corporate level are the responsibilities of Sunil B. Jain. He has more than 30 years of experience in the flexible packaging industry and plastic extrusion machinery industry. He has successfully developed key relationships with our esteemed customers and overseas partners. Prior to joining Rajoo, he worked with various flexible packaging conversion Units, holding various senior managerial and technical positions. He is a graduate in Mechanical Engineering from BITS (Pilani), a reputed institute of India.	Khushboo Chandrakant Doshi has cross functional expertise in marketing, corporate branding, PR and Communications strategy. As a Product Manager of Rajoo's foam business, she was responsible for introducing this concept for the Company and co-ordinating with the collaborators - Commodore of US. At Rajoo, she is also responsible for human capital management, financial management and most important, after-sales-service. As Director of the Company, Khushboo Doshi is an integral part of the senior management that is leading the company in the next phase of expansion in the global market.
Recognition or awards	Nil		
Remuneration proposed	Details of proposed remuneration are presented in the explanatory statement under Section 102 of the Companies Act, 2013 in the forgoing pages		
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.	The remuneration is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of MD/WTD levels of similar sized Plastic Extrusion machine manufacturing Companies in India.		
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	Except for the proposed remuneration and their Shareholding in the Company, R. N. Doshi, Sunil Jain & Khushboo Chandrakant Doshi does not have any pecuniary relationship with the Company or with any Managerial personnel.		

### III. Other Information

Reason for loss or inadequate profits	Skill set and experience of our directors is higher due to competitive market condition in Plastic Industry.
Steps taken or proposed to be taken for improvement	The company is setting up in house R & D Centre in order to develop new products for better realization.
Expected increase in productivity and profits in measurable terms	It is expected that the profit will be increased by at least 10%.

### IV. Disclosure

As required, the information is provided under Corporate Governance Section of Annual Report 2016.

The Directors recommend the Resolution set in Item No. 8, 9 & 10 for approval of Shareholders by way of Special Resolution.

#### Item No. 11

At present the Registers and Returns under various provisions of the Companies act are required to be maintained at the Register Office of the Company. In terms of the provisions to Section 94 and Rule 5(2) of the Companies (Management and Administration) Rules, 2014, the Register and returns required to be maintained at the registered office can be maintained at any place in India, which more than one-tenth of total Members reside, if so authorized by way of Special Resolution. It is proposed to maintain these Register and Returns at the Company's Head office at Rajoo Avenue, Survey No. 210, Plot No. 1, Industrial Area, Veraval (Shapar), Rajkot -360024, since more than 10% of Members reside in Rajkot which needs the approval of Members by way of Special Resolution. Your Directors recommend the resolution for your approval.

None of the Directors, Key Managerial Personnel or their relatives are deemed to be interested in this Resolution.

Date: 30/05/2016  
Place: Veraval (Shapar), Rajkot

For and on behalf of the Board of Directors of  
Rajoo Engineers Limited

(R. N. DOSHI)  
Chairman & Managing Director

**Details of Directors seeking reappointment and Directors whose remuneration is proposed to be increased.**

Director's Name	Mr. Rajesh N. Doshi
DIN No.	00026140
Date of Birth	07-03-1961
Date of Appointment	09-12-1986
Qualification	B.Sc.
Experience in specific functional area	33 years of technical experience to convert market requirements into technical layout, and having thorough knowledge in manufacturing and Plastic Processing, which will be a great asset to the company
Directorship held in other Indian Companies (excluding Directorship in Rajoo Engineers Ltd.)	Rajoo Cotex Limited
Membership /Chairmanship of Committees Indian Companies( excluding Membership / Chairmanship of any Committee of Board of Rajoo Engineers Ltd.)	Nil
Number of shares held in the Company	2940200

Director's Name	Mr. Sunil B Jain
DIN No.	00043541
Date of Birth	25-12-1955
Date of Appointment	30-06-2002
Qualification	B. E Honours (Mechanical)
Experience in specific functional area	Mr Jain has vast experience in the field of flexible packaging and international marketing.
Directorship held in other Indian Companies (excluding Directorship in Rajoo Engineers Ltd.)	- Rajoo Bausano Extrusion Private Limited - Plastic Machinery Manufacturers Association of India - Wonderpack Formers Private Limited
Membership /Chairmanship of Committees Indian Companies( excluding Membership / Chairmanship of any Committee of Board of Rajoo Engineers Ltd.)	Nil
Number of shares held in the Company	17100

**Director's Name**

**Ms. Khushboo C. Doshi**

DIN No.

00025581

Date of Birth

24-07-1982

Date of Appointment

01-01-2012

Qualification

B.Arch, M.I.P.D. & D.F.B.M.

Experience in specific functional area

Initially started as head MarCom now looking after MarCom, HR, Customer Care, Trial & Testing and IT matters.

Directorship held in other Indian Companies (excluding Directorship in Rajoo Engineers Ltd.)

Avantgarde Design Studio Pvt. Ltd.

Membership /Chairmanship of Committees Indian Companies( excluding Membership / Chairmanship of any Committee of Board of Rajoo Engineers Ltd.)

Nil

Number of Shares held in the Company

4867042

**Director's Name**

**Mr. Utsav Kishor Doshi**

DIN No.

00174486

Date of Birth

25-12-1985

Date of Appointment

13-05-2016

Qualification

B. E. in Mechanical

Experience in specific functional area

He has technical experience to convert market requirements into technical layout, and having thorough knowledge in manufacturing and Plastic Processing.

Directorship held in other Indian Companies (excluding Directorship in Rajoo Engineers Ltd.)

- Rajoo Bausano Extrusion Private Limited  
- Wonderpack Formers Private Limited

Membership /Chairmanship of Committees Indian Companies( excluding Membership / Chairmanship of any Committee of Board of Rajoo Engineers Ltd.)

Nil

Number of Shares held in the Company

2299372

**Director's Name**

**Mr. Laxman Rudabhai Ajagiya**

DIN No.

07517935

Date of Birth

24-08-1951

Date of Appointment

13-05-2016

Qualification

B.Com.

Experience in specific functional area

Being ex-banker, he is having a vast experience in the field of finance, taxation and auditing.

Directorship held in other Indian Companies  
(excluding Directorship in Rajoo Engineers Ltd.)

Nil

Membership /Chairmanship of Committees Indian  
Companies( excluding Membership /  
Chairmanship of any Committee of Board of  
Rajoo Engineers Ltd.)

Nil

Number of shares held in the Company

Nil

Date: 30/05/2016  
Place: Veraval (Shapar), Rajkot

For and on behalf of the Board of Directors of  
Rajoo Engineers Limited

(R. N. DOSHI)  
Chairman & Managing Director

## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Twenty Ninth Annual Report for the year ended 31st March, 2016.

### FINANCIAL HIGHLIGHTS:

Your Company's performance for the year ended on 31st March, 2016 is summarized as under:

Particulars	Standalone	
	2016	2015
Sales & other income	10701.79	11719.27
Profit before interest & depreciation	1000.87	1079.46
Less :		
- Depreciation	255.71	284.27
- Interest	44.40	21.15
Net profit before taxation	700.75	774.04
Less :		
- Taxation	267.94	269.60
- Wealth Tax	0.00	1.56
- Deferred tax	(24.80)	(21.09)
Net profit after taxation	457.61	523.96
Add : Profit & loss account balance brought forward	1849.66	1555.32
	0.00	0.00
Amount available for appropriation	2307.27	2079.28
Proposed Dividend	145.08	145.08
Dividend tax	29.53	29.01
Transfer to General Reserve	0.00	35.00
Depreciation Adjustment	0.00	20.53
Balance carried to Balancesheet	2132.66	1849.66



## DIVIDEND

It is decided by the Board that the Interim Dividend of Re. 0.25/- per Equity Share of Rs.1/- each fully paid up declared and paid on 13th March, 2016 for the financial year 2015-16 be considered as final dividend for Financial year 2015-16.

## SUBSIDIARY & ASSOCIATE COMPANY

Your Company has a 49:51 joint venture with Bausano Holdings SRL, Italy under the name of Rajoo Bausano Extrusion Private Limited to manufacture and market pipe and profile extrusion lines including for wood composite profiles in India, with a special emphasis on Africa, Gulf and SAARC markets.

Rajoo Bausano Extrusion Private Limited is a combination of Rajoo's best in class infrastructure and Bausano's sublime pioneering technology, availability of indigenous raw material and access to the latest technology. Through this unique Joint Venture, customers are offered world class technological products at affordable price levels.

The Consolidated Financial Statement of the Company along with its Associates (Rajoo Bausano Extrusion Private Limited) prepared for the year 2015-16 in accordance with relevant Accounting Standard issued by Institute of Chartered Accountant of India forms part of this Annual Report.

A Report on the performance and financial position of each of the subsidiaries, associates and joint venture companies as per Companies act, 2013 is provided in Annexure I.

The Company does not have any subsidiary as on reporting date. During the year under review, companies does not have become or ceased to be Company's subsidiaries, joint ventures or associate companies.

## BOARD'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are 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 of the Company for that period;
- (iii) they have taken proper and sufficient care for the 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 fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2015-16.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of Section 149 of the Companies Act, 2013 Ms. Khushboo Chandrakant Doshi retires by rotation and being eligible has offered herself for re-appointment. Brief particulars of Ms. Khushboo Chandrakant Doshi, her expertise in various functional areas is given in the Notice conveying the Annual General Meeting.

During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

Mr. Laxman Rudabhai Ajagiya was appointed as Additional Director with effect from May 13, 2016 in the category of Non-Executive Independent Director. The resolution seeking approval of the Members for appointment of Mr. Laxman Rudabhai Ajagiya have been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with the brief details about him.

Mr. Utsav Kishorbhai Doshi was appointed as Additional Director with effect from May 13, 2016 in the category of Executive Director. The resolution seeking approval of the Members for appointment of Mr. Utsav Kishorbhai Doshi have been incorporated in the notice of the forthcoming Annual General Meeting of the Company along with the brief details about him.

Mr. Kishor Ratilal Doshi (Independent Director) resigned as Director with effect from 04.04.2015. The Board places on record its sincere appreciation for the valuable services rendered by Mr. Kishor Ratilal Doshi.

In compliance with Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief resume of all the Directors proposed to be appointed/re-appointed are attached along with the Notice to the ensuing Annual General Meeting.

## **NUMBER OF MEETINGS OF THE BOARD**

Fifteen meetings of the board were held during the year. For details of the meetings of the Board, please refer to the Corporate Governance Report which forms the part of this report.

## **BOARD EVALUATION**

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

## **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of this report.

## **COMMITTEES OF THE BOARD**

Detailed composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, CSR Committee, Stakeholders Relationship Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

There have been no situations where the Board has not accepted any recommendation of the Audit Committee.

## **DECLARATION BY INDEPENDENT DIRECTORS**

The Company had received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013 that he meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **TRAINING OF INDEPENDENT DIRECTORS**

Every new Independent Director of the Board attends an orientation program. To familiarize the new inductees with the strategy, operations and functions of your Company, the executive Directors/ Senior Managerial personnel make presentations to the inductees about the Company's strategy, operations, product and service offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management.

## **INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its Business, including adherence to the Company's policies, Safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial disclosure.

## **CORPORATE GOVERNANCE**

Since inception, the Company laid a lot of emphasis on appropriate & timely disclosures and transparency in all business dealings. REL has been adhering to the corporate governance principles & practices since long. Your Company is regularly submitting its Corporate Governance Reports to stock exchanges where shares are listed. A detailed report on Corporate Governance is also annexed to this Report. Further, the Certificate, in relation to compliance of the corporate governance principles, obtained from M/s M N Manvar & Co., Chartered Accountants, and statutory Auditors of the Company is annexed to this Report.

## **AUDITORS**

M/s. M. N. Manvar & Co., Chartered Accountants (Firm Registration No: 106047W), and Statutory Auditors of the Company will retire at this Annual General Meeting, and are eligible for reappointment. In accordance with the Companies Act 2013, it is proposed to re-appoint them as Auditors for the financial year 2016-17 from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, subject to the approval of shareholders.

Your Board of Directors recommended their appointment as Independent Statutory for the Financial Year 2016-17.

## **AUDITORS REPORT AND SECRETARIAL AUDITORS' REPORT**

The auditors' report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks. A detailed report of the secretarial auditor is annexed herewith, which forms part of this report.

## **RISK MANAGEMENT**

Management and Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in separate section forming part of the Annual Report.

## **PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS**

The Particulars of loans, guarantees and Investments have been disclosed in the Financial Statements.

## RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at <http://www.rajoo.com/investorszone.html>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length.

All contracts/arrangements/transactions entered by the Company during the Financial year with the related parties were in ordinary course of business and on an arm's length basis. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has always been undertaking CSR activities on a significant scale upholding the belief that corporates have a special and continuing responsibility towards social development.

The vision of Rajoo Group's CSR activities to make sustainable impact on the human development of under-served communities through initiatives in Education, Health and Livelihoods has been formally codified with the constitution of a dedicated Corporate Social Responsibility Committee of the Board on 30th May, 2014 by the Board of Directors of the Company with the imminent notification of section 135 of the Companies Act, 2013 and Rules framed thereunder.

Initiatives undertaken by the Company on CSR activities during the year are set out in Annexure II of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company at <http://www.rajoo.com/csr.html>.

## EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013 the extract of annual return is given in Annexure III in the prescribed Form MGT-9, which forms part of this report.

## HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Human Resources Management at Rajoo goes beyond the set boundaries of compensation, performance reviews and development. We look at the employee's entire lifecycle, to ensure timely interventions that help build a long lasting and fruit full career. With this in mind, we initiated several positive changes in our HR practice this year.

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity: to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel.

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and the revised Clause 49 of the Listing Agreements with stock exchanges (URL: [http://www.rajoo.com/pdf/Whistle\\_Blower\\_Policy.pdf](http://www.rajoo.com/pdf/Whistle_Blower_Policy.pdf)).

## **PARTICULARS OF EMPLOYEES**

The Disclosure as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure IV and forms a part of this report.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. All employees (permanent, contractual, temporary, trainees) are covered under this policy). There was no complaint received from any employee during the financial year 2015-16 and hence no complaint is outstanding as on 31.03.2016 for redressal.

## **DEPOSITS FROM PUBLIC**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

### **1. Consumption & Conservation of energy**

#### **(a) Energy conservation measures taken:**

Continuous efforts are being made by the production team for conservation of energy. Regular energy audits are being carried out by independent agencies and utmost care is taken in implementing their recommendations although the actual benefit in terms of energy saved cannot be measured.

#### **(b) No investment has taken place during the year under report specifically to reduce or monitor energy consumption.**

#### **(c) Impact of measures (a) above for reduction of energy consumption is likely to result in reduction of cost of production.**

### **2. Technology absorption**

#### **(a) Efforts made in the technology absorption :**

In terms of the technical collaboration with Commodore of USA and Hosokawa Alpine of Germany, we have been able to absorb and



indigenize the technology for producing machines for manufacture of foamed polystyrene products through the process of tandem extrusion and vacuum forming and also multilayer blown film lines. All the drawings and process know-how has been fully absorbed by various departments of the Company. This has resulted in significant increase in sales of extrusion machines and thermoformers.

(b) Future plan of action:

We are making continuous efforts in developing more energy efficient machines with updated technology; energy forms the second largest cost component in producing plastic films and sheets. We are also in the process of exploring joint ventures and technical collaborations with reputed overseas manufacturers for upgrading and adopting higher level of technology at affordable prices.

**3. Foreign Exchange earnings and outgo**

(Rs. in lacs)

Particulars	F.Y. 2015-16	F.Y. 2014-15
Foreign Exchange earned	3555.99	2548.56
Foreign Exchange used	1059.26	1197.10

**APPRECIATION:**

Your directors express their appreciation for the assistance and co-operation received from the share-holders, customers, bankers, government authorities, stock exchanges, suppliers, agents and business associates at various levels during the year under review. Your directors also wish to place on record their appreciation for the committed and dedicated services of company's executives, staff and workman.

Date: 30/05/2016  
Place: Veraval (Shapar), Rajkot

For and on behalf of the Board of Directors  
Rajoo Engineers Limited

(R. N. DOSHI)  
Chairman & Managing Director  
(DIN: 00026140)

## ANNEXURE - I

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

#### Part "B": Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Sr. No.	Name of associates/Joint Ventures	Rajoo Bausano Extrusion Private Limited
1.	Latest audited Balance Sheet Date	31 March, 2016
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	i. No.	1960000
	ii. Amount of investment in Associate/Joint Venture Rs.	19600000
	iii. Extend of holding %	49%
3.	Description of how there is significant influence	Joint Venture Agreement
4.	Reason why the associate/joint venture is not consolidated	Not - applicable
5.	Net worth attributable to shareholding as per latest audited Balance Sheet Rs.	71713531
6.	Profit/Loss for the year Rs.	18533871
	i. Considered in Consolidation Rs.	18533871
	ii. Not Considered in Consolidated	Nil

- Names of associates or joint ventures which are yet to commence operations : NIL
- Names of associates or joint ventures which have been liquidated or sold during the year : NIL

**Note:** Part A of the Annexure is not applicable as the Company does not have any Subsidiary as on 31st March, 2016.

For and on behalf of the Board of Directors

(R. N. DOSHI)  
 Chairman & Managing Director  
 (DIN: 00026140)

(K. C. DOSHI)  
 Executive Director  
 (DIN: 00025581)

(J. T. JHALAVADIA)  
 Chief Financial Officer

(VIJAY JADEJA)  
 Company Secretary

## ANNEXURE - II

### ANNUAL REPORT ON CSR ACTIVITIES

- |  |   |
|--|---|
| 1. Brief outline of the Company's CSR policy, projects and programs Proposed to be undertaken with web-link to CSR policy and Projects or programs | <p>For us in the Rajoo, reaching out to the underserved communities is part of our HERITAGE.</p> <p>Rajoo's CSR policy is aimed at demonstrating care for the community through its focus on education &amp; skill development, health &amp; wellness and environmental sustainability including biodiversity, energy &amp; water conservation. Also embedded in this objective is support to the disadvantaged/marginalized cross section of the society by providing opportunities to improve their quality of life.</p> <p>Projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of CSR activities under taken in the current year is available on <a href="http://www.rajoo.com/CSR">www.rajoo.com/CSR</a></p> |
| 2. Composition of CSR Committee  | <p>The Company has CSR Committee of Directors comprising of Ms. Khushboo Chandrakant Doshi, Chairman of the Committee, Mr. R. N. Doshi and Mr. Ramesh A. Shah.</p>  |
| 3. Average Net profits of the company for the last three financial year  | <p>Average Net profits: Rs. 5,14,38,367/-</p>   |
| 4. Prescribed CSR expenditure (Two percent of the amount in item no. 3 above)  | <p>Rs. 10,28,767/-</p>  |
| 5. Details of CSR Spent during the financial year:   | <p>Amount budgeted for the year 2015-16 : Rs. 12,00,000/-<br/>           Amount spent upto 31.03.2016 : Rs. 13,52,536/-<br/>           Amount Unspent if any : None</p>   |

**Manner in which the amount was spent during the Financial Year ended on 31.03.2016**

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the projects or programs subheads : (1) Direct expenditure on projects or programs (2) over heads	Cumulati-ve expenditure up to the reporting period	Amount spent Direct or through implementing agency
1.	Donations in form of payment of College fees and School fees, sponsoring Student Conventions, Donation to Cultural Education Trust, Enhancement Project for differently abled people and promoting special education.	Education	Veraval Shapar Rajkot Manavadar	800000	868786	868786	Direct
2.	Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.	Health care and Medical Facilities	Veraval Shapar Rajkot Manavadar	200000	242750	242750	Direct
3.	Promoting Gender Equality, empowering women, measures for reducing inequalities faced by socially and economically backward group.	Community Welfare	Rajkot	100000	1,10,000	1,10,000	Direct
4.	Donation to Shivaji Sangh (Trikon Bagh ka Raja – Ganpati Festival), Donation to DURGOBSTAV GK-II (Donation for Durga Puja – which had theme: Save the Girl Child Initiative) & expenditure incurred in sponsoring Women Hockey Tournaments.	Protection of Art and Culture & Sports	Rajkot New Delhi	50000	85000	85000	Direct

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5.	Donation to Shreeji Khirak Gau Seva Charitable Trust and Donation to Prakruti group for protection of Flora and Fauna .	Animal Welfare	Rajkot Junagadh	50000	46000	46000	Direct
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### CSR Committee Responsibility Statement

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company is in compliance with the CSR objectives and CSR Policy of the Company.

R. N. DOSHI  
Chairman & Managing Director  
(DIN: 00026140)

KHUSHBOO CHANDRAKANT DOSHI  
Chairman of CSR Committee  
(DIN: 00025581)

## ANNEXURE - III

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
as on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014.

### **I REGISTRATION & OTHER DETAILS:**

i	CIN	L27100GJ1986PLC009212
ii	Registration Date	8/12/1986
iii	Name of the Company	Rajoo Engineers Limited
iv	Category/Sub-category of the Company	Manufacturer - Extrusion Machinery
v	Address of the Registered office & contact details	Junagadh Road, Manavadar - 362630 Dist : Junagadh. (Gujarat). Phone: +91-97129-62704/52701/32706 Email: rel@rajoo.com Web: www.rajoo.com
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Link Intime India Private Limited, C-13, Pannanlal Silk Mill Compound. L.B.S. Marg, Bhandup (W), Mumbai - 400078  Ahmedabad Office: 303, 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, Off C. G. Road, Ahmedabad - 380009. Phone : 079 - 2646 5179 Email : ahmedabad@linkintime.co.in



## 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 & Description of products/services	NIC Code of the Product /service	% to total turnover of the main company
1.	Thermoplastic Extrusion Plants	2829	61.72%
2.	Post Extrusion Equipments	2829	22.05%
3.	Miscellaneous Parts and Equipments	2829	16.23%

## III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares	Applicable Section Held
1.	Rajoo Bausano Extrusion Private Limited	U29100GJ2011PTC064143	Associate	49%	2(6)

#### IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2015)				No. of Shares held at the end of the year (31.03.2016)				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS										
1.	Indian									
	a) Individual/HUF	38567440	0	38567440	66.46	38567440	0	38567440	66.46	0.00
	b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
	c) Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
	d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
	e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL:(A) (1)	38567440	0	38567440	66.46	38567440	0	38567440	66.46	0.00
2.	Foreign									
	a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
	d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	e) Any other...	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	38567440	0	38567440	66.46	38567440	0	38567440	66.46	0.00
B. PUBLIC SHAREHOLDING										
1.	Institutions									
	a) Mutual Funds	0	3000	3000	0.01	0	3000	3000	0.01	0.00
	b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	c) Central govt	0	0	0	0.00	0	0	0	0.00	0.00
	d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
	e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
	f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
	g) FIIS	0	0	0	0.00	0	0	0	0.00	0.00
	h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	SUB TOTAL: (B)(1)	0	3000	3000	0.01	0	3000	3000	0.01	0.00

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**2. Non Institutions**

**a) Bodies corporates**

i) Indian	902722	11010	913732	1.57	677146	11010	688156	1.19	(0.38)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00

**b) Individuals**

i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	11929529	2860160	14789689	25.49	12580467	2796160	15376627	26.5	1.01
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	2965188	0	2965188	5.11	1858927	0	1858927	3.20	(1.91)

**c) Others (HUF)**

i) Clearing Members	608270	0	608270	1.05	538552	0	538552	0.93	(0.12)
ii) Foreign Nationals NRI (REPAT)	170221	0	170221	0.29	325706	0	325706	0.56	0.27
iii) Foreign Nationals NRI (NON REPAT)	13210	0	13210	0.02	39250	0	39250	0.07	0.05

**SUB TOTAL: (B)(2)**

16589140	2871170	19460310	33.53	16653140	2807170	19460310	33.53	0.00
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**Total Shareholding of Promoter (B) = (B)(1) + (B)(2)**

16589140	2871170	19460310	33.53	16653140	2807170	19460310	33.53	0.00
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**C. SHARES HELD BY CUSTODIAN FOR GDRs & ADRs**

0	0	0	0.00	0	0	0	0.00	0.00
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**Grand Total (A+B+C)**

55156580	2874170	58030750	100.00	55220580	2810170	58030750	100.00	0.00
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**(ii) SHARE HOLDING OF PROMOTERS**

Sr. No.	Shareholders Name	No. of Shares held at the beginning of the year (01.04.2015)			No. of Shares held at the end of the year (31.03.2016)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	RAJESH NANALAL DOSHI	2940200	5.07	0.00	2940200	5.07	0.00	0.00
2	NITA KISHOR DOSHI	3884600	6.69	0.00	3884600	6.69	0.00	0.00
3	KHUSHBOO C. DOSHI	4867042	8.39	0.00	4867042	8.39	0.00	0.00
4	KISHOR NANALAL DOSHI	1443000	2.49	0.00	1443000	2.49	0.00	0.00
5	RITA RAJESH DOSHI	4513440	7.78	0.00	4513440	7.78	0.00	0.00
6	DEVYANI C. DOSHI	5862560	10.10	0.00	5862560	10.10	0.00	0.00
7	UTSAV KISHORKUMAR DOSHI	2299372	3.96	0.00	2299372	3.96	0.00	0.00
8	RAJESH NANALAL DOSHI - HUF	660000	1.14	0.00	660000	1.14	0.00	0.00
9	KRUTI RAJESHBHAI DOSHI	3144132	5.42	0.00	3144132	5.42	0.00	0.00
10	PALLAV KISHORBHAI DOSHI	4826609	8.32	0.00	4826609	8.32	0.00	0.00
11	CHANDRAKANT N DOSHI - HUF	460000	0.79	0.00	460000	0.79	0.00	0.00
12	KISHOR N. DOSHI - HUF	324000	0.56	0.00	324000	0.56	0.00	0.00
13	KARISHMA R. DOSHI	2433395	4.19	0.00	2433395	4.19	0.00	0.00
14	UTKARSH R. DOSHI	909090	1.57	0.00	909090	1.57	0.00	0.00
<b>Total</b>		<b>38567440</b>	<b>66.47</b>	<b>0.00</b>	<b>38567440</b>	<b>66.47</b>	<b>0.00</b>	<b>0.00</b>

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS & HOLDERS OF GDRS & ADRS)

Sr. No.	Name of the Shareholder	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	CHAVDA JAWAHARBHAI PETHALJIBHAI				
	At the beginning of the Year	510000	0.88	510000	0.88
	Bought during the Year				
	Sold during the Year				
	At the end of the Year	510000	0.88	510000	0.88
2	NARENDRABHAI VALLABHDAS PARSANIA				
	At the beginning of the Year	272880	0.47	272880	0.47
	Bought during the Year				
	Sold during the Year	7794	0.01	265086	0.46
	At the end of the Year	265086	0.46	265086	0.46
3	KALPANA KHUSHBIRSINGH BATRA				
	At the beginning of the Year	145145	0.25	145145	0.25
	Bought during the Year	27806	0.05	172951	0.30
	Sold during the Year				
	At the end of the Year	172951	0.30	172951	0.30
4	BHASKAR N OZA				
	At the beginning of the Year	188140	0.32	188140	0.32
	Bought during the Year				
	Sold during the Year	23750	0.04	164390	0.28
	At the end of the Year	164390	0.28	164390	0.28
5	HARSHIDABEN JAWAHARBHAI PANDYA				
	At the beginning of the Year	160000	0.28	160000	0.28
	Bought during the Year				
	Sold during the Year				
	At the end of the Year	160000	0.28	160000	0.28

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6	JAWAHAR CHUNILAL PANDYA				
	At the begning of the Year	150000	0.26	150000	0.26
	Bought during the Year				
	Sold during the Year				
	At the end of the Year	150000	0.26	150000	0.26
7	ARCADIA SHARE & STOCK BROKERS PVT LTD				
	At the begning of the Year	67360	0.12	67360	0.12
	Bought during the Year	78045	0.13	145405	0.25
	Sold during the Year				
	At the end of the Year	145405	0.25	145405	0.25
8	JIGNA MANISH DOSHI				
	At the begning of the Year	118000	0.20	118000	0.20
	Bought during the Year				
	Sold during the Year				
	At the end of the Year	118000	0.20	118000	0.20
9	KARVY STOCK BROKING LIMITED				
	At the begning of the Year	38109	0.07	38109	0.07
	Bought during the Year	69971	0.12	108080	0.19
	Sold during the Year				
	At the end of the Year	108080	0.19	108080	0.19
10	PIYUSH CHHAGANLAL DOSHI				
	At the begning of the Year	106500	0.18	106500	0.18
	Bought during the Year				
	Sold during the Year				
	At the end of the Year	106500	0.18	106500	0.18



#### (V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	For Each of the Directors & KMP	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
1	RAJESH N. DOSHI (Chairman and Managing Director)	2940200	5.06	2940200	5.06
2	SUNIL B. JAIN (Executive Director)				
	Opening Balance	17000	0.03	17000	0.03
	Transaction During the Year	100	0.00	17100	0.03
	Closing Balance	17100	0.03	17100	0.03
3	KHUSHBOO C. DOSHI (Executive Director)	4867042	8.39	4867042	8.39
4	RAMESH A SHAH (Independent Director)	0	0.00	0	0.00
5	KISHOR R DOSHI (Independent Director)	22000	0.04	22000	0.04
6	KIRIT R. VACHHANI (Independent Director)				
	Opening Balance	0	0.00	0	0.00
	Transaction During the Year	7000	0.01	7000	0.01
	Closing Balance	7000	0.01	7000	0.01
7	RAJENDRA VAJA (Independent Director)	0	0.00	0	0.00
8	J.T. JHALAVADIA (Chief Financial officer)	2500	0.00	2500	0.00
9	VIJAY JADEJA (Company Secretary)	0	0.00	0	0.00

## (V) INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	41470225	0	711634	42181859
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>41470225</b>	<b>0</b>	<b>711634</b>	<b>42181859</b>
Change in Indebtedness during the financial year				
Additions	4160500000	0	1012096	4161512096
Reduction	4487757010	0	398730	4488155740
Net Change	-327257010	0	613366	-326643644
Indebtedness at the end of the financial year				
i) Principal Amount	67424323	0	1325000	68749323
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>67424323</b>	<b>0</b>	<b>1325000</b>	<b>68749323</b>

## (VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director and/or Manager:

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	Gross salary	Mr. R. N. Doshi	Mr. Sunil Jain	Ms. Khushboo Doshi	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	5333784	3770277	2704467	11808528
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	186552	0	0	186552
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission as % of profit	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total (A) Ceiling as per the Act</b>	<b>5520336</b>	<b>3770277</b>	<b>2704467</b>	<b>11995080</b>

### B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of the Directors				Total Amount
1	Independent Directors	Mr. Ramesh Shah	Mr. Rajendra Vaja	Mr. Kirit Vachhani	Mr. Kishor R. Doshi	
	(a) Fee for attending board committee meetings	6000	14000	2000	8000	30000
	(b) Commission	0	0	0	0	0
	(c ) Others, please specify	0	0	0	0	0
	<b>Total (1)</b>	<b>6000</b>	<b>14000</b>	<b>2000</b>	<b>8000</b>	<b>30000</b>
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings	0	0	0	0	0
	(b) Commission	0	0	0	0	0
	(c) Others, please specify	0	0	0	0	0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total (B)=(1+2)</b>	<b>6000</b>	<b>14000</b>	<b>2000</b>	<b>8000</b>	<b>30000</b>
	<b>Total Managerial Remuneration</b>					<b>12025080</b>
	<b>Overall Ceiling as per the Act</b>					<b>10800000</b>

### C. Remuneration To Key Managerial Personnel Other Than Md/manager/wtd

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
1	Gross salary	Company Secretary Mr. Vijay jadeja 226764	Chief Financial Officer Mr. J. T. Jhalavadia 690936	917700
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961			
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as % of profit	0	0	0
5	Others, please specify	0	0	0
	<b>Total</b>	<b>226764</b>	<b>690936</b>	<b>917700</b>

### (VII) PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences during the year ended March 31, 2016

## ANNEXURE - IV

Details pertaining to Remuneration as required under Section 197 of Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:	Mr. R. N. Doshi Mr. Sunil Jain Ms. Khushboo C. Doshi	30.90 20.10 15.46
2. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:	Mr. R. N. Doshi Mr. Sunil Jain Ms. Khushboo C. Doshi Mr. J. T. Jhalavadia, Chief Financial Officer Mr. Vijay Jadeja, Company Secretary	58.30% 5.69% 47.06% 19.97% 66.67%

**Note:** The Non-executive Directors are not paid any remuneration except sitting fees.

3.	The percentage increase in the median remuneration of employees in the financial year:	7.79%		
4.	The number of permanent employees on the rolls of Company as on 31st March, 2016:	269		
5.	The explanation on the relationship between average increase in remuneration and company performance:	The reward philosophy of the Company is to provide market competitive total reward opportunity that has a strong linkage to and drives performance culture. Salary increases during the year were in line with Company's performance as well as per Company's market competitiveness. The increments were also decided based on salaries prevailing in the industry in which company operates.		
6.	Comparison of the remuneration of the key managerial personnel against the performance of the Company:	Average increase in remuneration of Key Managerial Personnel was based partly on the results of the Company for the year ended March 31, 2016 and partly on the individual employee's performance.		
7.	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:		<b>31.03.2016</b>	<b>31.03.2015</b>
	Market Capitalization:		8849.69	7758.71
	(₹ in Lacks)			
	PE ratio		19.30	14.86
	No public offer has been made since			

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8. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 10.24 % whereas the increase in the managerial remuneration was 35.13%. The average increases every year is an outcome of Company's market competitiveness as against its peer group companies. In keeping with our reward philosophy and benchmarking results, the increases this year reflect the market practice.

9. The key parameters for any variable component of remuneration availed by the directors:

None

10. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

None

11. Affirmation that the remuneration is as per the remuneration policy of the Company:

Remuneration paid during the year ended March 31, 2016 is as per the Remuneration Policy of the Company.

12. Particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

There are no employees in the Company drawing remuneration more than Rs. 5 lacs per month or Rs. 60 lacs per annum.





CS MAULIK J. SHETH  
(B.B.A. A.C.S)  
Mobile: +91 94292 44599  
Email : csmauliksheth@gmail.com

**MAULIK SHETH & ASSOCIATES  
PRACTISING COMPANY SECRETARY**

307, ACCURATE SQUARE,  
B/H, RAJRATNA COMPLEX,  
NR. ATUL MOTORS,  
TAGOR ROAD,  
RAJKOT - 360001

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31.03.2016**  
[Pursuant to section 204(1) of the Companies Act, 2013  
and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**RAJOO ENGINEERS LTD**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RAJOO ENGINEERS LTD. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2016 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by RAJOO ENGINEERS LTD for the financial year ended on 31/03/2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder; except the following;  
Company has delayed in transfer of Unpaid/Unclaimed Dividend of Equity Shareholders for 2007-08 (Unpaid Dividend A/C No. 087010200019099 with balance of Rs. 2,77,271.40/-) to Investor Education and Protection Fund of the Central Government.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (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, 1992; and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (not applicable to the Company during the audit period).
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the audit period).
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
  - (f) 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;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period). and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period).
- (vi) As informed to me the following other Laws specifically applicable to the Company as under:
1. The Air (Prevention and Control of Pollution) Act, 1981
  2. The Environment (Protection) Act, 1986
  3. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
  4. Employees' State Insurance Act, 1948
  5. Equal Remuneration Act, 1976
  6. The Factories Act, 1948
  7. The Industrial Employment (Standing Orders) Act, 1946
  8. The Minimum Wages Act, 1948
  9. The Payment of Wages Act, 1936
  10. The Negotiable Instruments Act, 1881

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective from 1st July, 2015 and it was noted that the Company has complied with the same to the extent possible, however the stricter applicability of the Secretarial Standards is to be observed by the Company.

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(ii) The Listing Agreements entered into by the Company with BSE Limited, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective from 1st December, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I 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 period 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 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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

The minutes of the Annual General Meeting, Board Meeting, Committee Meetings of the Board were duly signed by the Chairman. All the decisions of the Board were unanimously passed and no dissenting views have been recorded in the Minutes of the Board.

As per Annual Report of the Company, the Company has generally made all the disclosures as required by the Act and Listing Agreement with the Stock Exchange.

As per records the Company generally filed all the forms, returns documents and resolutions as were required to be filed with the Registrar of Companies (ROC) within stipulated time. Further the Company is recommended to take utmost care while filling and filing the forms with MCA.

I 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.

We further report that during the audit period the Company has following specific event:

The Board of Directors of the Company at its meeting held on 13th March, 2016, declared an Interim Dividend of Re. 0.25/- per equity share of Re. 1/- each for Financial Year 2015-16 and 23rd March, 2016 was fixed as the Record Date for the purpose of the same.

**PLACE: RAJKOT**  
**DATE : 30.05.2016**

**FOR, MAULIK SHETH & ASSOCIATES**

**MAULIK SHETH**  
**PROPRITER**  
**CP NO. 11441**

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Industry structure and its developments:

Your Company is in the capital goods sector, manufacturing plastic processing machines specifically extrusion and post extrusion machines for producing films, sheets and various thermoformed and vacuum formed products. Your Company continues to provide technologically advanced and affordable solutions to the plastics industry, in the country and worldwide, "Excellence in extrusion", thus pervades each and every facet of your Company's operations and is a distinct expression of the corporate vision and culture.

Plastics represents one of the ubiquitous raw materials that finds use in a wide gamut of industries ranging from packaging, construction, infrastructure, instrumentation, automotives, industrial manufacturing equipment, to mechanical engineering..

Plastics are visible in each and every walk of life in the modern world and transformed the quality of life. There is no human activity where plastics do not play a key role from clothing to shelter to food, from transportation to communication and from entertainment to health care. Plastics, because of their diverse and versatile properties, such as lightweight, high strength and ease of processing, ease of recycling, meets a large share of the material needs of man, and that too at a comparatively lower cost and without causing any environmental damage..

### 2. Opportunities and Threats

The plastic processing industry, in fact, offers potential for technology up gradation. Some of the areas with enormous investment potential for the plastics industry are:

- (a) World-class higher capacity machines with low energy consumption levels
- (b) Enhanced design capabilities, moulds, tools and dies and technological know-how
- (c) Use of intelligent manufacturing to improve productivity and asset utilization. Global manufacturing and management practices with an eye for quality and design.
- (d) Development of new products and applications.
- (e) Efficient plastic recycling technologies
- (f) Technology Consultancy and Technology Transfer.
- (g) Foreign Direct Investment in the downstream sector specially in Plastics Technology Parks and SEZ with tax benefits

The most critical, challenges that Indian plastic industry is facing today is the "image of plastics" and unmindful ban on some plastic products in some states in India. Some of the myths perpetuated about plastics are:

- Feared as being toxic
- Could be health hazards
- Maybe harmful to the soil
- Could cause acid rain
- Is not environment friendly
- Has high carbon foot print

These accusations leveled against plastics in general and against plastic industry in particular have been farfetched and without a sound rational basis. This is a key concern. The industry continues to take responsible, technically defensible and rational actions in the overall public interest and environmental welfare.

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Low technology and low quality machines from other Asian regions in addition to import of energy guzzling used machines are potential threats but your Company is fully geared to handle this challenge owing to superior technology, locally available efficient after-sales-service and offering value for money solutions.

Volatility in polymer prices which are influenced by the crude oil prices also brings in elements of uncertainties and affects the availability of capital.

Increasing cost of energy is also a threat and your Company is committed to producing energy efficient and environment friendly machines.

Reducing availability of skilled manpower for operating the machines is also an issue of concern and your Company is working towards offering machines with higher level of automation.

Designing machines with reduced levels of wastages during the production process is another area being targeted by your Company.

### 3. Segment-wise performance

Your Company is operating in one segment only i.e. Plastic extrusion machines specifically film and sheet extrusion. As compared to other players in this segment, your Company continues to be among the top performers in terms of growth in sales and profits and market share.

### 4. Outlook

The global plastics industry is witnessing continuous shift of production bases to low-cost Asian countries. This coupled with increasing foreign investments, mergers and acquisitions between key players, and rise in the number of new manufacturing establishments are presenting Asia-Pacific as a prime driver of growth in the plastics industry. In particular, China and India offer enormous potential due to expanding automobile demand, resurgence in growth fundamentals across all end-use markets, such as rebuilding of consumer/business confidence, increasing income levels, rebound in general production, and rise in capital investments in all end-use sectors. Besides growing demand from the packaging, automobile, mining, chemical, construction and agricultural industries, the Asia-Pacific plastics market is propelled by trends such as globalization, demand for durable products and urbanization.

Packaging sector is one of the major consumers of plastics. Apart from being used as a substitute for traditional materials, plastic packaging is being increasingly used in healthcare and personal care products, packaged foods and beverages. Advancements in packaging material science and mounting demand for product protection, long shelf-life and product security and stability are further driving demand for plastic packaging. Demand for plastics which are biodegradable/oxydegradable is on the rise and is expected to grow, owing to novel applications in the packaging industry, primarily for food and beverages. Emerging nations with underdeveloped or no recycling facilities are expected to benefit considerably from bioplastics products and packaging.

Global production and consumption of plastics increased from less than 5 million tonnes in 1950 to **365 million tonnes in 2015. It is expected to grow to 540 million tonnes by 2020. Indian sub-continent share in global production is only 4.2% Indian polymer demand is growing twice that of GDP. From 8.7 million tons in 2003-04, it has increased to 14 million tons by 2015-16 and is expected to increase to 20 million tons by 2020.** Over a third is used for packaging, while construction products represent almost a quarter.

Report of the Sub-group on Petrochemicals for the 12th Five Year plan listed down following Opportunities for the plastics industry:

- Large and rapidly growing domestic market for end products.
- Large head-room for future growth (Indian per capita at – 7kg, compared to 109 kgs in US, 32 kgs in Brazil and 29 kgs in China), due to

favorable demographics, rising disposable income, development of rural marketing, growth of organized retailing, developments in agriculture, automobile, telecommunication, health care, etc.

- Rising labour costs in developed markets in plastic converting sector – an opportunity for India to expand capacities and export.
- Development of niche products for exports.
- Scope for increased value addition.
- Favorable trade agreements

Further it also stated that Virgin polymer consumption during 2010-11 was estimated to be 8.5 MMT, with 68% accounted by Extrusion, 26% by injection Molding Sector and the remaining 6% by Blow Molding & other sectors.

Consumption of plastics in high growth sectors like Infrastructure, Agriculture, Material Handling & Packaging, Automobiles, White & Brown goods etc is growing at more than 13 % p.a. leading to tremendous opportunities for plastic machinery manufacturers. By the end of the 12th Five year Plan, the demand for plastic processing machinery is projected to increase annually by 10.5% to 10800 machine/ year with installed capacity of 50 MMTA. This demand will also be due to factors such as advances in new technology, high output machines, energy efficiency, replacement of old machines and investment by new entrepreneurs.

As a result of the technical collaboration with Hosokawa Alpine of Germany for blown film systems, your Company continues to provide world class technology to the industry. Your company had introduced the concept of hybrid blown film lines wherein the critical hot parts are supplied by Hosokawa Alpine, the automation systems are also sourced from Europe and rest is supplied by your Company. Your company has successfully integrated these technologies and had supplied its first such hybrid line.

Your company had also entered in a Joint Venture with Bausano of Italy to manufacture and supply pipe and profile extrusion machines. This project was implemented in a separate Company – Rajoo Bausano Extrusion Pvt. Ltd. Your Company manufactures and supplies many high technology parts to this Joint Venture.

Your Company thus continues its leadership position in the world market by offering world class technology at affordable price levels. With its strong engineering skills and language advantage, similar to the IT and automobile industry, India is poised to become an outsourcing hub for supply of parts and assemblies to the developed economies. Your Company has already embarked upon a program to take advantage of this opportunity for supplying to manufacturers in Europe, Russia, USA and Francophone countries.

Your Company has a positive outlook for F.Y. 2016-17. The Company will leave no efforts to grab each and every opportunity for growth – both organic and inorganic. The Company also expects to derive a greater operating leverage out of its investments, maximizing shareholders' wealth.

## 5. Risks and concerns

Annual global GDP growth has been erratic, from 4.3% in 2007 to 1.8% in 2008 and then to a never before negative of -1.7% in 2009. It increased to 4.3% in 2010 and then again down to 3.1 % in 2011, 2.5% in 2015. Developing countries continue to face a series of tough challenges in 2016 including the looming prospect of higher borrowing costs in a new era of volatile prices for oil and other commodities. IMF has projected a growth forecast of 3.2% for 2016.

With the innovative and progressive policies of the Government and their effective implementation, the situation and sentiment has changed overall outlook seems to be bullish. The Make in India program includes major new initiatives designed to facilitate investment, foster innovation, protect intellectual property, and build best-in-class manufacturing infrastructure.

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While FDI in single brand retail was already been permitted, the long pending financial reform of FDI in multi-brand retail is under implementation which will give a major fillip to the packaging industry and plastics in particular. FDI in food processing has already been announced and since all food needs packaging, consumption of plastics is further poised to grow.

#### **6. Internal Control Systems and their adequacy**

The Company implemented proper and adequate systems of internal control to ensure that all assets are safeguarded and protected against loss from any unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The Company also implemented effective systems for achieving highest level of efficiency in operations, to achieve optimum and effective utilization of resources, monitoring thereof and the compliance with provisions all laws including the Companies Act, 2013, Listing Agreement, directions issued by the Securities and Exchange Board of India, labour laws, tax laws etc. It also aimed at improvement in financial management, and investment policy. The System ensures appropriate information flow to facilitate effective monitoring. The internal audit system also ensures formation and implementation of corporate policies for financial reporting, accounting, information security, project appraisal, and corporate governance. A qualified and independent Audit Committee of the Board of Directors also reviews the internal control system and its impacts on improvement of overall performance of the Company.

#### **7. Material development and human resources / Industrial relation front**

Talent and knowledge base have remained keys to your company's competitive advantage. Your company believes that acquiring, nurturing, engaging and retaining talent are base to achieve objectives of the Company. Your Company believes that continuous training & development of inherent skills within employees will help the Company to optimize the productivity and profitability. At the same time, your company leaves no avenue unexplored to build the cordial and fruitful relations with all employees by understanding their needs, problems and implementing steps to overcome all problems /difficulties faced by 'human assets' of the Company.

Your Board sincerely thanks all the employees who have put in their hard work and helped the company to grow year on year.

#### **8. Cautionary Statement**

All statements made in Management and Discussion Analysis has been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Management envisages in terms of performance and outlook. Market data, industry information etc. contained in this Report have been based on information gathered from various published and unpublished reports and their accuracy, reliability, and completeness cannot be assured.

Factors such as economic conditions affecting demand/supply and priced conditions in domestic & international markets in which the Company operates, and changes in Government regulations, tax laws, other statutes and other incidental factors, may affect the final results and performance of the Company and therefore actual performance may differ from projections made by the Company.

Date: 30/05/2016  
Place: Veraval (Shapar), Rajkot

For and on behalf of the Board of Directors  
Rajoo Engineers Limited

(R. N. DOSHI)  
Chairman & Managing Director



## REPORT ON CORPORATE GOVERNANCE

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### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company's philosophy on Corporate Governance is based on the belief that effective Corporate Governance practices constitute a strong foundation on which successful commercial enterprises are built to last. Corporate Governance is essentially a system by which Companies are directed and controlled by the management in the best interest of all stakeholders. It is not mere compliance of laws, rules and regulations, but also the application of best management practices and adherence to the highest ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility. Above all, it is a way of life, rather than merely a legal compulsion.

Your Company therefore, continues to lay great emphasis on a corporate culture of conscience, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business.

Your Company is in compliance with the requirements of Corporate Governance stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (Clause 49 of the erstwhile Listing Agreement executed with the Stock Exchanges).

### BOARD OF DIRECTORS:

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

#### Composition:

- i. As on the date of this Report the Company's Board consists of Eight Directors. There are Four Executive Directors on the Board of the Company, namely, Mr. R. N. Doshi (Chairman & Managing Director), Mr. Sunil B Jain, Ms. Khushboo Chandrakant Doshi and Mr. Utsav Kishorbhai Doshi. There are Four Non-Executive Independent Directors namely Mr. Ramesh A. Shah, Mr. Kirit R. Vachhani, Rajendra G. Vaja and Mr. Laxman R. Ajagiya. However, Mr. Kishor Ratilal Doshi (Independent Director) resigned as Director with effect from 04.04.2015. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

The composition of Board is in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- ii. None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2016 have been made by the directors.

### Category and Attendance of Directors:

The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships and committee chairmanships/memberships held by them in other public companies as on March 31, 2016 are given herein below. Other directorships do not include directorships of private limited companies, Section 8 companies and of companies incorporated outside India. Chairmanships/ memberships of board committees shall include only audit committee and stakeholders' relationship committee.

Name of the Director	Category	Number of Board Meeting held during the year 2015-16		Whether attended last AGM held on September 22, 2015	Number of Directorship in other Public Limited Companies	Number of Committee position held in other public Limited Companies	
		Held	Attended			Chairman	Member
Mr. R. N. Doshi Chairman & Managing Director	Executive Director	15	14	Yes	01	-	-
Ms. Khushboo Chandrakant Doshi	Executive Director	15	14	Yes	-	-	-
Mr. Sunil Jain	Executive Director	15	03	Yes	-	-	-
Mr. Kishor Doshi*	Independent Director	15	01	NA	-	-	-
Mr. Ramesh Shah	Independent Director	15	04	Yes	-	-	-
Mr. Rajendra Vaja	Independent Director	15	09	Yes	-	-	-
Mr. Kirit Vachhani	Independent Director	15	13	Yes	-	-	-

\* Resigned from the position of Independent Director of the Company w.e.f 04.04.2015

The annual calendar of Board Meetings is agreed upon at the beginning of the year. The agenda is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda to enable the Board to arrive at appropriate decisions. The information as required under Part A of Schedule II to the Listing Regulations is made available to the Board. The Board also reviews the declarations made by the Managing Director and Chief Financial Officer regarding compliance with all applicable laws, on a quarterly basis.

Fifteen Board Meetings were held during the year and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meetings were held:

4th April, 2015; 7th May, 2015; 15th May, 2015; 14th August, 2015; 20th October, 2015, 30th October, 2015; 23rd November, 2015; 15th January, 2016; 16th January, 2016; 19th January, 2016; 29th January, 2016; 23rd February, 2016; 13th March, 2016; 18th March, 2016 and 31st March, 2016.

The necessary quorum was present for all the meetings.

Further the Board fulfills the key functions as prescribed under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 being part of the new Listing Agreement.

The Companies Act, 2013 read with relevant Rules made thereunder, facilitates the participation of the Director in the Board/Committee meetings through video conferencing or other audio mode. However none of the Directors have availed such a facility.

### **Appointment and Meeting of Independent Directors:**

Terms and Conditions of Independent directors' appointment are available in Company's website at <http://www.rajoo.com/investorszone.html>

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 18th March, 2016, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations. At the Meeting, the Independent Directors:

- a. Reviewed the performance of Non-Independent Directors and the Board as a whole;
- b. Reviewed the performance of the Chairman of the Company;
- c. Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors of the Company attended the Separate Meeting of Independent Directors. Mr. Rajendra Vaja chaired the Meeting.

### **Directors' Induction and Familiarization:**

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. The Managing Director and the Company Secretary are jointly responsible for ensuring that such induction and training programmes are provided to Directors. The Independent Directors, from time to time, request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

In addition to the extensive induction and training provided as part of the familiarization programme, the Independent Directors are also taken through various business and functional sessions in the Board meetings including the Board meetings to discuss strategy.

The Details of familiarization programmes imparted to the Independent Directors are made available in Company website: <http://www.rajoo.com/investorszone.html>

### **CODE OF CONDUCT:**

The Company has adopted Code of Conduct for all employees of the Company, including the Managing Director. The Board has also approved a Code of Conduct for the Non-Executive Directors of the Company, which incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. Both the Codes are posted on the Company's website at <http://www.rajoo.com/investorszone.html>

All Board members and senior management personnel (as per Regulation 26 (3) of the Listing Regulations) have affirmed compliance with the applicable Code of Conduct. A declaration to this effect, signed by the Managing Director forms part of this Report. (Annexure V)

Apart from receiving remuneration that they are entitled to under the Companies Act, 2013 as Non-Executive Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its promoters, its Directors, its senior management or its subsidiaries and associates. None of the Directors are inter-se related to each other.

The Directors and senior management of the Company have made disclosures to the Board confirming that there are no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

#### **BOARD EVALUATION:**

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter alia, degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Criteria for evaluation of individual Directors (including Independent Directors) include aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director.

Criteria for evaluation of the Committees of the Board include degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The results of the Evaluation were shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the Evaluation, the Board and Committees have agreed on an action to further improve the effectiveness and functioning of the Board and Committees. The Chairman of respective Board Committees also shared the results of evaluation with the respective Committee Members.

#### **COMMITTEES OF THE BOARD:**

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

#### **AUDIT COMMITTEE:**

The Audit Committee consists entirely of Independent Directors - Mr. Kirit Vachhani, Mr. Ramesh A Shah and Mr. Rajendra Vaja. They are financially literate and having accounting, related Administrative and Financial Management Expertise. Mr. J. T. Jhalavadia, Chief Financial Officer and Mr. Deep Dhorda, Internal Auditor were permanent invitees to the Audit Committee Meetings. The Independent Auditors and the Secretarial Auditors of the Company are also invited to the Audit Committee meetings. The Cost Auditors are also invited to the Audit Committee Meetings when ever matters relating to the Cost Audit are considered. Mr. Vijay Jadeja Company Secretary acts as the Secretary to the Audit Committee. The Chairman of the Audit Committee.

Mr. Kirit Vachhani, Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 22nd September, 2015.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- reviewing and examining with management the quarterly financial results before submission to the Board;

- reviewing and examining with management the annual financial statements before submission to the Board and the auditors' report thereon;
- review management discussion and analysis of financial condition and results of operations;
- scrutiny of inter-corporate loans and investments made by the Company;
- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- discussing with Statutory Auditors, before the commencement of audit, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any;
- reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- reviewing the financial statements, in particular, the investments made by the unlisted subsidiaries;
- recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company;
- reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- evaluating internal financial controls and risk management systems;
- valuation undertaking of assets of the Company, wherever it is necessary;
- reviewing the functioning of the Whistle Blowing Mechanism;

The Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under applicable legislation or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are reviewed.

During the year under review the Audit Committee met 4 times on 30/4/2015, 10/8/2015, 20/10/2015, and 19/01/2016 to deliberate on various matters.

All the members have attended all the meetings of Audit Committee.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders' Relationship Committee is comprised of Mr. Ramesh A Shah, Independent Director as Chairman and Mr. Rajendra Vaja and Mr. Kirit Vachhani, Independent Directors as members of the Committee. Mr. Pravin Joshi, being Compliance Officer acts as Secretary to the Committee to discharge the function of the Committee and to place a report at each Board meeting on matters dealt by the committee each quarter.

The role of Stakeholders' Relationship Committee is as follows:

- Review statutory compliance relating to all security holders.
- Consider and resolve the grievances of security holders of the Company, including complaints related to transfer of securities, non-receipt of annual report/ declared dividends/ notices/ balance sheet.
- Oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- Oversee and review all matters related to the transfer of securities of the Company.
- Approve issue of duplicate certificates of the Company.
- Review movements in shareholding and ownership structures of the Company.
- Ensure setting of proper controls and oversee performance of the Registrar and Share Transfer Agent.
- Recommend measures for overall improvement of the quality of investor services.
- Set forth policies relating to and oversee implementation of the Code of Conduct for Prevention of Insider Trading.

During the year under review the Stakeholders Relationship Committee met 4 times on 30/6/2015, 30/9/2015, 31/12/2015, and 31/03/2016 to resolve the complaints.

A total of 30 correspondences were received from investors during 2015-16, of which 3 cases were reported as complaints, same have been subsequently replied to the satisfaction of shareholders but are pending due to incomplete documents submission by shareholders.

All the members have attended all the meetings of Stakeholders and Relationship Committee.

#### **NOMINATION AND REMUNERATION COMMITTEE:**

The committee comprises of three Non-Executive Independent Directors, Mr. Ramesh A. Shah, Mr. Rajendra Vaja and Mr. Kirit Vachhani. Mr. Ramesh A. Shah is the Chairman of the Committee.

The terms of reference of the Nomination and Remuneration Committee inter alia consists of:

- Identify persons qualified to become directors or hold senior management positions and advise the Board for such appointments/ removals where necessary.
- Formulate criteria for determining qualifications, positive attributes and independence of director and recommend to the Board a policy relating to the remuneration of directors, Key Managerial Personnel and other employees.
- Evaluate the performance of every director.
- Devise a policy on Board diversity.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

During the year under review the Nomination and Remuneration Committee met 2 times on 07/5/2015, and 31/03/2016 to deliberate on various matters.

All the members have attended all the meetings of Remuneration and Nomination Committee.

#### Remuneration Policy:

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The remuneration policy supports such mobility through pay models that are compliant to local regulations. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the members and are effective July 1, each year.

#### Remuneration of Executive and Non-Executive Directors:

Non-Executive Directors are paid sitting fees for attending the meetings of the Board/ Committee within the limits as prescribed under the Companies Act, 2013. The sitting fees are fixed from time to time by the Board on the recommendations of the Nomination and Remuneration Committee.

#### Remuneration paid to Executive Directors during 2015-16:

Name of Director	Category	Salary (Rs. per annum) (Incl. PF)	Benefits Perquisites and allowances	Sitting Fees	Shareholding at the end of the year (31.03.2016)
Mr. R. N. Doshi Chairman & Managing Director	Executive Director	5333784	186552	Nil	2940200
Mr. Sunil B. Jain	Executive Director	3770277	Nil	Nil	17000
Ms. Khushboo C. Doshi	Executive Director	2704467	Nil	Nil	4867042
Mr. Kishor Doshi	Independent Director	Nil	Nil	Nil	22000
Mr. Ramesh A. Shah	Independent Director	Nil	Nil	3000	-
Mr. Rajendra Vaja	Independent Director	Nil	Nil	6000	-
Mr. Kirit Vachhani	Independent Director	Nil	Nil	12000	7000
<b>Total</b>		<b>11808528</b>	<b>186552</b>	<b>21000</b>	

The Company does not have any Employee Stock Option Scheme at present.



#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

At Rajoo, CSR is all about taking stewardship in balancing economic accomplishment, environmental survival and community progress in the interest of all stakeholders. Sustainability concerns mainly deal with, how we design and manufacture our product lines, engaging suppliers and how we behave in the society where we operate. The CSR Charter and the CSR Policy of the Company is available on our website, <http://www.rajoo.com/csr.html>.

Our CSR Committee comprises of Mr. R. N. Doshi, Chairman and Managing Director, Ms. Khushboo Chandrakant Doshi, Executive Director and Mr. Ramesh A. Shah, Independent Director of the Company. The purpose of the Committee is to formulate and monitor the CSR Policy of the Company. The committee identifies the area of CSR activities, programs and execution of initiatives as per predefined guidelines.

During the year under review the CSR Committee met 4 times on 30/6/2015, 30/9/2015, 31/12/2015, and 31/03/2016 to deliberate on various matters.

All the members have attended all the meetings of Corporate Social Responsibility Committee.

The CSR report for the year ended March 31, 2016 is attached as Annexure I to the Directors' Report.

#### **GENERAL BODY MEETINGS:**

- i. The details of the last three Annual General Meetings are as follows:

Financial Year	Date	Time	Venue
2014-2015	22nd September, 2015	11.00 a.m.	Junagadh Road, Manavadar, District Junagadh.
2013-2014	05th September, 2014	11.00 a.m.	Junagadh Road, Manavadar, District Junagadh.
2012-2013	10th September, 2013	11.00 a.m.	Junagadh Road, Manavadar, District Junagadh.

- i. No Extra-ordinary General Meeting of the Members was held during the year 2015-16.
- ii. During the year under review, no special resolution has been passed through the exercise of postal ballot.
- iii. None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

Details of Special Resolutions passed in the immediately preceding three AGMs:

AGM	Particulars of Special Resolutions passed thereat
28th	<ul style="list-style-type: none"> <li>• Adoption of new Articles of Association of the Company.</li> <li>• Increase in the Remuneration paid to Mr. R. N. Doshi Chairman &amp; Managing Director of the Company.</li> <li>• Increase in the Remuneration paid to Mr. Sunil Jain, Executive Director of the Company.</li> <li>• Increase in the Remuneration paid to Ms. Khushboo Chandrakant Doshi, Executive Director of the Company.</li> </ul>
27th	<ul style="list-style-type: none"> <li>• Increase in the Remuneration paid to Mr. R. N. Doshi Chairman &amp; Managing Director of the Company.</li> <li>• Increase in the Remuneration paid to Mr. Sunil Jain, Executive Director of the Company.</li> <li>• Increase in the Remuneration paid to Ms. Khushboo Chandrakant Doshi, Executive Director of the Company.</li> </ul>
26th	<ul style="list-style-type: none"> <li>• Increase in the Remuneration paid to Mr. R. N. Doshi Chairman &amp; Managing Director of the Company.</li> <li>• Increase in the Remuneration paid to Mr. Sunil Jain, Executive Director of the Company.</li> <li>• Increase in the Remuneration paid to Ms. Khushboo Chandrakant Doshi, Executive Director of the Company.</li> </ul>

#### DISCLOSURE:

##### i. Related Party Transaction

All Related Party Transactions are placed before the Audit Committee. The Board has approved a 'Policy on Related Party Transactions' web link of which forms part of Directors' Report. Since all related party transactions entered into by the Company were in ordinary course of business and were on an arm's length basis, form AOC - 2 is not applicable to the Company.

There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

##### ii. Details of non-compliance

No penalty has been imposed by any stock exchange, SEBI nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital market over the last three years.

##### iii. Whistle Blower Policy

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

##### iv. Policy for determining Material Subsidiaries

The Company has adopted a Policy in line with the requirements of the Listing Regulations. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy on Material Subsidiary is available on the website of the Company: <http://www.rajoo.com/investorszone.html>

v. Certificate from CEO/CFO

The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Part B of Schedule II to the Listing Regulations pertaining to CEO/ CFO certification for the Financial Year ended 31st March, 2016. (Annexure VI)

vii. Auditor's Certificate on Corporate Governance

Auditor's Certificate on Corporate Governance is given in Annexure VII, which forms part of this report.

viii. Details of compliance with mandatory requirements

The Company has complied with all mandatory requirements laid down under the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ix. Means of Communication

The quarterly, half-yearly and annual results of the Company are published in leading newspapers in India which include The Indian Express, The Financial Express and The Economic Times. The results are also displayed on the Company's website "www.rajoo.com". Press Releases made by the Company from time to time are also displayed on the Company's website.

A management discussion and analysis report is a part of the Company's annual report.

**SHAREHOLDER INFORMATION:**

Registered Office : Junagadh Road, Manavadar, District Junagadh - 362630

Plant Location : Rajoo Avenue, Survey No 210, Plot No 1, Industrial Area, Shapar-Veraval, Dist. Rajkot-360 002

**Annual General Meeting:**

The 29th Annual General Meeting (AGM) of the Company will be held on Monday, 26th September, 2016, at 11-00 a.m. at registered office of the Company, Junagadh Road, Manavadar District Junagadh – 362630.

**Financial Year:**

The Company follows April 1 to March 31 as the financial year.

**Commodity price risk or foreign exchange risk and hedging activities:**

During the year, the Company has managed foreign exchange risk and hedged to the extent considered necessary. Net open exposures are reviewed regularly and covered through forward contracts and Packing Credits in Foreign Currency. The details of foreign currency exposure are disclosed in Note No. 35 to the Standalone Financial Statements.

### Listing on Stock Exchanges:

The Company's Equity Shares are presently listed on:

BSE Ltd,  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai-400001

The Company has paid the listing fee to these Stock Exchanges for the year 2015-16.

Stock Code on BSE Ltd. : 522257

Demat International Security Identification Number (ISIN) : INE535F01024  
in NSDL and CDSL for Equity Shares

### Market Price Data:

Market Price Data (Face Value of Re. 1)

Monthly high and low prices of shares of the Company traded at the Bombay Stock Exchange, Mumbai are as under:

Month	2015-16		
	High (Rs.)	Low (Rs.)	Total number of equity shares traded
Apr. 15	17.24	13.88	3372231
May 15	15.72	13.37	2009702
Jun. 15	13.72	13.06	762026
Jul. 15	16.53	14.18	3149468
Aug. 15	19.40	14.00	3816132
Sep. 15	15.07	13.56	706270
Oct. 15	17.23	14.59	1279310
Nov. 15	24.55	15.45	6632320
Dec. 15	24.80	20.30	4509103
Jan. 16	22.95	16.45	2480889
Feb. 16	16.80	13.85	993975
Mar. 16	15.85	14.44	754870

### Share Transfer System:

During the year, the share transfers which were received in physical form and for which documents were valid and complete in all respects, were processed and the share certificates were returned within the prescribed time from the date of receipt.

### DISTRIBUTION OF SHAREHOLDING:

#### i. The Shareholding Pattern as on 31st March, 2016:

Category	No. of Shares	% of Shareholding
Promoters	3,85,67,440	66.46
Institutional Investors:		
Mutual Funds:	3,000	0.01
Non Institutional Investors:		
Body Corporates:	688156	1.19
Individual Shareholders:	17235554	29.69
NRI's / OCBs / Foreign Nationals:	364956	0.63
Hindu Undivided Family:	633092	1.09
Clearing Members:	538552	0.93
<b>Grand Total</b>	<b>58030750</b>	<b>100.00</b>

#### ii. Distribution of Shareholding as on 31st March, 2016:

No. of Equity Share Held (Range)	No. of Share holders	Percentage to Total Shareholders	No. of shares held	Percentage to Total Shares held
0001 - 0500	3894	42.60	962507	1.66
0501 - 1000	2811	30.75	2682666	4.62
1001 - 2000	1080	11.82	1928499	3.32
2001 - 3000	374	4.09	1000335	1.72
3001 - 4000	179	1.96	675018	1.17
4001 - 5000	202	2.21	981900	1.69
5001 - 10000	320	3.50	2519161	4.34
Above 10000	280	3.07	47280664	81.48
<b>Total</b>	<b>9140</b>	<b>100.00</b>	<b>58030750</b>	<b>100.00</b>

**Bifurcation of shares held in physical and demat form as on 31st March, 2016:**

Particulars	No. of Shares	% of Total Issued Cap.
Physical Segment	2810170	4.84%
Demat Segment	-	-
NSDL	48044865	82.80%
CDSL	7175715	12.36%
<b>Total</b>	<b>58030750</b>	<b>100.00%</b>

**Registrar and Transfer Agents:**

Company has appointed Registrar and Transfer Agent. The name and address is as follow:

**Link Intime India Private Limited**  
(formerly Intime Spectrum Registry Limited)

1. C-13, Pannalal Silk Mill compound,  
L.B.S. Marg Bhandup (W)  
Mumbai- 400 078
2. 303, 3rd Floor, Shoppers Plaza V,  
Opp. Municipal Market  
B/h Shoppers Plaza II, Off C G Road,  
Ahmedabad - 380009  
Phone : 079 - 2646 5179  
Email : ahmedabad@linkintime.co.in

**Address for Correspondence:**

Mr. Pravin K. Joshi  
Compliance Officer  
Rajoo Avenue, Survey No. 210, Plot No. 1,  
Industrial Area,  
Veraval (Shapar) Rajkot  
Ph. No.: +91 97129 52701/97129 62704/97129 32706

## ANNEXURE V

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### DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT

I, Rajesh N. Doshi, Chairman and Managing Director of Rajoo Engineers Limited, declare that all the members of the Board of Directors and Senior Management have, for the year ended March 31, 2016 affirmed compliance with the Code of Conduct laid down by the Board of Directors and Senior Management in terms of Regulation 26(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Veraval (Shapar), Rajkot  
Date: 30/05/2016

For and on behalf of the Board of Directors  
Rajoo Engineers Limited

(R. N. DOSHI)  
Chairman & Managing Director  
(DIN: 00026140)



## ANNEXURE VI

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### CEO AND CFO CERTIFICATION

To,  
The Board of Directors  
Rajoo Engineers Limited

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Rajoo Engineers Limited ("the Company"), to the best of our knowledge and belief certify that:

1. We have reviewed financial statements and the cash flow statement of the Company for the year ended 31st March, 2016 and to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any Material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and Regulations.
2. We further state that, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violating the Company's Code of Conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware.

Date: 30/05/2016  
Place: Veraval (Shapar), Rajkot

(R. N. DOSHI)  
Chairman & Managing Director  
(DIN: 00026140)

(J.T. JHALAVADIA)  
Chief Financial Officer

## ANNEXURE VII

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To, The Members of **Rajoo Engineers Limited**

We have examined the compliance of conditions of Corporate Governance by Rajoo Engineers Limited, for the year ended on 31st March 2016, as stipulated in:

- Clause 49 (excluding clause 49 (VII) (E) of the Listing Agreements of the Company with stock exchanges) for the period April 1, 2015 to November 30, 2015.
- Clause 49 (VII) (E) of the Listing Agreements of the Company with stock exchanges for the period April 1, 2015 to September 1, 2015.
- Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) for the period September 2, 2015 to March 31, 2016 and
- Regulations 17 to 27 (excluding regulation 23 (4) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period December 1, 2015 to March 31, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated above. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clause (b) to (i) of Regulation 46 (2), Schedule V and Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, M. N. Manvar & Co.  
Chartered Accountants  
FRN : 106047W

(M. N. Manvar)  
Proprietor  
Membership No.036292

Place: Rajkot  
Date: 30/05/2016

## INDEPENDENT AUDITOR'S REPORT

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To the members of **Rajoo Engineers Limited**

### **Report on the Standalone Financial Statements :**

We have audited the accompanying Standalone Financial Statements of Rajoo Engineers Limited ('the Company') which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the Standalone Financial Statements:**

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 and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and Cash Flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified u/s. 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the 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 accounting policies; making judgement 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.

### **Auditor's Responsibility:**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified u/s.143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls, system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

### **Opinion :**

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, 2016 and its profit and its cash flow for the year ended on that date.

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

1. 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 Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;
  - e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as director in terms of section 164(2) of the Act; and
  - f. with respect to other matters to be included in 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;
    - (i) the Company has disclosed that there are no pending litigations which has an impact on its financial position in its financial statements;
    - (ii) the Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
    - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund.

Date : 30th May, 2016  
Place : Veraval (Shapar), Rajkot

For, M. N. Manvar & Co.,  
Chartered Accountants  
FRN : 106047W

[M. N. Manvar]  
Proprietor  
Membership No.036292

## ANNEXURE-1 TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i)
  - a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
  - c) The title deeds of immovable properties are held in the name of the company.
- (ii)
  - a) Physical verification of inventory has been conducted at reasonable intervals by the management.
  - b) No material discrepancies were noticed.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the company has not grant any loans, made investments, gave guarantees nor provided securities which requires compliance of section 185 and 186 of the Companies Act, 2013.
- (v) The company has not accepted deposits from public.
- (vi) In our opinion and according to the information and explanations given to us, we have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii)
  - a) According to the information and explanations given to us and on the basis of our examination of the books of account, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues with the appropriate authorities have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employee's state insurance.
  - b) According to the information and explanations given to us, there are no disputed dues in respect of income tax or sales tax or service tax or customs duty or excise duty or value added tax or cess.
- (viii) The Company has not defaulted in repayment of loans or borrowing to financial institutions, banks, government or dues debenture holders during the year.

- (ix) According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loan.
- (x) 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 course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, 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 companies Act, 2013.
- (xii) The Company is not a Nidhi Company. Accordingly, clause (xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xiv) According to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with him.
- (xv) According to the information and explanations given to us, the Company is not required to registered under section 45-IA of the Reserve Bank of India Act, 1934.

Date : 30th May, 2016  
Place : Veraval (Shapar), Rajkot

For, M. N. Manvar & Co.,  
Chartered Accountants  
FRN : 106047W

[M. N. Manvar]  
Proprietor  
Membership No.036292

# **BALANCE SHEET AS AT 31st MARCH, 2016**

Sr. No.	Particulars	Note No.	As at 31.03.2016		As at 31.03.2015	
			Rupees	Rupees	Rupees	Rupees
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>					
1.	Share Holders' Fund					
(a)	Share Capital	4	58030750		58030750	
(b)	Reserve & Surplus	5	309917991		281617975	
(c)	Money received against Share Warrants		-	367948741	-	339648725
2.	Share Application money pending allotment			-		-
3.	Non- Current Liabilities					
(a)	Long Term Borrowings	6	1325000		711634	
(b)	Deferred Tax Liabilities (Net)	7	20185278		22665454	
(c)	Long term Liabilities		-		-	
(d)	Long Term Provisions	8	7409310	28919588	4442653	27819741
4.	Current Liabilities					
(a)	Short Term Borrowings	9	67424324		41470225	
(b)	Trade Payables	10	157778629		149012227	
(c)	Other Current Liabilities	11	114066459		120303847	
(d)	Short Term Provisions	12	41816339	381085751	58218183	369004482
	<b>Total</b>			<b>777954080</b>		<b>736472948</b>
<b>II.</b>	<b>ASSETS</b>					
1.	Non- Current Assets					
(a)	Fixed Assets	13				
(i)	Tangible Assets		163903291		173667688	
(ii)	Intangible Assets		18022678		22140203	
(iii)	Capital Work In Progress		64372394		21001681	
(iv)	Intangible assets under development		-	246298363	-	216809572
(b)	Non Current Investment	14	19814200		19814200	
(c)	Long-term loans and advances	15	11143942		2160142	
(d)	Other non-current assets	16	1303096	32261238	1954644	23928986
2.	Current Assets					
(a)	Current Investments	17	10816633		50072571	
(b)	Inventories	18	120411240		156355036	
(c)	Trade Recivables	19	127405303		188348429	
(d)	Cash and Cash equivalents	20	84479813		7658244	
(e)	Short-term loans and advances	21	108312669		92258444	
(f)	Other Current assets	22	47968821	499394479	1041666	495734390
	<b>Total</b>			<b>777954080</b>		<b>736472948</b>

The accompanying Notes to Accounts are an integral part of the financial Statements

1 to 35

As per our report of even date

For and on behalf of the Board

For, M. N. MANVAR & CO.  
Chartered Accountants  
FRN : 106047W

( R. N. Doshi )  
Chairman / Managing Director  
DIN : 00026140

( K. C. Doshi )  
Executive Director  
DIN : 00025581

Date : 30th May, 2016  
Place : Veraval (Shapar), Rajkot

( M. N. MANVAR )  
Proprietor  
Membership No.036292

( J. T. Jhalavadia )  
C.F.O.

( Vijay R. Jadeja )  
Company Secretary  
Mem. No. A31035

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2016**

Sr. No.	Particulars	Note No.	F.Y. 2015-16 (Rupees)	F.Y. 2014-15 (Rupees)
I	Revenue from Operation	23	1068637159	1169333399
II	Other Income	24	1541782	2594074
III	Total Revenue (I + II)		<b>1070178941</b>	<b>1171927473</b>
IV	EXPENDITURE:			
	Cost of Materials consumed	25	696110164	679696581
	Purchase of Stock-In-Trade		14161650	34542475
	Changes in Inventories of Finished Goods , Work in Progress and Stock-in-Trade	26	(13262984)	80736700
	Employee Benefits Expenses	27	98601054	83145648
	Financial Cost	28	4440106	2115384
	Depreciation	13	25571513	28426563
	Other Expenses	29	174482453	185860113
	Total Expenses		<b>1000103956</b>	<b>1094523464</b>
V	Profit before Exceptional and Extraordinary Items & tax (III-IV)		70074985	77404010
VI	Exceptional Items		-	-
VII	Profit before Extraordinary Items & tax (V-VI)		70074985	77404010
VIII	Extraordinary Items		-	-
IX	Profit before Tax (VII-VIII)		70074985	77404010
X	Tax Expenses			
	(1) Current Tax			
	Income Tax		26793985	26960256
	Wealth Tax		-	156327
	(2) Deferred Tax - Liability / (Asset)		(2480176)	(2109061)
XI	Profit for the period from Continuing operations (IX-X)		45761176	52396487
XII	Loss from Discontinuing Operations (after tax)		-	-
XIII	Profit for the Period (XI - XII)		<b>45761176</b>	<b>52396487</b>
XIV	Earning Per Equity Share			
	(1) Basic		0.79	0.90
	(2) Diluted		0.79	0.90

The accompanying Notes to Accounts are  
an integral part of the financial Statements

1 to 35

As per our report of even date

For and on behalf of the Board

For, M. N. MANVAR & CO.  
Chartered Accountants  
FRN : 106047W

( R. N. Doshi )  
Chairman / Managing Director  
DIN : 00026140

( K. C. Doshi )  
Executive Director  
DIN : 00025581

( M. N. MANVAR )  
Proprietor  
Membership No.036292

( J. T. Jhalavadia )  
C.F.O.

( Vijay R. Jadeja )  
Company Secretary  
Mem. No. A31035

Date : 30th May, 2016  
Place : Veraval (Shapar), Rajkot



## CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31st MARCH, 2016

Sr. No.	Particulars	31.03.2016 Rs. in Lacs	31.03.2015 Rs. in Lacs
(A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before taxes	700.75	774.04
	Adjustments for : - Depreciation	255.72	284.27
	- Amalgamation Adjustment	-	-
	- Interest (Net)	36.59	17.60
	- Loss/(Profit) on sale of assets	16.30	(3.79)
	Operating Profit Before Working Capital Change	<b>1009.36</b>	<b>1072.11</b>
	(Increase)/Decrease in Inventory	359.44	782.93
	(Increase)/Decrease in Trade and other receivables	609.43	(895.78)
	(Increase)/Decrease in other Current Asset	(320.58)	110.42
	Increase/(Decrease) in Current Liabilities	327.79	(529.85)
	CASH GENERATED FROM OPERATIONS	<b>1985.44</b>	<b>539.84</b>
	Interest Paid	(36.59)	(17.60)
	Income Tax Paid	(271.17)	(159.55)
	Dividend Paid	(348.70)	(135.79)
	NET CASH FROM OPERATING ACTIVITIES	<b>1328.99</b>	<b>226.91</b>
(B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(622.05)	(484.68)
	Sales of Fixed Assets	55.14	38.79
	(Purchase) / Sale of Investment	-	-
	NET CASH FROM INVESTMENT ACTIVITIES	<b>(566.91)</b>	<b>(445.88)</b>
(C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase/(Decrease) in Share Capital	-	-
	Increase/(Decrease) in Long Term Borrowings	6.13	1.72
	NET CASH FROM FINANCING ACTIVITIES	<b>6.13</b>	<b>1.72</b>
	( A + B + C )	<b>768.22</b>	<b>(217.26)</b>
	Increase/(Decrease) in Cash and Cash Equivalents	<b>(768.22)</b>	<b>217.26</b>
	Cash and Cash Equivalent at the beginning of the year	<b>76.58</b>	<b>293.84</b>
	Cash and Cash Equivalent at the end of the year	<b>844.80</b>	<b>76.58</b>

### Note :-

- The Cash flow statement has been prepared under the indirect method as set in the accounting standard (AS) -3 on cash flow statement issued by the Institute of Chartered Accountants of India.

The accompanying Notes to Accounts are  
an integral part of the financial Statements

1 to 35

As per our report of even date

Date : 30th May, 2016  
Place : Veraval (Shapar), Rajkot

For, M. N. MANVAR & CO.  
Chartered Accountants  
FRN : 106047W

( M. N. MANVAR )  
Proprietor  
Membership No.036292

For and on behalf of the Board

( R. N. Doshi )  
Chairman / Managing Director  
DIN : 00026140

( J. T. Jhalavadia )  
C.F.O.

( K. C. Doshi )  
Executive Director  
DIN : 00025581

( Vijay R. Jadeja )  
Company Secretary  
Mem. No. A31035

## NOTES TO ACCOUNTS

F.Y. 2015-16

### 1. Corporate Information

Rajoo Engineers Ltd. (The Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's shares are listed on Bombay stock exchange in India. The company is mainly engaged in the manufacturing and selling a reputed brand of Plastic Processing Machineries and Post Extrusion Equipments. The company caters to both domestic and international markets.

### 2. Basis of Preparations of Financial Statements

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in Indian (Indian GAAP). GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and guidelines issued by the Securities and Exchange Board of India (SEBI).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on an accrual basis and under the historical cost convention.

### 3. The Method of Accounting, Significant Accounting Policies and Compliance with various Applicable Accounting Standards are displayed below:-

#### 3.01 Disclosure of Accounting Policies:

##### (i) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring adjustment to carrying amounts of assets or liabilities in future periods. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

#### 3.02 Inventories:

Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other cost including manufacturing overheads incurred in bringing them to their respective present condition and location. Cost of Raw Material including components, Testing Materials, Scrap and consumable stores are determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### 3.03 Depreciation:

Depreciation on tangible assets and intangible assets is provided on the straight line method over the useful lives of assets prescribed under Part C of Schedule II of the Companies Act, 2013.

#### 3.04 Revenue Recognition:

In appropriate circumstances, Revenue income is recognized when no significant uncertainty as to determination or realization exists. Interest income is recognized on a time proportion basis taking into account the amount outstanding and rate applicable.

#### 3.05 Fixed Assets:

Tangible fixed assets are stated at cost net of recoverable taxes less accumulated depreciation.

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciation.

#### 3.06 Foreign Currency Transactions:

- (i) Transactions dominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction or that approximates the actual rate at the date of the transaction.
- (ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contracts.
- (iii) In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transactions. Branch monetary assets and liabilities are restated at the year end rates.
- (iv) Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the profit or loss account.

#### 3.07 Retirement Benefit:

- i) **Provident fund:**  
Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.
- ii) **Gratuity:**  
The company has established the employees Group Gratuity-Cum-Life Assurance Scheme with Life Insurance Corporation of India through employees trust. The cost of providing benefit under the scheme are determined on the basis of actuarial valuation at each year end and contribution for the year is charged to the statement of profit and loss for the year.
- iii) **Leave Encashment:**  
The company measures the expected cost that it expects to pay as a result of unused entitlement that has accumulated at the reporting date and the earned leave amount for the current reporting period is charged to the statement of profit and loss for the year. The company presents the entire leave as current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

#### 3.08 Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of assets are capitalized as part of cost of such assets. All other borrowing costs are charged to revenue.

### 3.09 Related Parties Disclosures:

As required by Accounting Standard (AS) – 18 “Related Party Disclosures” is made as under:

- (i) List of related parties where control exists and related parties with whom transactions have taken place and relationship. Names of the related party and description of relationship with whom there were transactions during the year.

Sr. no.	Name	Relationship
1	Shri Rajesh N. Doshi	Key Management Personnel
2	Shri Sunil Jain	
3	Ms. Khushboo C. Doshi	
4	Mr. J. T. Zalawadia	
5	Mr. Vijay Jadeja	
6	Rajoo Bausano Extrusion Pvt. Ltd.	Associate Concern

- (ii) Transactions during the year with related parties :-

Sr. no.	Nature of Transaction	Associate Concerns		Key Managerial Personnel	
		2015-16	2014-15	2015-16	2014-15
1	Sales & Other Income	846.82	281.47	-	-
2	Purchase & Other Services	-	-	-	-
3	Rent Paid	-	-	-	-
4	Salary & Remuneration	-	-	107.85	99.12
5	Purchase of Fixed Assets	-	-	-	-
6	Sale of Fixed Assets	-	-	-	-
7	Investment in Equity	-	-	-	-
8	Selling Commission	-	-	-	-
9	Others	140.04	104.92	-	-
10	(Receivable)/Payable Net	(470.26)	(0.76)	-	-

### 3.10 Lease:

During the year, Land and Building of Unit – V, Fabrication Division of the Company at Veraval (Shapar), Rajkot is Leased to M/s. Shruti Engineer for a monthly rent of Rs. 37500/-.

### 3.11 Provision for Current and Deferred Tax:

Provision for Current tax is based on the assessable income under the provisions of the Income-tax Act, 1961.

Deferred tax is recognized on timing difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods. Deferred tax resulting from "timing differences" is accounted for using tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets is recognized and carried forward only to the extent that there is a reasonable / virtual certainty that the asset will be realized in future.

### 3.12 Impairment of Assets:

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

### 3.13 Provisions, Contingent Liabilities and Contingent Assets:

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are not recognized but are disclosed as under.

Contingent assets are neither recognized nor disclosed in the Financial Statements.

Sr. No.	Particulars	Amount as at 31.03.2016	Amount as at 31.03.2015
(i)	<b>Contingent Liability</b>		
	A. Claim against the company / disputed liabilities not acknowledged as debt	NIL	NIL
	<b>B. Guarantees</b>		
	I. Guarantees to Bank and Financial Institution against Credit Facilities extended to third parties and other Guarantees	NIL	NIL
	II. Performance Guarantees	NIL	NIL
	III. Outstanding Guarantees furnished to Bank or financial institution including in respect of Letter of Credit	NIL	NIL
	C. Other Money for which the company is contingent liable	NIL	NIL
(ii)	<b>Commitment</b>		
	A. Estimated amount of contract remaining to be executed on capital account and not provided for	NIL	NIL
	B. Other Commitment	NIL	NIL

### 3.14 Segment Reporting:

As the company's business activity falls within a single business segment viz. Plastic Processing Machineries and post extrusion equipments, the disclosure requirements of Accounting standard (AS) 17 "Segment reporting" issued by the Institute of Chartered Accountants of India is not applicable.

3.15 In Respect of Jointly Controlled Entities, the Company's share of Assets, Liabilities, income and expenditure of the joint venture companies are as follows

**Details of Jointly Controlled Entities**

Sr. No.	Name of Jointly Controlled Entity	No of Shares held	% of Holding in Jointly Controlled Entity
1	Rajoo Bausano Extrusion Pvt. Ltd.	1960000	49%

**Statement of Company's share of Assets, Liabilities, income and expenditure of the joint venture companies**

Sr. No.	Particulars	As at 31-03-2016	As at 31-03-2015
1	<b>Assets</b>		
	Fixed Assets	1719488	338056
	Non Current Investments	--	--
	Non Current Assets	804591	353858
	Current Investments	4732371	2722407
	Current Assets	105391346	32469745
2.	<b>Liabilities</b>		
	Long Term Borrowings	311270	166230
	Non - Current Liabilities and Provisions	--	--
	Short Term Borrowings	--	--
	Current Liabilities and Provisions	77301612	35884067
3	<b>Income</b>	86322407	36289006
4	<b>Expenses</b>	72890860	34812979

## NOTE - 4: SHARE CAPITAL

Sr. No.	Particulars	31.03.2016 Rupees	31.03.2015 Rupees
a)	Authorised Share Capital 7,70,00,000 Equity shares of Rs.1/- each	77000000	77000000
b)	Issued, Subscribed & Paid up Capital 5,80,30,750 Equity shares of Re.1 Each Fully paid up	58030750	58030750
		<b>58030750</b>	<b>58030750</b>

c) Par value of Equity Share 1/- 1/-

d) Reconciliation of Number of shares

Particulars	31.03.2016 Equity Shares		31.03.2015 Equity Shares	
	No. of Shares	Amt. Rs.	No. of Shares	Amt. Rs.
Shares outstanding at the beginning of the year	58030750	58030750	58030750	58030750
Add : Shares Issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	58030750	58030750	58030750	58030750

e) Details of more than 5% of total shares, held by each shareholder

Sr. No.	Particulars	As at 31.03.2016		As at 31.03.2015	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Devyani Chandrakant Doshi	5862560	10.10%	5862560	10.10%
2	Khushboo Chandrakant Doshi	4867042	8.39%	4867042	8.39%
3	Pallav Kishorbhai Doshi	4826609	8.32%	4826609	8.32%
4	Rita Rajesh Doshi	4513440	7.78%	4513440	7.78%
5	Nita Kishorbhai Doshi	3884600	6.69%	3884600	6.69%
6	Kruti Rajeshbhai Doshi	3144132	5.42%	3144132	5.42%
7	Rajesh Nanalal Doshi	2940200	5.07%	2940200	5.07%

Continue >>>

- f) Shares allotted, as fully paid up pursuant to contracts without payment being received in cash / by way of bonus shares and shares bought back during the preceding five years

Particulars	Year (Aggregate No. of Shares)				
	2015-16	2014-15	2013-14	2012-13	2011-12
Equity Shares :					
Fully paid up pursuant to contract (s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL



## NOTE - 5: RESERVES & SURPLUS

Sr. No.	Particulars	31.03.2016 Rupees	31.03.2015 Rupees
I.	<b>Reserves :</b>		
	<b>i) General Reserve</b>		
	Opening Balance	38537443	35037443
	Add : Transferred from Profit and Loss Account	<u>-</u>	<u>3500000</u>
		38537443	38537443
	<b>ii) Securities Premium</b>		
	Opening Balance	55489163	55489163
	Add : Addition during the year	<u>-</u>	<u>-</u>
		55489163	55489163
	<b>iii) Capital Reserve</b>		
	Opening Balance	2625456	2625456
	Add : On Amalgamation	<u>-</u>	<u>-</u>
		2625456	2625456
	<b>Total - I</b>	<u><b>96652062</b></u>	<u><b>96652062</b></u>
II.	<b>Surplus :</b>		
	<b>i) Consolidated Profit and Loss Account Balance</b>		
	Opening Balance	184965913	155531325
	Add : Profit (Loss) During the year	<u>45761176</u>	<u>52396487</u>
	Total Profit available for appropriation	<u><b>230727089</b></u>	<u><b>207927812</b></u>
	<b>Appropriations</b>		
	Less : Proposed Dividend	14507688	14507688
	Less : Dividend Tax	2953472	2900696
	Less : General Reserve	-	3500000
	Less : Depreciation Adjustment	<u>-</u>	<u>2053515</u>
		17461160	22961899
		<u><b>213265929</b></u>	<u><b>184965913</b></u>
	<b>Total - I + II</b>	<u><b>309917991</b></u>	<u><b>281617975</b></u>

**NOTE - 6: LONG TERM BORROWINGS**

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>UNSECURED</b>		
<b>(a) Deposits</b>		
- Employees Security Deposit	1325000	711634
	<u><b>1325000</b></u>	<u><b>711634</b></u>

**NOTE - 7: DEFERRED TAX LIABILITIES**

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
Opening Balance	22665454	24774515
Add : On Amalgamation	-	-
Add : Current Year	(2480176)	(2109061)
	<u><b>20185278</b></u>	<u><b>22665454</b></u>

**NOTE - 8: LONG TERM PROVISIONS**

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>Provision for Employee Benefit</b>		
- Leave Encashment	7409310	4442653
	<u><b>7409310</b></u>	<u><b>4442653</b></u>

## NOTE - 9: SHORT TERM BORROWINGS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>SECURED</b>		
<b>(a) Loans repayable on demand</b>		
- From Axis Bank Limited, Rajkot		
- Cash Credit	67424323	41470225
( Secured against exclusive charge over entire current Assets by way of hypothecation and collateral securities of equitable mortgage of Factory Land & Building at Manavadar and Veraval (Shapar), Rajkot.)		
	<u>67424323</u>	<u>41470225</u>

## NOTE - 10: TRADE PAYABLES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>Trade Payables for</b>		
- Goods	148908630	136607383
- Expenses	5238621	9420313
- Labour Job	3631378	2984531
	<u>157778629</u>	<u>149012227</u>

## NOTE - 11: OTHER CURRENT LIABILITIES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>Other payables</b>		
- Credit balance in current account with Axis Bank Limited	-	1783136
- Sundry Creditor for Capital Goods	4094926	5857217
- Advance Received against Orders	108543223	107790515
- Service Tax Payable	111722	97035
- Sales Tax Payable	-	3286469
- T.D.S. Payable	1181948	1420675
- Professional Tax Payable	134640	68800
	<u>114066459</u>	<u>120303847</u>

## NOTE - 12: SHORT TERM PROVISIONS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>(a) Provisions for employee benefits</b>		
- Salaries	7221461	5902999
- Bonus to Staff	1266568	1242394
- Provident Fund	647353	519149
- Gratuity	-	3443443
<b>(b) Other provisions</b>		
- Audit Fees	128250	128250
- Royalty on Sales	406774	1210905
- Selling Commission	2599539	-
- Telephone Expenses	1190	8376
- Other Expenses	2620010	838774
- Clearing & Forwarding Expenses	131209	398926
- Income Tax	26793985	26960256
- Wealth Tax	-	156327
- Dividend	-	14507688
- Dividend Tax	-	2900696
	<u>41816339</u>	<u>58218183</u>

## NOTE - 13: FIXED ASSETS (TANGIBLE ASSETS)

[Rupees]

Sr. No.	Description	<----- GROSS BLOCK ----->				<----- DEPRECIATION BLOCK ----->					NET BLOCK AS ON 31.03.2016
		Opening Balance as on 01.04.15	Addition	Ded.	Closing Balance as on 31.03.2016	Opening Balance as on 01.04.15	Depre. Adjust.	Addition	Ded.	Closing Balance as on 31.03.2016	
1	Land										
	Land - Manavadar	162687			162687	-				-	162687
	Land - Rajkot	2490264			2490264	-				-	2490264
	Land - Unit - V	242205			242205	-				-	242205
	Land - Unit - VI	223915			223915	-				-	223915
	Land - Unit - VII	285115			285115	-				-	285115
2	Site Development	457899			457899	185230		27958		213188	244710
3	Approach Road	1952949			1952949	922830		466234		1389064	563885
4	Buildings										
	Admn. Office Building - Manavadar	70000			70000	36027		7595		43622	26378
	Admn. Office Building - Rajkot	9684649			9684649	1884838		399152		2283990	7400659
	Factory Building - Manavadar	834157			834157	648702		18415		667117	167040
	Factory Building - Rajkot	37494780	1771137		39265917	12307990		1214124		13522114	25743803
	Factory Building - Unit- V	4119741			4119741	856738		128878		985616	3134125
	Factory Building - Unit- VI	4698326			4698326	952860		148262		1101122	3597204
	Factory Building - Unit- VII	5801623			5801623	1591071		183385		1774456	4027167
	Land-Scaping	7867473			7867473	1560279		246409		1806688	6060785
	Office Building (Bangalore)	3447040			3447040	400685		119750		520435	2926605
	Office Building (New Delhi)	2024249			2024249	374387		77432		451819	1572430
	Office Building Samaan-II, Ahmedabad	1905533			1905533	286674		69254		355928	1549605
	Resi. Houses (Ashray)	3436794			3436794	224644		112604		337248	3099546
	Resi.Flat at Vapi	337125		337125	-	80069		-	80069	0	(0)
5	Plant & Machineries										
	Furnace - Unit - V	363786		363786	-	181129		-	181129	-	-
	Imported Machineries	40773489			40773489	18947589		2159855		21107444	19666045
	Imported Machineries - Unit - VII	3770707			3770707	2113484		367172		2480656	1290051
	Indigeneous Machineries	76365514	5186989	6688461	74864042	29262445		4559469	2591532	31230382	43633660
	Indigeneous Machineries - Unit - V	3853004		3853004	0	1632603		-	1632603	-	0
	Indigeneous Machineries - Unit - VI	2026454			2026454	707614		160219		867833	1158621
	Indigeneous Machineries - Unit - VII	3115606			3115606	1466413		307483		1773896	1341710
	Laboratory Equipment	1017425	414620		1432045	868614		61214		929828	502217
	Misc. Fixed Asset	579822			579822	556757		2262		559019	20803

	Technical Know How	3771679		3771679	1948163	237352	2185515	1586164
	Tools, Jigs & Moulds	295363	24600	319963	295363	1906	297269	22694
	Tools, Jigs & Moulds - Unit - V	288338		288338	-	117541	-	-
	Tools, Jigs & Moulds - Unit - VI	86462		86462	65035	7473	72508	13954
	Tools, Jigs & Moulds - Unit - VII	883324		883324	489922	90327	580249	303075
6	Furniture & Fixtures							
	Administrative Office - Manavadar	269385		269385	221869	24234	246103	23282
	Administrative Office - Rajkot	2470961	3346759	5817720	2037985	421456	2459441	3358279
	Factory Furniture - Rajkot	3681111		3681111	2865908	206256	3072164	608947
	Office Furniture - Unit - V	548707		548707	214077	63423	277500	271207
	Office Furniture - Unit - VI	369795		369795	207203	58219	265422	104373
	Office Furniture - Unit - VII	393945		393945	330506	14380	344886	49059
	Office Furniture-Samaan II, Ahmedabad	21200		21200	6328	2302	8630	12570
	Office Furniture-Bangalore	403560		403560	284838	49271	334109	69451
	Office Furniture-Delhi	644873		644873	612627	-	612627	32246
	Office Furniture-Hyderabad	69823		69823	25789	8109	33898	35925
	Office Furniture-Chennai	39045		39045	3709	3709	7418	31627
	Residential Furniture Vapi	4000	4000	-	2911	-	2911	-
	Work Shop	297526		297526	297526	-	297526	-
7	Office Equipment							
	Office Equipment - Rajkot	13675741	4344959	18020700	8029146	2405689	10434835	7585865
	Office Equipment - Unit - V	202887	202887	-	184180	-	184180	-
	Office Equipment - Unit - VI	79590		79590	75611	-	75611	3979
	Office Equipment - Unit - VII	236143		236143	222283	1027	223310	12833
8	Computer							
	Ahmedabad Office	288903		288903	288903	-	288903	-
	Bangalore Office	82800		82800	82800	-	82800	-
	Delhi Office	77110		77110	77110	-	77110	-
	Veraval Works	32424916	2659393	25250	35059059	3169078	24558	35059059
	Veraval Works - Unit - V	436623	436623	-	414793	-	414793	-
	Veraval Works - Unit - VI	132360		132360	132360	-	132360	-
	Veraval Works - Unit - VII	413907		413907	413907	-	413907	-
	Website	281000		281000	281000	-	281000	-
9	Fire Fighting Equipment	74934		74934	66190	8744	74934	-

10	Vehicles									
	Vehicles - Rajkot	24127107	817975	332719	24612363	5653938	2939963	158517	8435384	16176979
	Vehicles - Unit - VI	18551			18551	7753	2467		10220	8331
	Vehicles - Manavadar	646869			646869	498156	116369		614525	32344
11	Electrification									
	Electrification - Unit - V	645356			645356	349792	56450		406242	239114
	Electrification - Unit - VI	434913			434913	223413	88189		311602	123311
	Electrification - Unit - VII	635320			635320	536506	17285		553791	81529
	Factory	5665231	267520		5932751	3824828	460342		4285170	1647581
	Office	1009261			1009261	509311	162842		672153	337108
	Resi. Flat Vapi	4555			4555	4327	-		4327	228
	a) Current Year Rs.	315535506	18833952	12532193	321837264	141867818	-	21453988	5387833	157933973
	b) Previous Year Rs.	294103668	27465862	6034024	315535506	118039209	-	26362552	2533943	141867818

## NOTE - 13: FIXED ASSETS (INTANGIBLE ASSETS)

[Rupees]

Sr. No.	Description	<----- GROSS BLOCK ----->				<----- DEPRECIATION BLOCK ----->					NET BLOCK AS ON 31.03.2016
		Opening Balance as on 01.04.15	Addition	Ded.	Closing Balance as on 31.03.2016	Opening Balance as on 01.04.15	Depreciation Adjustment	Addition	Ded.	Closing Balance as on 31.03.2016	
1	Goodwill, Trade Mark & Patents	36143000	-	-	36143000	18028600	-	3614300	-	21642900	14500100
2	Goodwill on Merger	5661285	-	-	5661285	1635482	-	503225	-	2138707	3522578
	a) Current Year Rs.	41804285	-	-	41804285	19664082	-	4117525	-	23781607	18022678
	b) Previous Year Rs.	41804285	-	-	41804285	15546557	-	4117525	-	19664082	22140203

## NOTE - 14: NON-CURRENT INVESTMENTS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>TRADE INVESTMENT</b>		
(a) Investment in Equity Instrument		
- Joint Venture, Fully paid-up		
1960000 Rajoo Bausano Extrusion Pvt. Ltd. of Rs. 10 each		
Fully paid-up	19600000	19600000
<b>OTHER NON-CURRENT INVESTMENT</b>		
(a) Investment in Equity Instrument		
- Quoted Shares, fully paid-up		
235 Windsor Machines Limited of Rs. 2 each.	17750	17750
800 Kabra Extrusion Technic Limited of Rs. 5 each.	8950	8950
[Approximately total market value of quoted shares is Rs. 74,865/- (Previous year Rs. 62,307/-)]		
- Unquoted Shares, fully paid-up		
2500 BPL Engineering Limited of Rs. 10 each.	187500	187500
	<b>19814200</b>	<b>19814200</b>



## NOTE - 15: LONG TERM LOANS & ADVANCES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
(a) Capital Advances	8913853	-
(b) Security Deposits (Unsecured, considered good)		
- Utility Service Deposit	1452864	1844864
- Gas Cylinder Deposit	180675	61325
- Sales Tax Deposit	25000	25000
- Other Deposit	405000	62403
- Ahmedabad Office Maintenance Deposit	71550	71550
- Ashray Home Owners Maintenance Deposit	95000	95000
	<u>11143942</u>	<u>2160142</u>

## NOTE - 16: OTHER NON-CURRENT ASSETS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
(a) Unamortised Expenses		
Merger Expenses	1954644	2606192
Add: Addition during the year	-	-
	<u>1954644</u>	<u>2606192</u>
Less: Amortized during the year	651548	651548
	<u>1303096</u>	<u>1954644</u>
	<u>1303096</u>	<u>1954644</u>

## NOTE - 17: CURRENT INVESTMENTS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
(a) Investment in Mutual Funds		
10775.371 Units (Previous Year 32278.508) Axis Treasury Advantage Fund	10816633	50072571
- Daily Dividend Plan		
	<u>10816633</u>	<u>50072571</u>

#### NOTE - 18: INVENTORIES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
(1) Raw Materials & Components		
Indigenous	50763028	93537780
Imported	6765972	10863000
(2) Testing Materials	1500000	2345000
(3) Consumable Stores	2200000	3127000
(4) Scrap	1000000	1563000
(5) Stock in Process	47382240	24119256
(6) Finished Goods	10800000	20800000
	<u>120411240</u>	<u>156355036</u>

#### NOTE - 19: TRADE RECEIVABLES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
Unsecured considered good		
- Other	78571510	172274978
- Outstanding exceeding Six Months	48833792	16073451
	<u>127405303</u>	<u>188348429</u>

#### NOTE - 20: CASH & CASH EQUIVALENTS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
(a) Balance with banks		
- in current accounts	77849849	5114464
(b) Cash on hand	3194114	2403780
(b) Other bank balances		
- Margin Money Deposit	3435850	140000
	<u>84479813</u>	<u>7658244</u>

## NOTE - 21: SHORT TERM LOANS & ADVANCES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
(a) Receivables from Revenue Authority (Unsecured, considered good)		
- Income Tax Authority	30148545	30886520
- Sales Tax Authority		
VAT Receivable - Veraval (Shapar) Unit	8605755	10466161
VAT Receivable - Manavadar Unit	2297292	2297292
VAT Receivable - Nashik	167406	3067523
- Excise Authority		
Excise Duty Receivable	5884792	9655658
- Service Tax Authority		
Service Tax Receivable	5930665	4501028
- Export Incentives Receivable	12542787	10565638
- Prepaid Custom Duty	-	364376
(b) Other advances recoverable in cash or kind (Unsecured, considered good)		
- Interest Receivable	245037	80116
- Prepaid Insurance / Expenses	7318694	716190
- Advance to Suppliers	35171697	19657942
	<b>108312669</b>	<b>92258444</b>

## NOTE - 22: OTHER CURRENT ASSETS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
- Advance to Employees	18000	2723
- Loan to Employees	818620	631870
- Other Advances	47132201	407073
	<b>47968821</b>	<b>1041666</b>

## NOTE - 23: REVENUE FROM OPERATIONS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
1. Sale of Products - Domestic	684286522	914476530
- Export	422118042	291754761
2. Sale of Services - Domestic	11829028	5608102
- Export	944630	1235040
3. Sale of Trading Goods - Export	20995070	36978227
4. Other operating Revenue	1140173292	1250052660
- Jobwork Income	260150	231518
- Deposit Forefeited	987883	196369
- Net Foreign Exchange Difference	590192	2648036
- Net gain from expenses recovered	1609371	827927
- Export Incentives	10311169	11758056
	1153932057	1265714566
Less:- Excise Duty & Service Tax	85294898	96381167
	<b>1068637159</b>	<b>1169333399</b>

## NOTE - 24: OTHER INCOME

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
- Interest Income		
- From Bank	780880	355796
- Net Gain / (Loss) on sale of Fixed Assets	(1630235)	379137
- Miscellaneous Credits	298159	692554
- Dividend Received	1642978	1166587
- Rent Income	450000	-
	<b>1541782</b>	<b>2594074</b>

## NOTE - 25: COST OF MATERIALS AND COMPONENTS CONSUMED

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>I. Indigeneous Raw Material and Components Consumed</b>		
Opening Stock		
1. Raw material & components	93537780	89655617
2. Testing Material	2345000	3896203
3. Consumable Stores	3127000	4752642
4. Scrap	1563000	1949923
	<b>100572780</b>	<b>100254384</b>
Add : Purchases	559780071	580845635
Less : Closing Stock		
1. Raw material & components	50763028	93537780
2. Testing Material	1500000	2345000
3. Consumable Stores	2200000	3127000
4. Scrap	1000000	1563000
	<b>55463028</b>	<b>100572780</b>
<b>TOTAL - (I)</b>	<b>604889824</b>	<b>580527240</b>
<b>II. Imported Raw Material Consumed</b>		
Opening Stock	10863000	8738185
Add : Purchases (including Customs duty)	87123312	101294156
Less : Closing Stock	6765972	10863000
	<b>91220340</b>	<b>99169341</b>
<b>TOTAL - (II)</b>	<b>91220340</b>	<b>99169341</b>
<b>TOTAL - (I + II)</b>	<b>696110164</b>	<b>679696581</b>

**NOTE - 26: CHANGES IN INVENTORIES OF FINISHED GOODS WORK IN PROGRESS AND STOCK-IN-TRADE**

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>I. Finished Goods :</b>		
Opening Stock	20800000	1800000
Less : Closing Stock	10800000	20800000
(Increase)/Decrease	<u>10000000</u>	<u>(19000000)</u>
<b>II. Stock In Process :</b>		
Opening Stock	24119256	123855956
Less : Closing Stock	47382240	24119256
(Increase)/Decrease	<u>(23262984)</u>	<u>99736700</u>
<b>Changes in Inventories</b>	<u><u>(13262984)</u></u>	<u><u>80736700</u></u>

**NOTE - 27 : EMPLOYEE BENEFITS EXPENSES**

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
Director Remuneration	11203530	8709651
Perquisites to Directors	186552	121749
Sitting Fees	21000	30000
Salary & Wages Expenses (Incl. Sales-Service Staff)	63893921	52463206
Salary (O.T.) Expenses	4417570	4651501
Salary Stipend (Trainee)	2453397	1299622
Bonus to Employees	1266568	3354919
Providend Fund Contribution	3821117	3025895
Gratuity	1938844	3443443
Leave Encashment	4197118	1708419
Staff Welfare	2533155	2004174
Staff Medical Aid	93320	93513
Canteen Expenses	2289981	2134849
Training & Seminar Expenses	284681	104707
<b>Total</b>	<u><u>98601054</u></u>	<u><u>83145648</u></u>

## NOTE - 28: FINANCIAL COST

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
Interest Expenses Paid		
- For Bank	634841	864859
- For Others	<u>2552914</u>	<u>218825</u>
Bank Commission / Charges	1758492	1045270
(Gain) / Loss on Foreign Currency Transaction	<u>(506141)</u>	<u>(13570)</u>
	<b><u>4440106</u></b>	<b><u>2115384</u></b>

## NOTE - 29 : OTHER EXPENSES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>I. Manufacturing Expenses</b>		
Clearing & Forwarding Charges - Imports	3452026	4306886
Conveyance Charges	217245	175473
CST on Purchases	2701750	2667959
Excise stuffing, Inspection Fees	62403	101030
Electrical Repair & Other Expenses	142219	43405
Electricity Consumption HT	9846954	9102108
Factory Building Repairs & Maintenance	949763	2064582
Factory Misc. Expenses	824865	986324
Fuel for Generator	356516	405170
Goods Packing Material Expenses	8012755	7271730
Hotel Charges	127972	74560
Inward Freight	4479196	5311906
ISO Certification & Consultancy Charges	126500	55200
Jobwork Charges	30561568	43112914
Labour Charges	20970276	19444751

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Licence Fees	41899	-
Outward Freight (Manufacturing)	552868	702159
Plant & Machinery Repairing & Maintenance Exp.	858585	434419
Technical Consultancy Fees	1693899	779001
Travelling Expenses - Domestic	350166	306099
Material & Sample Testing Expenses	57840	118127
Travelling Expenses - Foreign	85955	176169
Machine Spares Rejection Charges	299219	-
	<b>86772439</b>	<b>97639972</b>

**Total - I**

**II. Personnel Expenses**

Advertisement Expenses - Recruitment	3213	-
Consultancy and Contractors expenses	3810450	4030665
Conveyance Expenses - Recruitment	180065	24315
Recruitment Expenses	28952	23500
Security Service Charges	1425771	1576704

**Total - II**

**5448451** **5655184**

**III. Administrative Expenses**

Advertisement Expenses	556759	397814
Books & Periodicals	9153	7190
CSR Expenses (Charity & Donation)	1352536	1333079
Computer Maintenance & Other Expenses	541819	676633
Demat Share Expenses	58900	43466
Donation	1390786	-
Garden Maintenance Expenses	657782	596515
Hotel Charges	23385	7893
House Keeping Expenses	836948	932472
Income Tax Expenses	1097635	86020
Insurance	954940	655948
Legal & Professional Fees	1959754	1857067
Listing Fees	200000	108309
Membership & Subscription Expenses	202500	172408
Merger Expenses Written off	651548	651548



Motor Car Expenses - Petrol / Diesel	1418986	1507122
Motor Car - Repair & Maintenance	1473058	871041
Office Building Repair & Maintenance	25911	5642
Office Equipment Repair & Maintenance	252975	896684
Office Furniture Repair & Maintenance	42650	124191
Office Misc. Expenses	20770	16228
Payment to Auditors	177000	184250
Postage & Angadia - Administrative	298536	473600
Printing & Stationery	1194256	1315155
Registration & Filing Fees	19490	114006
Rate Difference	90367	-
Rent-Rate-Taxes	760647	302824
Sales Tax Paid	62800	192450
Scooter Petrol Expenses	6500	6545
Scooter Repair & Maintenance	3000	2601
Software - AMC Expenses	1078179	2583717
Swachh Bharat Cess	66444	-
Telephone Expenses	852821	679675
Travelling Administrative - Domestic	22465	98663
Travelling Administrative - Foreign	359937	13988
Water Supply & Other Expenses	728635	704978
<b>Total - III</b>	<b>19449872</b>	<b>17619722</b>

#### IV. Selling & Services Expenses

Advertisement Expenses - Overseas	125200	391430
Advertisement Expenses - Sales & Service	1934448	2094646
Ahmedabad (CSO) Office Expenses	7763625	6798630
Bad Debts Written Off	10056800	5844509
Bangalore Office Expenses	1965440	1410089
Business Meeting Expenses	385083	185556
Clearing & Forwarding Charges - Export	1572797	971103
Delhi Office Expenses	4121870	3930854
Exhibition & Display Expenditure - Domestic	4351278	17224484

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Exhibition & Display Expenditure - Overseas	9177689	8506294
Hotel Charges - Sales & Service	98580	390825
Internet & leased line Expenses	289447	413413
Kolkata Office Expenses	698261	-
Hydrabad Office Expenses	545435	371172
Outward Freight - Sales & Service	349491	557141
Postage & Angadia Charges - International	67367	46866
Royalty Expense	1129634	6290423
Sales Promotion Expenses	171960	459554
Selling Commission - Domestic	2440853	1482285
Selling Commission - Overseas	9451481	2405392
Excise on FOC Sales	113188	102799
Sharjah Office Expenses	-	46351
Travelling - Business Prospectus	271615	691712
Travelling - Sales - Domestic	242251	524075
Travelling - Sales - Foreign	1151743	719244
Travelling - Service - Domestic	1563855	1172569
Travelling - Service - Foreign	2300309	1409167
Web site Development & Maintenance Expenses	471992	504652
	<u>62811691</u>	<u>64945235</u>
<b>Total = IV</b>	<u><b>174482453</b></u>	<u><b>185860113</b></u>
<b>Total = (I+II+III+IV)</b>		

#### NOTE - 30: PAYMENT TO AUDITORS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
a. For Taxation Matter	32000	41750
b. For Company Law Matter	<u>145000</u>	<u>142500</u>
	<b>177000</b>	<b>184250</b>

**NOTE - 31: VALUE OF IMPORTS CALCULATED ON C.I.F. BASIS**

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
a. Raw Material, Components and Spare Parts	79640013	99354206

**NOTE - 32: EXPENDITURE IN FOREIGN CURRENCY**

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
a. Royalty	1129634	6290423
b. Professional Fees	1693899	779001
c. Other	103102512	112640812

**NOTE - 33: EARNINGS IN FOREIGN EXCHANGE**

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
a. Export of Goods Calculated on F.O.B. Basis	354654645	253621277
b. Service Charges	944631	1235040

**NOTE - 34: TRADE PAYABLE INCLUDES**

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
a. Small Scale Industries	23151821	31171355
b. Others	134626808	117840872
	<b>157778629</b>	<b>149012227</b>

**NOTE - 35: QUANTITATIVE INFORMATION IN RESPECT OF OPENING STOCK, PURCHASE, SALES, AND CLOSING STOCK**

Particulars			No.	31.03.2016 Rupees	No.	31.03.2015 Rupees
<b>A. Opening Stock</b>						
1. Raw material & components						
Indigeneous				93537780		89655617
Imported				10863000		8738185
2. Testing Material				2345000		3896203
3. Consumable Stores				3127000		4752642
4. Scrap				1563000		1949923
5. Stock in Process				24119256		123855956
6. Finished Goods				20800000		1800000
				<b>156355036</b>		<b>234648525</b>
<b>B. Purchases</b>						
1. Raw-Material & components						
Imported				87123312		101294156
Indigineous				559780071		580845635
2. Trading Purchase Finished Goods						
Imported				14161650		34542475
				<b>661065034</b>		<b>716682266</b>
<b>C. Sale by Class of Goods</b>						
1. Thermoplastic	Domestic	75		335388902	76	421244876
Extrusion Plants	Export	32		346915033	28	250137552
2. Post Extrusion	Domestic	80		193001329	105	385994825
Equipments	Export	7		50809694	3	7579275
3. Miscellaneous	Domestic	22840		155054037	7335	104575538
Parts & Equipments	Export	6586		24393315	11201	34037934
4. Iron Waste / Scrap	Domestic			842254		2661291
5. Service Charges	Domestic			11829028		5608102
	Export			944630		1235040
5. Jobwork Income	Domestic			260150		231518
6. Trading Finished Goods	Export			20995070		36978227
				<b>1140433442</b>		<b>1250284178</b>

**D. Closing Stock**

1. Raw material & components
  - Indigeneous
  - Imported
2. Testing Material
3. Consumable Stores
4. Scrap
5. Stock in Process
6. Finished Goods

50763028	93537780
6765972	10863000
1500000	2345000
2200000	3127000
1000000	1563000
47382240	24119256
10800000	20800000
<b>120411240</b>	<b>156355036</b>

**As per our report of even date**

**For and on behalf of the Board**

**For, M. N. MANVAR & CO.**  
**Chartered Accountants**  
FRN : 106047W

**( R. N. Doshi )**  
**Chairman / Managing Director**  
DIN : 00026140

**( K. C. Doshi )**  
**Executive Director**  
DIN : 00025581

**Date : 30th May, 2016**  
**Place : Veraval (Shapar), Rajkot**

**( M. N. MANVAR )**  
**Proprietor**  
Membership No.036292

**( J. T. Jhalavadia )**  
**C.F.O.**

**( Vijay R. Jadeja )**  
**Company Secretary**  
Mem. No. A31035

## INDEPENDENT AUDITOR'S REPORT

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To the members of **Rajoo Engineers Limited**

### **Report on the Consolidated Financial Statements:**

We have audited the accompanying consolidated Financial Statements of Rajoo Engineers Limited ('the Company') and its Jointly Controlled Entity (collectively referred to as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2016, the consolidated Profit and Loss statement and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the Consolidated 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 consolidated Financial Statements that give a true and fair view of the financial position, financial performance and Cash Flows of the Group in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified u/s. 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility:**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified u/s. 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls, system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Financial Statements.

### **Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditor, on the financial statements of the jointly controlled entity noted below, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31st March, 2016 and its consolidated profit and its consolidated cash flow for the year ended on that date.

**Other Matters:**

We did not audit the financial statements of Rajoo Bausano Extrusion Pvt. Ltd., a jointly controlled entity whose audited financial statements reflect total assets of Rs. 2298.93 Lacs as at march 31, 2016, total revenues of 1761.68 Lacs for the year then ended on that date. These Audited financial statements have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our report is not qualified in respect of other matters.

**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 Act, based on comments in the auditors' report of Holding company and jointly controlled company incorporated in India, we give in the Annexure - I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

1. As required by section 143(3) of the Act, we report, to the extent applicable, 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 purpose of our audit of aforesaid consolidated financial statements;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditor;
  - c. the Consolidated Balance Sheet, Consolidated Profit and Loss and Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d. in our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014;
  - e. On the basis of written representations received from the directors of Rajoo Engineers Ltd. as on March 31, 2016, and taken on record by the Board of Directors of Rajoo Engineers Ltd. And the reports of the statutory auditors of its jointly controlled company incorporated in India, none of the directors of the Group Companies and Jointly Controlled Companies incorporated in India are disqualified as on March 31, 2016, from being appointed as 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 Group Companies and Jointly controlled Company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure-2" to this report; and
  - g. with respect to other matters to be included in 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;
    - (i) There were no pending litigations which would impact the consolidated financial position of the Group and its jointly controlled entity;
    - (ii) The Group and its Jointly Controlled Company did not have any material foreseeable losses on long term contracts including derivative contracts;
    - (iii) There has not been an occasion in case of the Group Company and its Jointly Controlled Entity, during the year under report to transfer any sums to the Investor Education and Protection Fund.

For, M. N. Manvar & Co.,  
Chartered Accountants  
FRN : 106047W

[M. N. Manvar]  
Proprietor  
Membership No.036292

Date : 30th May, 2016  
Place : Veraval (Shapar), Rajkot

## CARO 2016 REPORT ON THE CONSOLIDATED FINANCIAL STATEMENT OF RAJOO ENGINEERS LIMITED

To the members of **Rajoo Engineers Limited**

Our reporting on the CARO 2016 includes 1 Jointly Controlled Company incorporated in India, to which CARO 2016 is applicable, which have been audited by other auditor and our report in respect of these entities is based solely on the report of the other auditor, to the extent considered applicable for reporting under CARO 2016 in the case of the consolidated financial statements for the year ended 31 March 2016, we report that:

- (i) In respect of the fixed assets of the Company and its Jointly Controlled Company incorporated in India:
  - a. The respective entities are maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The respective entities has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
  - c. The title deeds of immovable properties are held in the name of The respective entities
- (ii) In respect of the inventories of the Company and its Jointly Controlled Company incorporated in India:
  - a) Physical verification of inventory has been conducted at reasonable intervals by the management.
  - b) No material discrepancies were noticed.
- (iii) In our opinion and according to the information and explanations given to us and other auditor, the Company and its jointly controlled entity has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us and other auditor, the company and its jointly controlled entity has not grant any loans, made investments, gave guarantees nor provided securities which requires compliance of section 185 and 186 of the Companies Act, 2013.
- (v) The company and its jointly controlled entity have not accepted deposits from public.
- (vi) In our opinion and according to the information and explanations given to us and other auditor, we have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii)
  - a) According to the information and explanations given to us and other auditor and on the basis of our examination of the books of account of the respective companies, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues with the appropriate authorities have been regularly deposited during the year by the respective companies with the appropriate authorities. As explained to us and other auditor, the respective companies did not have any dues on account of employee's state insurance.
  - b) According to the information and explanations given to us and other auditor, there are no disputed dues in respect of income tax or sales tax or service tax or customs duty or excise duty or value added tax or cess.
- (viii) In our opinion and opinion of other auditor and according to the information and explanation given to us and the auditor, the Company and its jointly controlled entity has not defaulted in repayment of loans or borrowing to financial institutions, banks, government or dues debenture holders during the year.
- (ix) In our opinion and opinion of other auditor and according to the information and explanation given to us and the auditor, the Company and its jointly controlled entity has not raised money by way of initial public offer or further public offer (including debt instruments) and term loan.



- (x) In our opinion and opinion of other auditor and according to the information and explanation given to us and the auditor, no fraud the Company and its jointly controlled entity, or any fraud on the Company and its jointly controlled entity, by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and opinion of other auditor and according to the information and explanation given to us and the auditor, 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 companies Act, 2013.
- (xii) The Company and its jointly controlled entity is not a Nidhi Company. Accordingly, clause (xii) of the order is not applicable.
- (xiii) In our opinion and opinion of other auditor and according to the information and explanation given to us and the auditor, the Company and its jointly controlled entity has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xiv) In our opinion and opinion of other auditor and according to the information and explanation given to us and the auditor, the Company and its jointly controlled entity has not entered into any non-cash transaction with directors or persons connected with him.
- (xv) In our opinion and opinion of other auditor and according to the information and explanation given to us and the auditor, the Company and its jointly controlled entity is not required to registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, M. N. Manvar & Co.,  
Chartered Accountants  
FRN : 106047W

[M. N. Manvar]  
Proprietor  
Membership No.036292

Date : 30th May, 2016  
Place : Veraval (Shapar), Rajkot

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

#### **To the Members of Rajoo Engineers Limited**

We have audited the internal financial controls over financial reporting of Rajoo Engineers Limited ("the Company") and its Jointly Controlled Company incorporated in India as of March 31, 2016 in conjunction with our audit of the consolidated 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. 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 the 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.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Group 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 as specified 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

The Group 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.

The Group Company's internal financial control over financial reporting includes those policies and procedures that;

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company and its jointly controlled 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 March 31, 2016, based on the internal control over financial reporting criteria established by the Company and its jointly controlled 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, M. N. Manvar & Co.,  
Chartered Accountants  
FRN : 106047W

[M. N. Manvar]  
Proprietor  
Membership No.036292

Date : 30th May, 2016  
Place : Veraval (Shapar), Rajkot

## CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016

Sr. No.	Particulars	Note No.	As at 31.03.2016		As at 31.03.2015	
			Rupees	Rupees	Rupees	Rupees
<b>I. EQUITY AND LIABILITIES</b>						
1. Share Holders' Fund						
(a) Share Capital	4		58030750		58030750	
(b) Reserve & Surplus	5		325457621		288076008	
(c) Money received against Share Warrants			-	383488371	-	346106758
2. Share Application money pending allotment				-		-
3. Non- Current Liabilities						
(a) Long Term Borrowings	6		1636271		877865	
(b) Deferred Tax Liabilities (Net)	7		20080563		22651661	
(c) Long term Liabilities			-		-	
(d) Long Term Provisions	8		7409310	29126144	4442653	27972178
4. Current Liabilities						
(a) Short Term Borrowings	9		67424324		41470225	
(b) Trade Payables	10		192724135		149285533	
(c) Other Current Liabilities	11		151784838		129085994	
(d) Short Term Provisions	12		46454067	458387364	58836327	378678078
<b>Total</b>				<b>871001879</b>		<b>752757015</b>
<b>II. ASSETS</b>						
1. Non- Current Assets						
(a) Fixed Assets	13					
(i) Tangible Assets			165422514		174005744	
(ii) Intangible Assets			18022678		22140203	
(iii) Capital Work In Progress			64572659		21001681	
(iv) Intangible assets under development			-	248017852	-	217147628
(b) Non Current Investment	14		214200		214200	
(c) Long-term loans and advances	15		11948534		2514000	
(d) Other non-current assets	16		1303096	13465830	1954644	4682844
2. Current Assets						
(a) Current Investments	17		15549004		52794979	
(b) Inventories	18		160712648		163849908	
(c) Trade Recivables	19		130962164		188365231	
(d) Cash and Cash equivalents	20		132746333		25192050	
(e) Short-term loans and advances	21		121559259		99682709	
(f) Other Current assets	22		47988789	609518197	1041666	530926542
<b>Total</b>				<b>871001879</b>		<b>752757015</b>

The accompanying Notes to Accounts are an integral part of the financial Statements

1 to 31

As per our report of even date

For and on behalf of the Board

For, M. N. MANVAR & CO.  
Chartered Accountants  
FRN : 106047W

( R. N. Doshi )  
Chairman / Managing Director  
DIN : 00026140

( K. C. Doshi )  
Executive Director  
DIN : 00025581

( M. N. MANVAR )  
Proprietor  
Membership No.036292

( J. T. Jhalavadia )  
C.F.O.

( Vijay R. Jadeja )  
Company Secretary  
Mem. No. A31035

Date : 30th May, 2016  
Place : Veraval (Shapar), Rajkot

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2016

Sr. No.	Particulars	Note No.	F.Y. 2015-16 (Rupees)	F.Y. 2014-15 (Rupees)
I	Revenue from Operation	23	1154056428	1204787192
II	Other Income	24	2417003	3429288
III	Total Revenue (I + II)		<b>1156473431</b>	<b>1208216480</b>
IV	EXPENDITURE:			
	Cost of Materials consumed	25	765584107	712230704
	Purchase of Stock-In-Trade		14161650	34542475
	Changes in Inventories of Finished Goods , Work in Progress and Stock-in-Trade	26	(28732935)	75262452
	Employee Benefits Expenses	27	101255138	84720625
	Financial Cost	28	4476043	2162379
	Depreciation	13	25720258	28516792
	Other Expenses	29	190502638	191901017
	Total Expenses		<b>1072966899</b>	<b>1129336443</b>
V	Profit before Exceptional and Extraordinary Items & tax (III-IV)		83506533	78880037
VI	Exceptional Items		-	-
VII	Profit before Extraordinary Items & tax (V-VI)		<b>83506533</b>	<b>78880037</b>
VIII	Extraordinary Items		-	-
IX	Profit before Tax (VII-VIII)		<b>83506533</b>	<b>78880037</b>
X	Tax Expenses			
	(1) Current Tax			
	Income Tax		31234857	27428442
	Wealth Tax		-	156327
	(2) Deferred Tax - Liability / (Asset)		(2571097)	(2122855)
XI	Profit for the period from Continuing operations (IX-X)		54842773	53418122
XII	Loss from Discontinuing Operations (after tax)		-	-
XIII	Profit for the Period (XI - XII)		<b>54842773</b>	<b>53418122</b>
XIV	Earning Per Equity Share			
	(1) Basic		0.95	0.92
	(2) Diluted		0.95	0.92

The accompanying Notes to Accounts are an integral part of the financial Statements

1 to 31

As per our report of even date

For and on behalf of the Board

For, M. N. MANVAR & CO.  
Chartered Accountants  
FRN : 106047W

( R. N. Doshi )  
Chairman / Managing Director  
DIN : 00026140

( K. C. Doshi )  
Executive Director  
DIN : 00025581

( M. N. MANVAR )  
Proprietor

( J. T. Jhalavadia )  
C.F.O.

( Vijay R. Jadeja )  
Company Secretary  
Mem. No. A31035

Date : 30th May, 2016  
Place : Veraval (Shapar), Rajkot

Membership No.036292

## CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31st MARCH, 2016

Sr. No.	Particulars	31.03.2016 Rs. in Lacs	31.03.2015 Rs. in Lacs
(A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before taxes	835.07	788.80
	Adjustments for : - Depreciation	257.20	285.17
	- Amalgamation Adjustment	-	-
	- Interest (Net)	31.17	9.99
	- Loss/(Profit) on sale of assets	16.30	(3.79)
	Operating Profit Before Working Capital Change	<b>1139.74</b>	<b>1080.16</b>
	(Increase)/Decrease in Inventory	31.37	728.10
	(Increase)/Decrease in Trade and other receivables	574.03	(895.95)
	(Increase)/Decrease in other Current Asset	(403.61)	39.33
	Increase/(Decrease) in Current Liabilities	964.34	(463.65)
	CASH GENERATED FROM OPERATIONS	<b>2305.88</b>	<b>488.00</b>
	Interest Paid	(31.17)	(9.99)
	Income Tax Paid	(275.85)	(174.04)
	Dividend Paid	(348.70)	(135.79)
	NET CASH FROM OPERATING ACTIVITIES	<b>1650.17</b>	<b>168.19</b>
(B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(637.35)	(485.28)
	Sales of Fixed Assets	55.14	38.79
	(Purchase) / Sale of Investment	-	-
	NET CASH FROM INVESTMENT ACTIVITIES	<b>(582.21)</b>	<b>(446.49)</b>
(C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase/(Decrease) in Share Capital	-	-
	Increase/(Decrease) in Long Term Borrowings	7.58	1.50
	NET CASH FROM FINANCING ACTIVITIES	<b>7.58</b>	<b>1.50</b>
	(A + B + C)	<b>1075.54</b>	<b>(276.80)</b>
	Increase/(Decrease) in Cash and Cash Equivalents	<b>(1075.54)</b>	<b>276.80</b>
	Cash and Cash Equivalent at the beginning of the year	251.92	528.72
	Cash and Cash Equivalent at the end of the year	<b>1327.46</b>	<b>251.92</b>

**Note :-**

- 1 The Cash flow statement has been prepared under the indirect method as set in the accounting standard (AS) -3 on cash flow statement issued by the Institute of Chartered Accountants of India.

As per our report of even date

Date : 30th May, 2016  
Place : Veraval (Shapar), Rajkot

For, M. N. MANVAR & CO.  
Chartered Accountants  
FRN : 106047W

( M. N. MANVAR )  
Proprietor  
Membership No.036292

For and on behalf of the Board

( R. N. Doshi )  
Chairman / Managing Director  
DIN : 00026140

( J. T. Jhalavadia )  
C.F.O.

( K. C. Doshi )  
Executive Director  
DIN : 00025581

( Vijay R. Jadeja )  
Company Secretary  
Mem. No. A31035

## NOTES TO ACCOUNTS

F.Y. 2015-16

### 1. Basis of Preparations of Financial Statements

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

### 2. Principles of Consolidation

The Consolidated financial statements relate to Rajoo Engineers Limited ("the Company") and its Jointly Controlled Company incorporated in India. The Consolidated Financial Statements have been prepared on the following basis.

- a. **Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 – "Financial Reporting of Interest in Joint Ventures"**
- b. The difference between the costs of investment in the Jointly Controlled Company, over the net assets at the time of acquisition of shares in the Jointly Controlled Company is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.
- c. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements
- d. Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".
- e. All other significant accounting policies are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

### 3. In Respect of Jointly Controlled Entities, the Company's share of Assets, Liabilities, income and expenditure of the joint venture companies are as follows

Sr. No.	Particulars	As at 31st March, 2016	As at 31st March, 2015
1	Assets		
	Fixed Assets	1719488	338056
	Non Current Investments	--	--
	Non Current Assets	804591	353858
	Current Investments	4732371	2722407
	Current Assets	105391346	32469745
2.	Liabilities		
	Long Term Borrowings	311270	166230
	Non - Current Liabilities and Provisions	--	--
	Short Term Borrowings	--	--
	Current Liabilities and Provisions	77301612	35884067
3	Income	86322407	36289006
4	Expenses	72890860	34812979

## NOTE - 4: SHARE CAPITAL

Sr. No.	Particulars	31.03.2016 Rupees	31.03.2015 Rupees
a)	Authorised Share Capital 7,70,00,000 Equity shares of Rs.1/- each	77000000	77000000
b)	Issued, Subscribed & Paid up Capital 5,80,30,750 Equity shares of Re.1 Each Fully paid up	58030750 <u>58030750</u>	58030750 <u>58030750</u>
c)	Par value of Equity Share	1/-	1/-
d)	Reconciliation of Number of shares		

Particulars	31.03.2016 Equity Shares		31.03.2015 Equity Shares	
	No. of Shares	Amt. Rs.	No. of Shares	Amt. Rs.
Shares outstanding at the beginning of the year	58030750	58030750	58030750	58030750
Add : Shares Issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	58030750	58030750	58030750	58030750

### e) Details of more than 5% of total shares, held by each shareholder

Sr. No.	Particulars	As at 31.03.2016		As at 31.03.2015	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Devyani Chandrakant Doshi	5862560	10.10%	5862560	10.10%
2	Khushboo Chandrakant Doshi	4867042	8.39%	4867042	8.39%
3	Pallav Kishorbhai Doshi	4826609	8.32%	4826609	8.32%
4	Rita Rajesh Doshi	4513440	7.78%	4513440	7.78%
5	Nita Kishorbhai Doshi	3884600	6.69%	3884600	6.69%
6	Kruti Rajeshbhai Doshi	3144132	5.42%	3144132	5.42%
7	Rajesh Nanalal Doshi	2940200	5.07%	2940200	5.07%

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- f) Shares allotted, as fully paid up pursuant to contracts without payment being received in cash / by way of bonus shares and shares bought back during the preceding five years

Particulars	Year (Aggregate No. of Shares)				
	2015-16	2014-15	2013-14	2012-13	2011-12
Equity Shares :					
Fully paid up pursuant to contract (s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL

**NOTE - 5: RESERVES & SURPLUS**

Sr. No.	Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>I.</b>	<b>Reserves :</b>		
	<b>i) General Reserve</b>		
	Opening Balance	38537443	35037443
	Add : Transferred from Profit and Loss Account	<u>-</u>	<u>3500000</u>
		38537443	38537443
	<b>ii) Securities Premium</b>		
	Opening Balance	55489163	55489163
	Add : Addition during the year	<u>-</u>	<u>-</u>
		55489163	55489163
	<b>iii) Capital Reserve</b>		
	Opening Balance	2625456	2625456
	Add : On Amalgamation	<u>-</u>	<u>2625456</u>
		2625456	2625456
	<b>Total - I</b>	<u><b>96652062</b></u>	<u><b>96652062</b></u>
<b>II.</b>	<b>Surplus :</b>		
	<b>i) Consolidated Profit and Loss Account Balance</b>		
	Opening Balance	191423947	160967723
	Add : Profit (Loss) During the year	<u>54842773</u>	<u>53418122</u>
	Total Profit available for appropriation	<u><b>246266719</b></u>	<u><b>214385845</b></u>
	<b>Appropriations</b>		
	Less : Proposed Dividend	14507688	14507688
	Less : Dividend Tax	2953472	2900696
	Less : General Reserve	-	3500000
	Less : Depreciation Adjustment	<u>-</u>	<u>2053515</u>
		17461160	22961899
		<u><b>228805559</b></u>	<u><b>191423947</b></u>
	<b>Total - I + II</b>	<u><b>325457621</b></u>	<u><b>288076008</b></u>

## NOTE - 6: LONG TERM BORROWINGS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>UNSECURED</b>		
(a) Deposits		
- Employees Security Deposit	1501937	743531
- Deposit from Corporates	134334	134334
	<u>1636271</u>	<u>877865</u>

## NOTE - 7: DEFERRED TAX LIABILITIES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
Opening Balance	22651661	24774515
Add : On Amalgamation	-	-
Add : Current Year	(2571097)	(2122855)
	<u>20080563</u>	<u>22651661</u>

## NOTE - 8: LONG TERM PROVISIONS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>Provision for Employee Benefit</b>		
- Leave Encashment	7409310	4442653
	<u>7409310</u>	<u>4442653</u>

## NOTE - 9: SHORT TERM BORROWINGS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>SECURED</b>		
<b>(a) Loans repayable on demand</b>		
- From Axis Bank Limited, Rajkot		
- Cash Credit	67424323	41470225
( Secured against exclusive charge over entire current Assets by way of hypothecation and collateral securities of equitable mortgage of Factory Land & Building at Manavadar and Veraval (Shapar), Rajkot.)		
	<u>67424323</u>	<u>41470225</u>

## NOTE - 10: TRADE PAYABLES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>Trade Payables for</b>		
- Goods	182862246	136665769
- Expenses	6230510	9635232
- Labour Job	3631378	2984531
	<u>192724135</u>	<u>149285533</u>

## NOTE - 11: OTHER CURRENT LIABILITIES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>Other payables</b>		
- Credit balance in current account with Axis Bank Limited	-	1783136
- Sundry Creditor for Capital Goods	4094926	5933457
- Advance Received against Orders	145417548	116314114
- Service Tax Payable	394616	97035
- Sales Tax Payable	-	3286469
- T.D.S. Payable	1740481	1602982
- Professional Tax Payable	137266	68800
	<u>151784838</u>	<u>129085994</u>

## NOTE - 12: SHORT TERM PROVISIONS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>(a) Provisions for employee benefits</b>		
- Salaries	7405381	6036052
- Bonus to Staff	1266568	1242394
- Provident Fund	647353	519149
- Gratuity	-	3443443
<b>(b) Other provisions</b>		
- Audit Fees	140500	135600
- Royalty on Sales	406774	1210905
- Selling Commission	2599539	-
- Telephone Expenses	1190	8376
- Other Expenses	2620696	848329
- Clearing & Forwarding Expenses	131209	398926
- Income Tax	31234857	27428442
- Wealth Tax	-	156327
- Dividend	-	14507688
- Dividend Tax	-	2900696
	<u>46454067</u>	<u>58836327</u>

## NOTE - 13: FIXED ASSETS (TANGIBLE ASSETS)

[Rupees]

Sr. No.	Description	<----- GROSS BLOCK ----->				<----- DEPRECIATION BLOCK ----->				NET BLOCK AS ON 31.03.2016
		Opening Balance as on 01.04.15	Addition	Ded.	Closing Balance as on 31.03.2016	Opening Balance as on 01.04.15	Addition	Ded.	Closing Balance as on 31.03.2016	
1	Land									
	Land - Manavadar	162687			162687	-			-	162687
	Land - Rajkot	2490264			2490264	-			-	2490264
	Land - Unit - V	242205			242205	-			-	242205
	Land - Unit - VI	223915			223915	-			-	223915
	Land - Unit - VII	285115			285115	-			-	285115
2	Site Development	457899			457899	185230	27958		213188	244710
3	Approach Road	1952949			1952949	922830	466234		1389064	563885
4	Buildings									
	Admn. Office Building - Manavadar	70000			70000	36027	7595		43622	26378
	Admn. Office Building - Rajkot	9684649			9684649	1884838	399152		2283990	7400659
	Factory Building - Manavadar	834157			834157	648702	18415		667117	167040
	Factory Building - Rajkot	37494780	1771137		39265917	12307990	1214124		13522114	25743803
	Factory Building - Unit- V	4119741			4119741	856738	128878		985616	3134125
	Factory Building - Unit- VI	4698326			4698326	952860	148262		1101122	3597204
	Factory Building - Unit- VII	5801623			5801623	1591071	183385		1774456	4027167
	Land-Scaping	7867473			7867473	1560279	246409		1806688	6060785
	Office Building (Bangalore)	3447040			3447040	400685	119750		520435	2926605
	Office Building (New Delhi)	2024249			2024249	374387	77432		451819	1572430
	Office Building Samaan-II, Ahmedabad	1905533			1905533	286674	69254		355928	1549605
	Resi. Houses (Ashray)	3436794			3436794	224644	112604		337248	3099546
	Resi.Flat at Vapi	337125		337125	-	80069	-	80069	0	(0)
5	Plant & Machineries									
	Furnace - Unit - V	363786		363786	-	181129	-	181129	-	-
	Imported Machineries	40773489			40773489	18947589	2159855		21107444	19666045
	Imported Machineries - Unit - VII	3770707			3770707	2113484	367172		2480656	1290051
	Indigenous Machineries	76606099	5186989	6688461	75104627	29346124	4587942	2591532	31342535	43762093
	Indigenous Machineries - Unit - V	3853004		3853004	0	1632603	-	1632603	-	0
	Indigenous Machineries - Unit - VI	2026454			2026454	707614	160219		867833	1158621
	Indigenous Machineries - Unit - VII	3115606			3115606	1466413	307483		1773896	1341710
	Laboratory Equipment	1017425	414620		1432045	868614	61214		929828	502217
	Misc. Fixed Asset	579822			579822	556757	2262		559019	20803

	Technical Know How	3771679			3771679	1948163	237352		2185515	1586164
	Tools, Jigs & Moulds	295363	95939		391302	295363	15803		311166	80136
	Tools, Jigs & Moulds - Unit - V	288338		288338	-	117541	-	117541	-	-
	Tools, Jigs & Moulds - Unit - VI	86462			86462	65035	7473		72508	13954
	Tools, Jigs & Moulds - Unit - VII	883324			883324	489922	90327		580249	303075
6	Furniture & Fixtures									
	Administrative Office - Manavadar	269385			269385	221869	24234		246103	23282
	Administrative Office - Rajkot	2627698	3427331		6055028	2104829	447733		2552562	3502467
	Factory Furniture - Rajkot	3681111			3681111	2865908	206256		3072164	608947
	Office Furniture - Unit - V	548707			548707	214077	63423		277500	271207
	Office Furniture - Unit - VI	369795			369795	207203	58219		265422	104373
	Office Furniture - Unit - VII	393945			393945	330506	14380		344886	49059
	Office Furniture-Samaan II, Ahmedabad	21200			21200	6328	2302		8630	12570
	Office Furniture-Bangalore	403560			403560	284838	49271		334109	69451
	Office Furniture-Delhi	644873			644873	612627	-		612627	32246
	Office Furniture-Hyderabad	69823			69823	25789	8109		33898	35925
	Office Furniture-Chennai	39045			39045	3709	3709		7418	31627
	Residential Furniture Vapi	4000		4000	-	2911	-	2911	-	-
	Work Shop	297526			297526	297526	-		297526	-
7	Office Equipment									
	Office Equipment - Rajkot	13743486	4349859		18093345	8045126	2429983		10475109	7618236
	Office Equipment - Unit - V	202887		202887	-	184180	-	184180	-	-
	Office Equipment - Unit - VI	79590			79590	75611	-		75611	3979
	Office Equipment - Unit - VII	236143			236143	222283	1027		223310	12833
8	Computer									
	Ahmedabad Office	288903			288903	288903	-		288903	-
	Bangalore Office	82800			82800	82800	-		82800	-
	Delhi Office	77110			77110	77110			77110	-
	Veraval Works	32490955	2692223	25250	35157928	31973056	3195617	24558	35144116	13812
	Veraval Works - Unit - V	436623		436623	-	414793	-	414793	-	-
	Veraval Works - Unit - VI	132360			132360	132360			132360	-
	Veraval Works - Unit - VII	413907			413907	413907			413907	-
	Website	311135	50316		361451	294263	20863		315126	46325
9	Fire Fighting Equipment	74934			74934	66190	8744		74934	-

10	Vehicles									
	Vehicles - Rajkot	24149656	1907930	332719	25724866	5661387	2948364	158517	8451234	17273632
	Vehicles - Unit - VI	18551			18551	7753	2467		10220	8331
	Vehicles - Manavadar	646869			646869	498156	116369		614525	32344
11	Electrification									
	Electrification - Unit - V	645356			645356	349792	56450		406242	239114
	Electrification - Unit - VI	434913			434913	223413	88189		311602	123311
	Electrification - Unit - VII	635320			635320	536506	17285		553791	81529
	Factory	5665231	267520		5932751	3824828	460342		4285170	1647581
	Office	1009261			1009261	509311	162842		672153	337108
	Resi. Flat Vapi	4555			4555	4327	-		4327	228
a) Current Year Rs.		316119294	20163863	12532193	323750964	142113550	21602733	5387833	158328450	165422514
b) Previous Year Rs.		294626557	27526761	6034024	316119294	118194713	26452781	2533943	142113550	174005744



## NOTE - 13: FIXED ASSETS (INTANGIBLE ASSETS)

[Rupees]

Sr. No.	Description	<----- GROSS BLOCK ----->				<----- DEPRECIATION BLOCK ----->					NET BLOCK AS ON 31.03.2016
		Opening Balance as on 01.04.15	Addition	Ded.	Closing Balance as on 31.03.2016	Opening Balance as on 01.04.15	Depreciation Adjustment	Addition	Ded.	Closing Balance as on 31.03.2016	
1	Goodwill, Trade Mark & Patents	36143000	-	-	36143000	18028600	-	3614300	-	21642900	14500100
2	Goodwill on Merger	5661285	-	-	5661285	1635482	-	503225	-	2138707	3522578
	a) Current Year Rs.	41804285	-	-	41804285	19664082	-	4117525	-	23781607	18022678
	b) Previous Year Rs.	41804285	-	-	41804285	15546557	-	4117525	-	19664082	22140203

## NOTE - 14: NON-CURRENT INVESTMENTS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
OTHER NON-CURRENT INVESTMENT		
(a) Investment in Equity Instrument		
- Quoted Shares, fully paid-up		
235 Windsor Machines Limited of Rs. 2 each.	17750	17750
800 Kabra Extrusion Technic Limited of Rs. 5 each.	8950	8950
[Approximately total market value of quoted shares is Rs. 74,865/- (Previous year Rs. 62,307/-)]		
- Unquoted Shares, fully paid-up		
2500 BPL Engineering Limited of Rs. 10 each.	187500	187500
	<u>214200</u>	<u>214200</u>

#### NOTE - 15: LONG TERM LOANS & ADVANCES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
(a) Capital Advances	8913853	-
(b) Security Deposits (Unsecured, considered good)		
- Utility Service Deposit	1452864	1844864
- Gas Cylinder Deposit	180675	61325
- Sales Tax Deposit	25000	25000
- Other Deposit	1209592	416261
- Ahmedabad Office Maintenance Deposit	71550	71550
- Ashray Home Owners Maintenance Deposit	95000	95000
	<u>11948534</u>	<u>2514000</u>

#### NOTE - 16: OTHER NON-CURRENT ASSETS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
(a) Unamortised Expenses		
Merger Expenses	1954644	2606192
Add: Addition during the year	<u>-</u>	<u>-</u>
	1954644	2606192
Less: Amortized during the year	651548	651548
	<u>1303096</u>	<u>1954644</u>
	<u>1303096</u>	<u>1954644</u>

#### NOTE - 17: CURRENT INVESTMENTS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
(a) Investment in Mutual Funds		
Axis Treasury Advantage Fund	15549004	52794979
- Daily Dividend Plan	<u>15549004</u>	<u>52794979</u>

## NOTE - 18: INVENTORIES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
(1) Raw Materials & Components		
Indigenous	51275072	93585925
Imported	23638657	10863000
(2) Testing Materials	1500000	2345000
(3) Consumable Stores	2200000	3127000
(4) Scrap	1000000	1563000
(5) Stock in Process	67225498	31565983
(6) Finished Goods	13873420	20800000
	<b>160712648</b>	<b>163849908</b>

## NOTE - 19: TRADE RECEIVABLES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
Unsecured considered good		
- Other	82055796	172291780
- Outstanding exceeding Six Months	48906368	16073451
	<b>130962164</b>	<b>188365231</b>

## NOTE - 20: CASH & CASH EQUIVALENTS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
(a) Balance with banks		
- in current accounts	113866315	5252865
(b) Cash on hand	3194168	2404185
(b) Other bank balances		
- Margin Money Deposit	3435850	140000
- Fixed Deposit	12250000	17395000
	<b>132746333</b>	<b>25192050</b>

## NOTE - 21: SHORT TERM LOANS & ADVANCES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
(a) Receivables from Revenue Authority (Unsecured, considered good)		
- Income Tax Authority	34661116	31410362
- Sales Tax Authority		
VAT Receivable - Veraval (Shapar) Unit	9153660	10536443
VAT Receivable - Manavadar Unit	2297292	2297292
VAT Receivable - Nashik	167406	3067523
- Excise Authority		
Excise Duty Receivable	12808657	10762592
- Service Tax Authority		
Service Tax Receivable	7117932	4889453
- Export Incentives Receivable	12609369	10569999
- Prepaid Custom Duty	-	364376
(b) Other advances recoverable in cash or kind (Unsecured, considered good)		
- Interest Receivable	245037	80116
- Prepaid Insurance / Expenses	7320345	716190
- Advance to Suppliers	35178446	24988362
	<u>121559259</u>	<u>99682709</u>

## NOTE - 22: OTHER CURRENT ASSETS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
- Advance to Employees	18000	2723
- Loan to Employees	838588	631870
- Other Advances	47132201	407073
	<u>47988789</u>	<u>1041666</u>

## NOTE - 23: REVENUE FROM OPERATIONS

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
1. Sale of Products - Domestic	728745403	947635610
- Export	456080613	293117690
2. Sale of Services - Domestic	11829028	5608102
- Export	944630	1235040
3. Sale of Trading Goods - Export	20995070	36978227
4. Other operating Revenue	1218594744	1284574669
- Jobwork Income	260150	231518
- Deposit Forefeited	987883	196369
- Net Foreign Exchange Difference	2812423	3579820
- Net gain from expenses recovered	2734138	827927
- Export Incentives	13961988	11758056
	1239351326	1301168359
Less:- Excise Duty & Service Tax	85294898	96381167
	<b>1154056428</b>	<b>1204787192</b>

## NOTE - 24 : OTHER INCOME

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
- Interest Income		
- From Bank	1358748	1163608
- Net Gain / (Loss) on sale of Fixed Assets	(1630235)	379137
- Miscellaneous Credits	300549	692548
- Dividend Received	1937942	1193995
- Rent Income	450000	-
	<b>2417003</b>	<b>3429288</b>

**NOTE - 25: COST OF MATERIALS AND COMPONENTS CONSUMED**

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>I. Indigeneous Raw Material and Components Consumed</b>		
Opening Stock		
1. Raw material & components	93585925	89694498
2. Testing Material	2345000	3896203
3. Consumable Stores	3127000	4752642
4. Scrap	1563000	1949923
	<u>100620925</u>	<u>100293266</u>
Add : Purchases	597604576	593491861
Less : Closing Stock		
1. Raw material & components	51275072	93585925
2. Testing Material	1500000	2345000
3. Consumable Stores	2200000	3127000
4. Scrap	1000000	1563000
	<u>55975072</u>	<u>100620925</u>
<b>TOTAL - (I)</b>	<u><u>642250430</u></u>	<u><u>593164202</u></u>
<b>II. Imported Raw Material Consumed</b>		
Opening Stock	10863000	8738185
Add : Purchases (including Customs duty)	136109334	121191317
Less : Closing Stock	23638657	10863000
	<u>123333677</u>	<u>119066502</u>
<b>TOTAL - (II)</b>	<u><u>765584107</u></u>	<u><u>712230704</u></u>
<b>TOTAL - (I + II)</b>		

## NOTE - 26: CHANGES IN INVENTORIES OF FINISHED GOODS WORK IN PROGRESS AND STOCK-IN-TRADE

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>I. Finished Goods :</b>		
Opening Stock	20800000	1800000
Less : Closing Stock	13873420	20800000
(Increase)/Decrease	<u>6926580</u>	<u>(19000000)</u>
<b>II. Stock In Process :</b>		
Opening Stock	31565983	125828435
Less : Closing Stock	67225498	31565983
(Increase)/Decrease	<u>(35659515)</u>	<u>94262452</u>
<b>Changes in Inventories</b>	<u><u>(28732935)</u></u>	<u><u>75262452</u></u>

## NOTE - 27 : EMPLOYEE BENEFITS EXPENSES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
Director Remuneration	11203530	8709651
Perquisites to Directors	186552	121749
Sitting Fees	21000	30000
Salary & Wages Expenses (Incl. Sales-Service Staff)	66526692	54032142
Salary (O.T.) Expenses	4429125	4651501
Salary Stipend (Trainee)	2453397	1299622
Bonus to Employees	1266568	3354919
Providend Fund Contribution	3821117	3025895
Gratuity	1938844	3443443
Leave Encashment	4197118	1713221
Staff Welfare	2541404	2005412
Staff Medical Aid	93320	93513
Canteen Expenses	2289981	2134849
Training & Seminar Expenses	286489	104707
<b>Total</b>	<u><u>101255138</u></u>	<u><u>84720625</u></u>

## NOTE - 28: FINANCIAL COST

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
Interest Expenses Paid		
- For Bank	634841	864859
- For Others	<u>2560020</u>	<u>249100</u>
Bank Commission / Charges	3194861	1113959
(Gain) / Loss on Foreign Currency Transaction	1787323	1061990
	(506141)	(13570)
	<u><b>4476043</b></u>	<u><b>2162379</b></u>

## NOTE - 29 : OTHER EXPENSES

Particulars	31.03.2016 Rupees	31.03.2015 Rupees
<b>I. Manufacturing Expenses</b>		
Clearing & Forwarding Charges - Imports	4065192	4459587
Custom Duty	2959151	-
Conveyance Charges	217245	175473
CST on Purchases	2701750	2667959
Excise stuffing, Inspection Fees	62403	101030
Electrical Repair & Other Expenses	142219	43405
Electricity Consumption HT	9882493	9102108
Factory Building Repairs & Maintenance	1134548	2064582
Factory Misc. Expenses	858655	1348784
Factory Rent	517195	10562
Fuel for Generator	372786	406324
Goods Packing Material Expenses	8012755	7271730
Hotel Charges	127972	74560
Inward Freight	5080080	5651667
ISO Certification & Consultancy Charges	126500	55200
Jobwork Charges	30561568	43115364
Labour Charges	21040635	19457772

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Licence Fees	3368245	-
Outward Freight (Manufacturing)	552868	702159
Plant & Machinery Repairing & Maintenance Exp.	3071596	434419
Packing and Forwarding Charges	(50644)	-
Technical Consultancy Fees	1693899	779001
Travelling Expenses - Domestic	350166	306099
Material & Sample Testing Expenses	57840	118127
Travelling Expenses - Foreign	85955	176169
Machine Spares Rejection Charges	299219	-

**Total - I**

**97292293**      **98522081**

## II. Personnel Expenses

Advertisement Expenses - Recruitment	3213	-
Consultancy and Contractors expenses	3858479	4030665
Conveyance Expenses - Recruitment	236510	61410
Recruitment Expenses	28952	23500
Security Service Charges	1574976	2424404

**Total - II**

**5702130**      **6539979**

## III. Administrative Expenses

Advertisement Expenses	652183	648821
Books & Periodicals	9153	7190
CSR Expenses (Charity & Donation)	1352536	1333079
Computer Maintenance & Other Expenses	546677	679451
Demat Share Expenses	58900	43466
Donation	1390786	-
Garden Maintenance Expenses	657782	596515
Hotel Charges	78755	45913
House Keeping Expenses	836948	932472
Income Tax Expenses	1097635	86020
Insurance	1005325	672526
Legal & Professional Fees	2028167	2123186
Listing Fees	200000	108309
Membership & Subscription Expenses	215583	186618
Merger Expenses Written off	651548	651548

Motor Car Expenses - Petrol / Diesel	1418986	1507122
Motor Car - Repair & Maintenance	1476554	871066
Office Building Repair & Maintenance	25911	5642
Office Equipment Repair & Maintenance	252975	896684
Office Furniture Repair & Maintenance	42650	124191
Office Misc. Expenses	66621	17816
Payment to Auditors	198070	192825
Pre-operative Expense Written off	-	66767
Postage & Angadia - Administrative	314889	473955
Printing & Stationery	1222418	1380847
Registration & Filing Fees	19490	133116
Rate Difference	90367	-
Rent-Rate-Taxes	760647	304000
Sales Tax Paid	81721	204688
Scooter Petrol Expenses	6500	6545
Scooter Repair & Maintenance	3000	2601
Software - AMC Expenses	1078179	2583717
Swachh Bharat Cess	91864	-
Telephone Expenses	884104	695120
Travelling Administrative - Domestic	22465	98663
Travelling Administrative - Foreign	359937	13988
Water Supply & Other Expenses	728635	704978
<b>Total - III</b>	<b>19927961</b>	<b>18399445</b>

#### IV. Selling & Services Expenses

Advertisement Expenses - Overseas	125200	391430
Advertisement Expenses - Sales & Service	1934448	2094646
Ahmedabad (CSO) Office Expenses	7763625	6798630
Bad Debts Written Off	10056800	5844509
Bangalore Office Expenses	1965440	1410089
Business Meeting Expenses	400260	186017
Clearing & Forwarding Charges - Export	1572797	1203968
Consumable Expenses	12024	-
Consumer Prospect	36674	311

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Delhi Office Expenses	4121870	3930854
Exhibition & Display Expenditure - Domestic	5204524	17644138
Exhibition & Display Expenditure - Overseas	9177689	8506294
Hotel Charges - Sales & Service	98580	390825
Internet & leased line Expenses	289447	413413
Kolkata Office Expenses	698261	-
Hydrabad Office Expenses	545435	371172
Outward Freight - Sales & Service	392644	622110
Postage & Angadia Charges - International	67367	46866
Royalty Expense	3068678	7117198
Sales Promotion Expenses	221911	471910
Selling Commission - Domestic	3199979	1482285
Selling Commission - Overseas	9451481	2405392
Excise on FOC Sales	491438	1465728
Sharjah Office Expenses	-	46351
Swachh Bharat Cess	-	-
Travelling - Business Prospectus	271615	691712
Travelling - Sales - Domestic	906726	1079457
Travelling - Sales - Foreign	1151743	719244
Travelling - Service - Domestic	1563855	1172569
Travelling - Service - Foreign	2300309	1409167
Web site Development & Maintenance Expenses	489436	523228
<b>Total = IV</b>	<b>67580255</b>	<b>68439512</b>
<b>Total = (I+II+III+IV)</b>	<b>190502638</b>	<b>191901017</b>

**NOTE - 30: ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTERPRISES CONSOLIDATED AS JOINT VENTURE**

Particulars	Net Assets i.e. total assets minus total Liabilities		Share in Profit or Loss	
	as % of Consolidated Net Assets	Amount in Rs.	as % of Consolidated Net Assets	Amount in Rs.
<b>Parent</b>				
Rajoo Engineers Limited	90.84%	348348741	83.44%	45761176
<b>Joint Ventures (As per proportionate consolidation / Investment as per the Equity Method)</b>				
Rajoo Bausano Extrusion Pvt. Ltd.	9.16%	35139630	16.56%	9081596

**Statement pursuant to section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Venture**

PARTICULARS	Joint Venture with Rajoo Bausano Extrusion Pvt. Ltd.
<b>Shares of Joint Ventures held by the company on the year end</b>	
Latest Audited Balance Sheet Date	31.03.2016
No of Shares	1960000
Amount of Investment in Joint Venture	19600000
Extend of Holding	49.00%
Networth Attributable to share holding as per latest audited balance sheet	35139630
<b>Profit/Loss for the year</b>	
considered in Consolidation	9081596
Not Considered in Consolidation	--
Description of how there is significant influence	Note - A
reason why joint venture is not consolidated	--

**Note - A**

*There is significant influence due to percentage (%) of Share Capital*

**NOTE - 31: QUANTITATIVE INFORMATION IN RESPECT OF OPENING STOCK, PURCHASE, SALES AND CLOSING STOCK**

Particulars		No.	31.03.2016 Rupees	No.	31.03.2015 Rupees
<b>A. Opening Stock</b>					
1. Raw material & components					
Indigeneous			93585925		89694498
Imported			10863000		8738185
2. Testing Material			2345000		3896203
3. Consumable Stores			3127000		4752642
4. Scrap			1563000		1949923
5. Stock in Process			31565983		125828435
6. Finished Goods			20800000		1800000
			<b>163849908</b>		<b>236659886</b>
<b>B. Purchases</b>					
1. Raw-Material & components					
Imported			136109334		121191317
Indigeneous			597604576		593491861
2. Trading Purchase Finished Goods					
Imported			14161650		34542475
			<b>747875560</b>		<b>749225653</b>
<b>C. Sale by Class of Goods</b>					
1. Thermoplastic	Domestic	75	335388902	76	421244876
Extrusion Plants	Export	32	346915033	28	250137552
2. Post Extrusion	Domestic	80	237460210	105	419153905
Equipments	Export	7	84772265	3	8942204
3. Miscellaneous	Domestic	22840	155054037	7335	104575538
Parts & Equipments	Export	6586	24393315	11201	34037934
4. Iron Waste / Scrap	Domestic		842254		2661291
5. Service Charges	Domestic		11829028		5608102
	Export		944630		1235040
5. Jobwork Income	Domestic		260150		231518
6. Trading Finished Goods	Export		20995070		36978227
			<b>1218854894</b>		<b>1284806187</b>

Continue >>>

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**D. Closing Stock**

1. Raw material & components

Indigeneous

Imported

2. Testing Material

3. Consumable Stores

4. Scrap

5. Stock in Process

6. Finished Goods

51275072

93585925

23638657

10863000

1500000

2345000

2200000

3127000

1000000

1563000

67225498

31565983

13873420

20800000

**160712648**

**163849908**

As per our report of even date

For and on behalf of the Board

For, M. N. MANVAR & CO.  
Chartered Accountants  
FRN : 106047W

( R. N. Doshi )  
Chairman / Managing Director  
DIN : 00026140

( K. C. Doshi )  
Executive Director  
DIN : 00025581

Date : 30th May, 2016  
Place : Veraval (Shapar), Rajkot

( M. N. MANVAR )  
Proprietor  
Membership No.036292

( J. T. Jhalavadia )  
C.F.O.

( Vijay R. Jadeja )  
Company Secretary  
Mem. No. A31035

## TRIBUTEX

Rajoo Engineers aspires to be the global plastic industry benchmark in Value Creation and Corporate Citizenship. As its business expands, Rajoo Group continues to retain a collective focus on the various areas of corporate sustainability that impacts the people, the environment and the society.

### CSR

- **Blood donation camp**

For the first time in Rajoo's history, on 19th Oct'15, a Blood donation camp was held in REL premises to donate blood to the patients suffering from Thalassemia and admitted in Civil Hospital of Rajkot.



REL Staff donating blood in blood donation camp held at REL



Civil hospital medical staff checking blood group of REL staff

- **Joy of giving - A Legacy of Community Service**

Joy of Giving - a philanthropy week from 3 to 9 Nov.'15 continues to be celebrated every year by distributing old clothes, toys and food to the under privileged people by the REL team.



REL Staff distributing food to the under privileged people



REL Staff distributing clothes to the under privileged people

- **Shree Kanyashala Room inauguration –Building the future**

“Best gift to the children is education & Health Care” with this conviction Rajoo Engineers Limited constructed one Class Room for Shree KanyaShala for girl child and was inaugurated on 12th April, 2016 in presence of Sarpanch, District Primary Education representative.



Rajesh N Doshi, Chairman & Managing Director-REL receiving memento



KanyaShala Class Room constructed by REL

## ENVIRONMENT

**On the birth Anniversary of our Mentor - Energy Management Program "Aarohak" was initiated.**

A Banyan tree like any other tree starts germinates from a seed. Little by little it grows... and one day stands as a giant giving shelter to all.

On 28th August 1953, a similar journey started for a new born that went to guide and inspire countless others through hard work and perseverance to achieve greater heights. Even today he is an Inspiration & Mentor to the whole Rajoo family.

On the birth anniversary of Late Shri Chandrakant N Doshi, we started the Energy Management Program “Aarohak” by planting a Banyan tree as a symbol of Sustainability. This is our first step to make this world a cleaner and healthier place and we pledge to leave a greener world for our next generation than the one we received.



Khushboo C Doshi, Executive Director-REL Inaugurating the Energy Management Program "Aarohak"



REL staff member celebrates his birthday by planting a tree



## Employee, Health & Safety

Caring for the well-being of its employees, including those with special needs, Committees comprising representatives of the Management jointly monitor employee benefits.

The following benefits are provided beyond statutory obligations:

- Superior workplace amenities
- Highly subsidized quality canteen facilities
- Skill development by giving functional training and developing the capabilities of the work force and recruitment targeted to fill capability gaps
- Foster a culture of innovation and continuous improvement and employee is rewarded for his/her excellence for innovation implementation
- Celebrating traditions like Navaratri, Diwali etc
- Promoting a just and fair workplace by initiating an open appraisal system to bridge the gap between the Management & employees to align the Company's goal with personal goals.
- Promote tobacco free premises
- A number of policies have been put into place to ensure that governance standards are met. They are based on zero tolerance towards corruption and unethical behaviour. These include: The Ethical policy , Whistle Blower policy
- Engaging employees at all levels of the organization



Spoken English training session for REL staff



REL staff awarded by  
Ms. Khushboo C Doshi, Executive Director-REL



Rasotsav-2015 - Navratri celebration at REL premises

**Be the change you want to see in the world – a small initiative by Rajoo to support the cleanliness drive of our PM Shri Narendra Modi– Swachh Abhiyaan**

### **Mega Cleaning Day**

On 3rd November, company celebrated Mega Cleaning Day as a part of “Shresth” – A journey towards excellence (5s work management system) and in support of cleanliness drive of our PM Shri Narendra Modi.

The day began by taking the pledge of maintaining/supporting the drive of cleanliness at work place and in day to day routines. Safety was the prime focus before starting of cleaning with an aim to “cleaning with meaning”. Staff was well equipped with cleaning tools.

The event was a grand success and active participation from each and every employee irrespective of their designations. The experience shared by various zone leaders was overwhelming.



REL staff cleaning office



REL staff cleaning the paver block

While cleaning we learned the importance of our house keeping staff and realized our duties to keep our second home clean and hygienic. We also initiated to take the cleanliness drive every day.

Form No. MGT 11

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**RAJOO ENGINEERS LIMITED**

CIN:L27100GJ1986PLC009212

**Regd. Office : Junagadh Road, Manavadar-362 630 Dist :Junagadh. (Gujarat)**

I/We being the member(s) holding of \_\_\_\_\_ shares of Rajoo Engineers Limited, hereby appoint:

Name: \_\_\_\_\_ Email: \_\_\_\_\_ Address \_\_\_\_\_  
Signature \_\_\_\_\_ Or failing him/her

Name: \_\_\_\_\_ Email: \_\_\_\_\_ Address \_\_\_\_\_  
Signature \_\_\_\_\_ Or failing him/her

Name: \_\_\_\_\_ Email: \_\_\_\_\_ Address \_\_\_\_\_  
Signature \_\_\_\_\_ Or failing him/her

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on the 26th September, 2016 at 11.00 A.M at Junagadh Road, Manavadar - 362630 Dist :Junagadh and at any adjournment thereof in respect of the following resolutions as are indicated below:

### ORDINARY BUSINESS

### TICK APPROPRIATELY

- |   |  |             |
|---|--|-------------|
| 1 | Adoption of Financial Statement for the year ended 31st March, 2016  | For/Against |
| 2 | To confirm the Interim Dividend for F.Y. 2015-2016   | For/Against |
| 3 | Re-appointment of Ms. Khushboo Chandrakant Doshi, as Director of the Company, who retires by rotation                        | For/Against |
| 4 | Re-Appointment of M/s. M. N. Manvar & Co., Chartered Accountants, Rajkot as Statutory Auditors and fixing their remuneration | For/Against |

### SPECIAL BUSINESS

- |    |  |             |
|----|--|-------------|
| 5  | To Ratify the appointment of Cost Auditor for the Financial Year 2016-17           | For/Against |
| 6  | To appoint Mr. Laxman Ajagiya as Independent Director of the Company               | For/Against |
| 7  | To appoint Mr. Utsav Doshi as Executive Director of the Company                    | For/Against |
| 8  | To Re-appoint Mr. R. N. Doshi, Chairman and Managing Director of the Company       | For/Against |
| 9  | To Re-appoint Mr. Sunil Jain as Whole Time Director of the Company                 | For/Against |
| 10 | To Re-appoint Ms. Khushboo Chandrakant Doshi as Whole Time Director of the Company | For/Against |
| 11 | To keep Register and Returns at Head Office of the Company                         | For/Against |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature of shareholder

REVENUE  
STAMP OF  
Rs. 1-00

Note :

This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any under which the Proxy Form is signed, not less than 48 hours before the time for holding the meeting. For the Resolutions, explanatory statement and notes, please refer to the Notice of the 29th Annual General Meeting.

## ATTENDANCE SLIP

(To be presented at the entrance)

29TH ANNUAL GENERAL MEETING ON MONDAY, SEPTEMBER 26, 2016 AT 11.00 A.M.

Junagadh Road, Manavadar - 362630 Dist :Junagadh. (Gujarat).

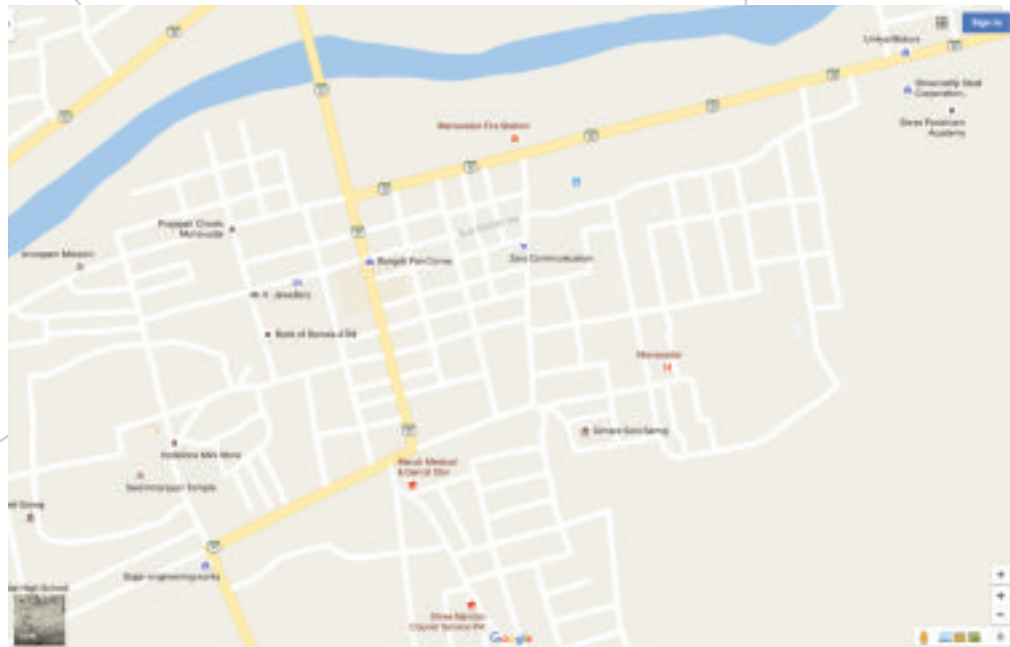
Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member \_\_\_\_\_ Signature \_\_\_\_\_

Name of the Proxyholder \_\_\_\_\_ Signature \_\_\_\_\_

**Note :**

1. Please fill this attendance slip and hand it over at the entrance of the Hall.
2. Members/Proxy Holders/Authorised Representatives are requested to show their Photo ID Proof for attending the Meeting .
3. Authorized Representatives of Corporate members shall produce proper authorization issued in their favour.







Our Mr. Pankaj Patel (Engineer - Sales) with students of M H Gardi school of Management during industrial visit

