

# Rajoo Engineers Limited

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

Phone : +91-97129-62704/52701/32706  
Fax : +91-2827-252700  
E-mail : rel@rajoo.com  
Web : www.rajoo.com

**RAJOO**<sup>®</sup>  
excellence in extrusion

18<sup>th</sup> September, 2017

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 2016-17**

Please find enclosed herewith Annual Report for the Financial Year 2016-17 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,**

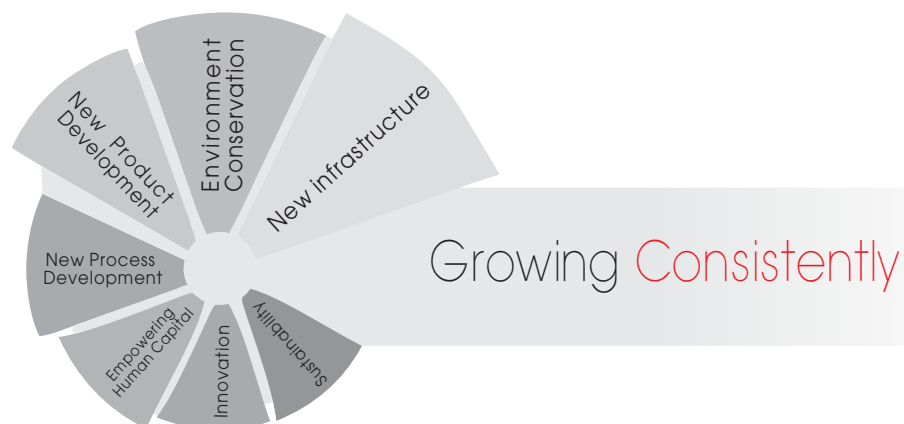
*Jadejavi Jay*  
(Vijay Jadeja)  
Company Secretary



Regd. Office : Junagadh Road, Manavadar, Dist. Junagadh - 362 630, Gujarat - India.

CIN : L27100GJ1986PLC009212





# **Rajoo Engineers Limited**

## **ANNUAL REPORT 2016 - 2017**

### **30<sup>th</sup> ANNUAL GENERAL MEETING**

Date : 18<sup>th</sup> September, 2017

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

Global Player In Plastic Extrusion Machinery



Contents	
1. Our leadership team	01
2. Letter to the share holders	02
3. Vision	04
4. Board of Directors	09
5. Financial highlights	10
6. Notice of AGM	11
7. Directors' Report	28
8. Auditor's Report	49
9. Management Discussion and Analysis	53
10. Report on Corporate Governance	57
11. Balance Sheet	78
12. Independent Auditor's Report	102
13. Consolidated Balance Sheet	109
14. CSR Activities	130
15. Proxy Form	132

#### 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,**  
**506-508, Amarnath Business Centre-1 (ABC-1),**  
**Besides Gala Business Centre**  
**Near XT Xavier's College Corner,**  
**Off C G Road , Ellisebridge**  
**Ahmedabad 380006 Tel No : +91 79 26465179 /86 / 87**  
**E-mail id : ahmedabad@linkintime.co.in**  
**Website : www.linkintime.co.in**



## 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 - Whole Time 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 - Whole Time 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 - Executive 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 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.







**R N Doshi**  
Chairman & Managing Director

## Letter to the share holders

“

I firmly believe that the forthcoming year holds promise of improvement as far as investment momentum is concerned. Government's focus on recent initiatives places your company in a favourable position. ”

### Dear REL Shareholders,

The year 2016-17 saw the Indian economy charting a measured course towards the objectives set out by the Government. Investment momentum remained muted in some sectors, while the positives are the reformist and bold measures taken by the Government, which, in long term will benefit the economy and country as a whole. Industrial capex remained subdued because of paucity of funds. The world economy encountered challenges including significant volatility, depression in crude oil and commodity prices, currency depreciation in emerging markets and a slowdown in China.

I firmly believe that the forthcoming year holds promise of improvement as far as investment momentum is concerned. Government's focus on recent initiatives places your company in a favourable position.

India is poised to enjoy the fastest growth in polymer demand anywhere in the world over the next five years, outstripping China and other emerging economies. According to forecasts, India's current rate of growth in thermoplastics market will surpass 20 million tons by 2020. Growth is not only fuelled by policy relaxations but also by rising urbanisation of a large, youthful population, leading to greater consumer spending for items that require plastics- from packaged goods to mobile phone and automobiles. Your company will indeed benefit substantially being in the plastics extrusion machinery segment. Our capabilities in the plastics extrusion machinery sector are unmatched in the industry.

Fiscal 2016-17 witnessed another year of progress for your company with implementation of several initiatives and continued strides to improve the products and services for the customers. The company continues on the path of being globally competitive with profitable growth and is stronger than ever before.

### Performance Overview

It gives me great pleasure to announce that your Company has recommended a dividend of ₹ 0.25 per share (i.e. 25%) on the paid-up share capital of the Company, subject to approval of members in the ensuing Annual General Meeting. Your Company has been able to maintain the same dividend level as that of last fiscal.

During the year, your Company logged sales of ₹ 111.38 crores as against ₹ 106.86 crores during the previous fiscal, a marginal increase of nearly 4.25% in spite of the sluggish economy. The aggregate sales and other income increased by 4.86% to ₹ 112.23 crores from ₹ 107.02 crores in 2015-16.

**Going Digital**

Your company continues to implement solutions using digital technologies to make quantum improvements in all key areas of its operations. A giant step in this direction is the deployment of the world famous ERP solution – SAP HANA. This measure will greatly improve productivity, optimize logistics, reduce material consumption and increase efficiencies amongst other benefits. It will rationalise and automate the process of production planning with the objective of ensuring timely deliveries to the customers of products and services, thus increasing "customer delight". Your company continues the legacy of industry leadership by being foremost in the adaption of SAP HANA.

**Accolades**

On 1st March 2017, your company was recognised for its contribution to technology innovation for its innovation "Woodplex – WPC Profile and Board Line" in the 7th National Award for Technology Innovation in Petro-chemicals and Downstream Plastics Processing Industry by Government of India.

On 8th April, CNBC Bazar and Akila bestowed "The Saurashtra Ratna Award" in the category of "Struggle to Success to Story".

Astounding success at the world's most prestigious platform for the plastics Industry – K 2016 in Dusseldorf, Germany, reinforced the Company's technology leadership. The Five Layer Blown Film Line from the **Pentafoil** series won a lot of appreciation for its significantly low energy consumption.

**Strategic plans**

In its quest to make further inroads in countries with great potential in the plastics extrusion machinery segment, your Company focussed on new regions with great success. Machines were shipped to Thailand, Vietnam, Malaysia, Sri Lanka, Pakistan, Bangla Desh and other neighbouring countries. Efforts in South African and North African market bore fruits. In the forthcoming years, intense efforts will be undertaken in CIS countries and South American markets to increase market share.

**Outlook**

The thrust given by the Government on core infrastructure, FDI in retail and food processing continues to give us a healthy basket of opportunities to tap. Several upcoming projects in plastic processing, in India and around the world, provide us with a broad perspective of the opportunity horizon opening up for us in 2017-18.

The outlook for 2017-18 is extremely promising, both for the domestic and export markets. The firm commitment of the Government for implementation of Goods & Services Tax (One Nation, One Tax, One Market) will benefit the economy as a whole and indeed your Company.

Capital investments made by the Company for machine tools will augment in-house capacity and increase quality and enhanced flexibility to develop new designs and technology. Overall 2017-18 is poised to be an exciting year from all aspects.

In conclusion, I would like to thank my fellow Board Members, Rajoo-ites, customers, vendors and other stakeholders who have collectively enabled sustainable and profitable growth of the business.

R. N. Doshi  
Chairman & Managing Director



“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 stake holders 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.

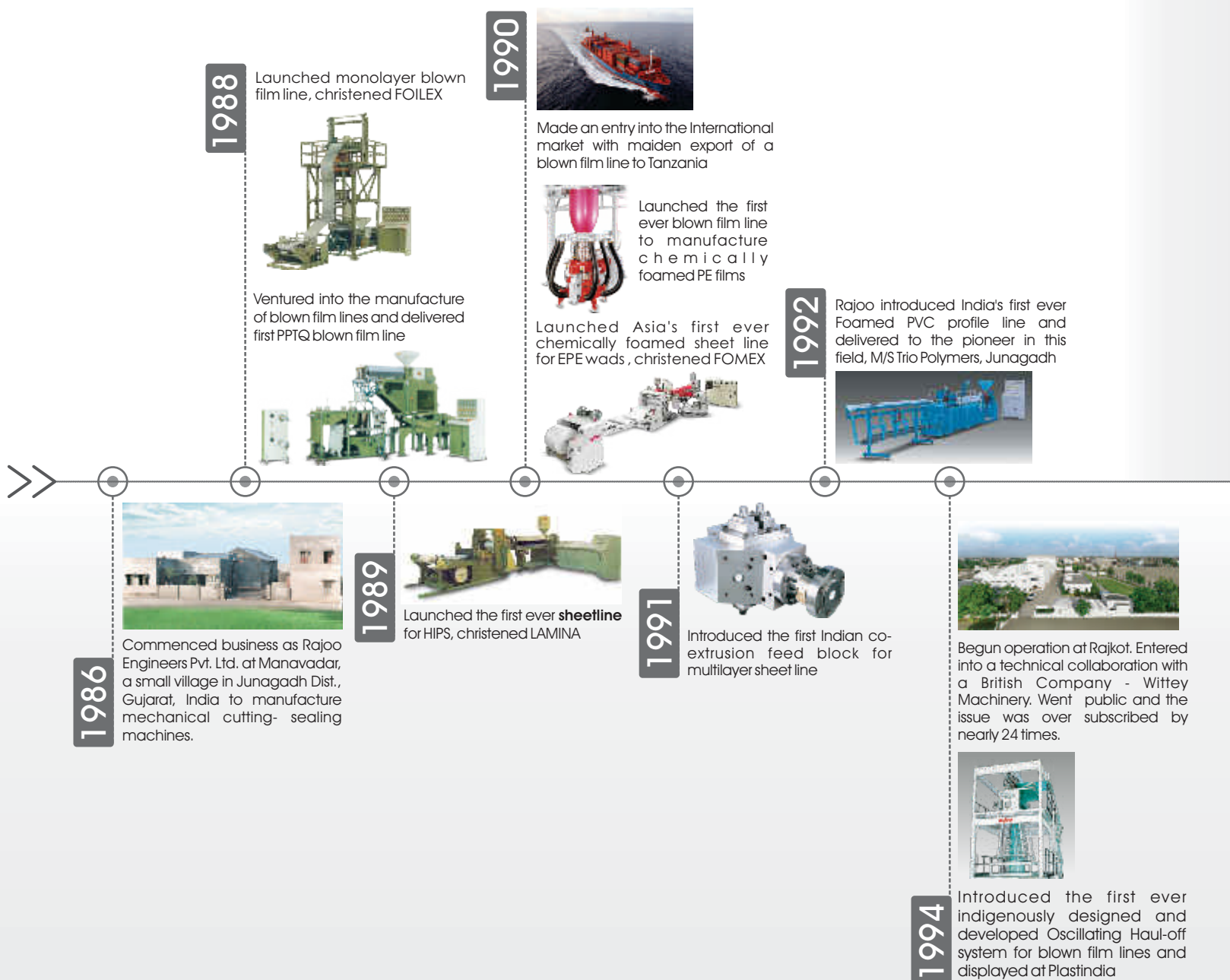
Our co-operation with the polymer industry and with internationally acclaimed rheologists and machine designers enables us to provide technology of the developed nations too at developing countries.

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.

## 31 YEARS OF LEADERSHIP



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 PPTQ film plant – 150 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

2004



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

2006



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 (Unititt) polishing roll stack assembly

2008

**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



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"



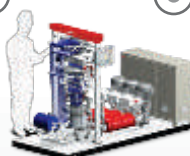
Rajoo's Tilting Mould Thermoformer-Dispotilt was recognized in the category of innovation of

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



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

2013



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 Plasticon 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

2017



On 8th April, CNBC Bazar and Akila bestowed "The Saurashtra Ratna Award" in the category of "Struggle to Success to Story". Astounding success at the world's most prestigious platform for the plastics Industry - K 2016 in Dusseldorf, Germany, reinforced the Company's technology leadership. The Five Layer Blown Film Line from the **Pentafoil** series won a lot of appreciation for its significantly low energy consumption.



On 1st March 2017, your company was recognised for its contribution to technology innovation for its innovation "Woodplex - WPC Profile and Board Line" in the 7th National Award for Technology Innovation in Petrochemicals and Downstream Plastics Processing Industry by Government of India.

## Board of Directors

### EXECUTIVE DIRECTORS:

Mr. Rajesh N. Doshi  
Chairman & Managing Director

Mr. Sunil B. Jain  
Whole Time Director

Ms. Khushboo C. Doshi  
Whole Time Director

Mr. Utsav K. Doshi  
Executive Director

### NON EXECUTIVE DIRECTORS:

Mr. Ramesh A. Shah  
Independent Director

Mr. Kirit R. Vachhani  
Independent Director

Mr. Rajendra G. Vaja  
Independent Director

Mr. Laxman R. Ajagiya  
Independent Director

### KEY MANAGERIAL PERSONNEL:

Mr. J. T. Jhalawadia  
Chief Financial Officer

Mr. 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 6 years

(₹ In Lacs)

Particular	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
<b>OPERATING RESULTS</b>						
Revenue From Operations & Other Income	11222.57	10701.79	11719.27	10145.83	9093.23	7895.58
Profit before depreciation & Interest	1318.75	1000.87	1079.46	783.22	551.21	718.05
Profit before tax (PBT)	974.13	700.75	774.04	515.30	253.81	403.33
Profit after tax (PAT)	641.01	457.61	523.96	345.64	169.33	279.20
PAT as % of Sales	5.76%	4.28%	4.48%	3.42%	1.86%	3.55%
Retained earnings	466.40	283.00	329.35	209.85	74.28	159.70
Earning per share (EPS) ₹	1.10	0.79	0.90	0.63	0.46	0.76
Dividend % p.a.	25%	25%	25%	20%	14%	28%
<b>FINANCIAL SUMMARY</b>						
<b>Assets</b>						
Non- Current Assets						
(a) Fixed Assets (Net)	2995.43	2462.98	2168.10	2023.22	1672.97	1731.50
(b) Non- Current Investment	198.14	198.14	198.14	198.14	51.14	51.14
(c) Long Term Loans & Advances	34.05	111.44	21.60	18.52	12.71	10.28
(d) Other Non - Current Assets	6.52	13.03	19.55	26.06	4.08	0.00
<b>Current Assets</b>	7240.53	4993.94	4957.34	5168.74	4475.03	5043.78
<b>Total</b>	<b>10474.67</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	580.31	367.20	367.20
(b) Reserves & Surplus	3565.58	3099.18	2816.18	2486.83	2250.73	2168.54
Total Shareholders Funds	4145.88	3679.49	3396.49	3067.14	2617.93	2535.74
Non Current Liabilities	293.79	289.20	278.20	287.59	851.82	1296.46
Current Liabilities	6034.99	3810.86	3690.04	4079.95	2746.18	3004.49
<b>Total</b>	<b>10474.67</b>	<b>7779.54</b>	<b>7364.74</b>	<b>7434.70</b>	<b>6215.94</b>	<b>6836.70</b>
Current Ratio	1.20	1.31	1.34	1.27	1.63	1.68
Debts Equity	0.00:1	0.00:1	0.00:1	0.00:1	0.10:1	0.10:1
<b>OTHERS</b>						
Book Value per Share (₹)	7.14	6.34	5.85	5.29	7.13	6.91
Gross Fixed Assets	5053.43	4280.14	3783.41	3359.08	2713.35	2616.48

## NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of the Members of the Company will be held on Monday, 18th September, 2017 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 the Audited Financial Statements (including audited consolidated financial statements) for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and Auditors Report thereon;
2. To declare Final Dividend of ₹ 0.25 per equity share for the Financial Year 2016-17.
3. To appoint Director in place of Sunil Jain (DIN: 00043541) who is liable to retire by rotation and, being eligible, offers himself for reappointment.
4. To appoint Director in place of Utsav Doshi (DIN: 00174486) who is liable to retire by rotation and, being eligible, offer himself for reappointment.
5. To appoint M/s. N. R. Dhaduk & Co., Chartered Accountants, as Statutory Auditors of the Company and to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. N. R. Dhaduk & Co., Chartered Accountants (Firm Registration No. 134800W), be and are hereby appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of this 30th Annual General Meeting ("AGM") until the conclusion of the 35th AGM to be held in the year 2022, subject to ratification of their appointment at every AGM, on such remuneration, as may be decided by the Audit Committee of the Board."

### SPECIAL BUSINESS:

6. To ratify the appointment of Cost Auditor for the Financial Year 2017-2018 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 ₹ 40,000/- plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending 31st March, 2018 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."

7. To pass, with or without modification, the following Resolution, as a **Special Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013, as well as in accordance with the provisions as contained in the Articles of Association of the Company, and in pursuance of recommendations of the Remuneration Committee of the Board of Directors of the Company, approval of the Company be and is hereby given for increase in remuneration of Mr. Rajesh N. Doshi, Chairman & Managing Director of the Company w.e.f. 1st July, 2017 for the period of three years, on following terms and conditions:

#### Salary

₹ 5,75,000/- 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.

**“RESOLVED FURTHER THAT** where in any financial year, the Company is not having profits or its profits are inadequate, the Company shall pay to Mr. Rajesh N. Doshi, the remuneration as said in above paragraphs, subject to provisions of Schedule V to 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”

8.To pass, with or without modification, the following Resolution, as a **Special Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013, as well as in accordance with the provisions as contained in the Articles of Association of the Company, and in pursuance of recommendations of the Remuneration Committee of the Board of Directors of the Company, approval of the Company be and is hereby given for increase in remuneration of Mr. Sunil B. Jain, Whole Time Director of the Company w.e.f. 1st July, 2017 for the period of three years, on following terms and conditions:

#### **Salary**

₹ 5,00,000/- per month including all allowances and benefits

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

- i) Reimbursement of driver's Salary.

**“RESOLVED FURTHER THAT** where in any financial year, the Company is not having profits or its profits are inadequate, the Company shall pay to Mr. Sunil B. Jain, the remuneration as said in above paragraphs, subject to provisions of Schedule V to 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 pass, with or without modification, the following Resolution, as a **Special Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013, as well as in accordance with the provisions as contained in the Articles of Association of the Company, and in pursuance of recommendations of the Remuneration Committee of the Board of Directors of the Company, approval of the Company be and is hereby given for increase in remuneration of Ms. Khushboo Chandrakant Doshi, Whole Time Director of the Company w.e.f. 1st July, 2017 for the period of three years, on following terms and conditions:

### Salary

₹ 3,00,000/- 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 Chandrakant 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.

**“RESOLVED FURTHER THAT** where in any financial year, the Company is not having profits or its profits are inadequate, the Company shall pay to Ms. Khushboo Chandrakant Doshi, the remuneration as said in above paragraphs, subject to provisions of Schedule V to 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 an **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 to appoint Mr. Utsav Kishorbhai Doshi, as Whole-time Director of the Company, for a period of five years commencing from 01.07.2017 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.”

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

**"RESOLVED THAT** pursuant to the provisions of Section 4, 13 and all other applicable provisions of the Companies Act, 2013 if any, Clause III (B) of the object that are incidental or ancillary to the attainment of the Main object of the Memorandum of Association be and hereby altered by replacing all the existing sub-clause B-1 to B-55 with new sub-clause 1 to 68.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things necessary in order to give effect to the above resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Section 4, 13 and all other applicable provisions of the Companies Act, 2013 if any, the Other Object Clause of the Memorandum of Association be removed by completely deleting the Clause III (C) 1 to 19.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things necessary in order to give effect to the above resolution."

Date: 08/05/2017  
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. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT hours before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Members, Proxies and Authorized Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of Their DP ID and Client ID / Folio No.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 12th September, 2017 to Monday, 18th September, 2017 (both days inclusive).
5. 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.
6. The Notice of 30th AGM and the Annual Report 2016-17 will also be available on the Company's Website [www.rajoo.com](http://www.rajoo.com) for download by the Members. Physical copies of the aforesaid documents will also be available at the Registered Office and Corporate Office for inspection during business hours.
7. (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.
8. 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.
9. 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.



10. 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.
11. The Notice of the AGM along with the Annual Report 2016-17 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.
12. 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.
13. As required under Listing Regulations and Secretarial Standards – 2 on General Meeting details in respect of Directors seeking re-appointment at the AGM, is separately annexed hereto as 'Annexure 1'.

#### **14. 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 30th 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 15th September, 2017 10.00 a.m and ends on 17th September, 2017, 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 11th September, 2017 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:

(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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - 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.
DOB	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.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. - 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).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Rajoo Engineers Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) 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.
- (xix) 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).
- (xx) 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:

<b>Company :</b>	<b>Rajoo Engineers Limited</b>
Registrar & Transfer Agent :	Link Intime India Pvt. Ltd
Ahmedabad Office :	506-508, Amarnath Business Centre-1 (ABC-1), Besides Gala Business Centre Near XT Xavier's College Corner, Off C G Road , Ellisebridge, Ahmedabad 380006
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, Practicing 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 48 hours of the conclusion of the AGM, 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.

Members are advised to refer to the information provided in the Annual Report.

#### 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 7 of the accompanying Notice:

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

In terms of the provisions of Section 139 of Companies Act, 2013 (the "Act"), no listed company can appoint or re-appoint an individual auditor as auditor for more than one term of five consecutive years. The Act further prescribes that the Company has to comply with these provisions within the period specified under section 96 (1) of the Act, after three years from the date of commencement of the Act.

M/s. M. N. Manvar & Co., Chartered Accountants, existing statutory Auditors of the Company have been in office for more than 5 years and in compliance with the provisions of the Act, the Company has to appoint a new auditor in his place. Accordingly, the Board of Directors, at their meeting held on 31st March, 2017, have, subject to approval of shareholders in the forthcoming AGM, approved the appointment of M/s. N. R. Dhaduk & Co., Chartered Accountants, as the Statutory Auditors of the Company, in place of M/s. M. N. Manvar & Co., to hold office from the conclusion of this 30th AGM until the conclusion of 35th AGM of the Company, subject to ratification by the Members at every AGM.

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

The Board of Directors recommends the resolution for your approval.

#### **Item No.6**

A Proposal for appointment of Cost Auditor for the Financial Year 2017- 18 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.

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 thereof are interested in the above resolution.

The Board of Directors recommends the resolution for your approval.

#### **Item No. 7, 8, 9 & 10**

Increase in remuneration of Mr. R. N. Doshi Chairman & Managing Director of the Company:

Mr. 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.

Considering his experience and expertise, the Audit Committee, the Remuneration Committee, and the Board of Directors of the Company felt that the remuneration package offered to him need to be revised to make it fair, reasonable and also in line with the remuneration package prevailing in the industry.

The Audit Committee, the Remuneration Committee and the Board of Directors of the Company at its Meeting held on July 1, 2017 have approved the revision in remuneration payable to Mr. Rajesh N. Doshi w.e.f. July 1, 2017.

In terms of the provisions Section 197 read with Schedule V of the Companies Act, 2013, the proposed special resolution seeks approval of the Members of the Company for revision in remuneration payable to Mr. Rajesh N. Doshi w.e.f. July 1, 2017.

The Board of Directors of the Company recommends the resolution for approval of the Members.

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

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

The Board of Directors recommends the resolution for your approval.

**Increase in remuneration of Mr. Sunil Jain, Whole Time Director of the Company:**

Overall marketing, business development, diversification and growth strategies at the corporate level are the responsibilities of Mr. Sunil 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.

Considering his experience and expertise, the Audit Committee, the Remuneration Committee, and the Board of Directors of the Company felt that the remuneration package offered to him need to be revised to make it fair, reasonable and also in line with the remuneration package prevailing in the industry.

The Audit Committee, the Remuneration Committee and the Board of Directors of the Company at its Meeting held on July 1, 2017 have approved the revision in remuneration payable to Mr. Sunil B. Jain, w.e.f. July 1, 2017.

In terms of the provisions Section 197 read with Schedule V of the Companies Act, 2013, the proposed special resolution seeks approval of the Members of the Company for revision in remuneration payable to Mr. Sunil B. Jain w.e.f. July 1, 2017, The Board of Directors of the Company recommends the resolution for approval of the Members.

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

**Increase in remuneration of Ms. Khushboo Chandrakant Doshi, Whole Time Director of the Company:**

Ms. Khushboo Chandrakant Doshi, a second generation entrepreneur, joined Rajoo Engineers Limited 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.

Ms. Khushboo 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, Ms. 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.

Considering her experience and expertise, the Audit Committee, the Remuneration Committee, and the Board of Directors of the Company felt that the remuneration package offered to her need to be revised to make it fair, reasonable and also in line with the remuneration package prevailing in the industry.

The Audit Committee, the Remuneration Committee and the Board of Directors of the Company at its Meeting held on July 1, 2017 have approved the revision in remuneration payable to Ms. Khushboo Chandrakant Doshi w.e.f. July 1, 2017.

In terms of the provisions Section 197 read with Schedule V of the Companies Act, 2013, the proposed special resolution seeks approval of the Members of the Company for revision in remuneration payable to Ms. Khushboo Chandrakant Doshi w.e.f. July, 2017, The Board of Directors of the Company recommends the resolution for approval of the Members.

The Board of Directors of the Company recommends the resolution for approval of the Members.

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

**Appointment of Mr. Utsav Kishorbhai Doshi as Whole Time Director of the Company:**

Taking into consideration of the valuable services rendered by Mr. Utsav Kishorbhai Doshi during and subject to the approval of the members of the Company in General Meeting and based on the re-commendations of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 01.07.2017 had re-appointed Mr. Utsav Kishorbhai Doshi as Whole Time Director of the Company for a period of five (5) years from 01.07.2017 to 30.06.2022 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 Mr. Utsav Kishorbhai Doshi as Whole Time Director are as follows:

Term: for a period of Five years from 01.07.2017 to 30.06.2022

Remuneration w.e.f 01.07.2017 for period of three years:

**Salary**

₹ 2,40,000/- 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. Utsav Kishorbhai 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.

The 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. Utsav Kishorbhai 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 2015-16 and 2016-17 are provided in the Annual Report 2017 which accompanies this Notice.

Foreign Investments or collaborations, if any

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

Foreign investors, mainly comprising NRIs, and Foreign Nationals are investors in the Company on account of past issuances of securities/ secondary market purchases.

The Company has no subsidiaries as on 31.03.2017

### II Information about the appointees

	R. N. Doshi	Sunil Jain	Khushboo Doshi	Utsav Doshi
<b>Background details</b>	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.	Utsav Doshi has technical experience to convert market requirements into technical layout, and having thorough knowledge in manufacturing and Plastic Processing.
	Detailed information of appointees are provided below in head - Details of Directors seeking reappointment and Directors whose remuneration is proposed to be increased.			

	R. N. Doshi	Sunil Jain	Khushboo Doshi	Utsav Doshi
<b>Past Remuneration</b>	Remuneration drawn by R. N. Doshi, Sunil Jain, Khushboo Doshi and Utsav Doshi during the Financial Year ended 31st March, 2017 has been mentioned in the Report of Board of Directors on Corporate Governance.			
<b>Job Profile and his/her suitability</b>	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, P R 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.	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 has cross functional expertise in Design and Operations. Utsav is an integral part of the senior management and responsible for entire manufacturing activity at REL
<b>Recognition or awards</b>	Nil			
<b>Remuneration proposed</b>	Details of proposed remuneration are presented in the explanatory statement under Section 102 of the Companies Act, 2013 in the forgoing pages.			

	R. N. Doshi	Sunil Jain	Khushboo Doshi	Utsav Doshi
--	-------------	------------	----------------	-------------

**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/WTG 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 and Utsav Doshi does not have any pecuniary relationship with the Company or with any Managerial personnel. Their transactions with the Company are disclosed under "Related Party Transactions" in Notes to balance sheet.

### III. Other Information

**Reason for loss or inadequate profits**

The Company is profit making Company.

**Steps taken or proposed to be taken for improvement**

The company has set up in house R & D Centre in order to develop new products for better realization and continuously efforts to expand marketing and economy in operations.

**Expected increase in productivity and profits in measurable terms**

The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.

**IV. Disclosure :** As required, the information is provided under Corporate Governance Section of Annual Report 2017.

The Directors recommend the Resolution set in Item No. 7, 8, 9 & 10 for approval of Shareholders by way of Special Resolution.

Date: 08/05/2017  
Place: Veraval (Shapur), Rajkot

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

**(R. N. DOSHI)**  
**Chairman & Managing Director**

**Item No. 11**

The existing Memorandum of Association is in line with the erstwhile Companies Act, 1956, which are thus no longer in full conformity with the Companies Act, 2013.

It is thus expedient to adopt new Clause III (B) of the Memorandum of Association in place of Clause III(B) of the existing Memorandum of Association of the Company, pursuant to the provisions of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution.

The Directors recommend the aforesaid resolution for the approval by the members as a Special Resolution.

**Item No. 12**

In order to comply with the provisions of Section 4(1)(c), 13 and other applicable provisions, if any, of the Companies Act, 2013, the Company needs to delete the Other Objects Clause from the Memorandum of Association. The modification in the Memorandum of Association is carried out to give effect to the provisions of the Companies Act, 2013. Consent of the shareholders by passing a Special Resolution is required in this regard.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution.

The Directors recommend the aforesaid resolution for the approval by the members as a Special Resolution.

A copy of the proposed altered Memorandum of Association of the Company would be available for inspection for the members at the Registered Office of the Company during the office hours on any working day, except Wednesday, between 10.00 a.m. to 6.00 p.m. upto the conclusion of the 30th Annual General Meeting.

The altered Memorandum of Association is uploaded in the Company's website at [www.rajoo.com/investors](http://www.rajoo.com/investors) for perusal by the shareholders.

Date: 08/05/2017  
Place: Veraval (Shapar), Rajkot

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

**(R. N. DOSHI)**  
**Chairman & Managing Director**

## Annexure 1

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

Director's Name	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	32 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	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. Sunil 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	
Khushboo Chandrakant 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 Accounts and Financial 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	
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	Utsav Doshi 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



## DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting the 30th Annual Report on the business and operations of the Company, together with the audited accounts for the financial year ended 31st March, 2017.

### FINANCIAL RESULTS:

Financial results are presented in the table below:

	Standalone		Consolidated		(₹ In Lacs)
Particulars	2016-17	2015-16	2016-17	2015-16	
<b>OPERATING RESULTS</b>					
Sales & other income	11222.57	10701.79	12558.06	11564.73	
Profit before interest & depreciation Less :	1318.75	1000.87	1447.13	1137.03	
- Depreciation	252.60	255.71	258.80	257.20	
- Interest	92.02	44.40	93.26	44.76	
<b>Net profit before taxation Less :</b>	<b>974.13</b>	<b>700.75</b>	<b>1095.07</b>	<b>835.07</b>	
- Taxation	330.73	267.94	369.70	312.35	
- Wealth Tax	0.00	0.00	0.00	0.00	
- Deferred tax	2.39	(24.80)	2.43	25.71	
<b>Net profit after taxation</b>	<b>641.01</b>	<b>457.61</b>	<b>722.95</b>	<b>548.43</b>	
Add : Profit & loss account balance brought forward	2132.66	1849.66	2288.05	1914.24	
Add : Prior Year's Adjustment	0.00	0.00	-	-	
<b>Amount available for appropriation</b>	<b>2773.66</b>	<b>2307.27</b>	<b>3011.00</b>	<b>2462.67</b>	
Proposed Dividend	145.08	145.08	145.08	145.08	
Dividend tax Transfer to General Reserve	29.53	29.53	29.53	29.53	
Depreciation Adjustment	0.000.00	0.000.00	-	-	
<b>Balance carried to Balance sheet</b>	<b>2599.05</b>	<b>2132.66</b>	<b>2836.39</b>	<b>2288.06</b>	

## **DIVIDEND**

The Board of Directors is pleased to recommend a dividend of Re.0.25 per share (i.e. 25%) on the paid up share capital of the Company, subject to approval of members in the ensuing Annual General Meeting. The dividend on equity shares, if approved by the members would involve a cash outflow of Rs 174.61 lakhs including dividend distribution tax.

## **CHANGE IN THE NATURE OF BUSINESS**

During the year under review, there was no change in the nature of the business.

## **LISTING**

The Equity Shares of the Company continue to remain listed on the Bombay Stock Exchange Limited.

## **FIXED DEPOSIT**

The Company has not accepted any deposit within the meaning of Chapter V of the Companies Act, 2013 and the Rules framed there under.

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

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

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 Mr. Sunil Jain and Mr. Utsav Doshi retires by rotation and being eligible has offered themselves for re-appointment. Brief particulars of Mr. Sunil Jain and Mr. Utsav Doshi and their 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.

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.

The Company has received necessary declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and the Listing Regulations.

During the year there was no change (Appointment or Cessation) in the office of the Key Managerial Personnel.

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

Twelve 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.

## **ANNUAL BOARD EVALUATION AND FAMILIARISATION PROGRAMME**

The Board has carried out an annual evaluation of its own performance, the directors and also committees of the Board based on the guidelines formulated by the Nomination & Remuneration Committee. Board composition, quality and timely flow of information, frequency of meetings, and level of participation in discussions where some of the parameters considered during the evaluation process. A note on the familiarizing programme adopted by the Company for the orientation and training of the Directors and the Board evaluation process undertaken in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in the Corporate Governance Report which forms part of this Report.

The details of the programme for familiarization of the Independent Directors of the Company are available on the Company's website [www.rajoo.com](http://www.rajoo.com)

## POLICY ON NOMINATION AND REMUNERATION AND PERFORMANCE EVALUATION OF DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL

The Company believes that a diverse and inclusive culture is integral to its success. A diverse Board, among others, will enhance the quality of decisions by utilizing different skills, qualifications, professional experience and knowledge of the Board members necessary for achieving sustainable and balanced development. Accordingly, Board based on the recommendation of the Nomination and Remuneration Committee has formulated a policy on remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy covers the appointment, including criteria for determining qualification, positive attributes, independence and remuneration of its Directors, Key Managerial Personnel and Senior Management Personnel. The Nomination and Remuneration Policy forms part of corporate governance report. Nomination and Remuneration Committee has also carried out the evaluation of every director's performance.

## BOARD COMMITTEES

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.

## DIRECTORS' 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 for the financial year ended March 31, 2017, 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) the directors had 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) the directors had prepared the annual accounts on a going concern basis;
- (v) the directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- (iv) the directors had 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 2016-17.

## 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 2016-17 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.

## **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 Annual Report on CSR Activities in prescribed format is enclosed in Annexure II of this report. The policy is available on the website of the Company at <http://www.rajoo.com/csr.html>.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms an integral part of this Report.

## **CORPORATE GOVERNANCE**

Your Board confirms their continued commitment to best practices of Corporate Governance. Corporate Governance principles form an integral part of the core values of your Company. In terms of Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance, along with a certificate from the Auditors' on its compliance, forms an integral part of this Report.

## **RISK MANAGEMENT**

Your Company recognizes that Risk as an integral part of business and is committed to minimizing the risk in a pro-active and efficient manner. More details on risk management are covered in the Management Discussion and Analysis forming part of this Annual Report.

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

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.

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis which forms part of this Report.

## **AUDITORS:**

### **STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the tenure of current auditors - M/s M. N. Manvar & Co., Chartered Accountants, shall come to an end at the conclusion of forthcoming AGM. Accordingly, M/s N. R. Dhaduk & Co., Chartered Accountants, (Firm Registration No. 134800W) have been recommended by the Audit Committee and by the Board to be appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the ensuing 30th Annual General Meeting until the conclusion of 35th Annual General Meeting of the Company to be held in the calendar year 2022, subject to annual ratification by members at every Annual General Meeting, on such remuneration as may be decided by the Audit Committee of the Board. They being eligible have consented and offered themselves for appointment as statutory auditors for conducting audit of accounts for five consecutive financial years starting from 2017-18.

Consent of the Auditors and certificate u/s 139 of the Act have been obtained from the Auditors to the effect that their re-appointment, if made, shall be in accordance with the applicable provisions of the Act and the Rules issued thereunder. As required under the SEBI (LODR), Regulations, 2015.

There is no qualification, disclaimer, reservation or adverse remark made by the Statutory Auditors in Auditors' Report. Your Board of Directors recommends their appointment as Statutory Independent Auditors for the financial year 2017-18.

## **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of the Directors of the Company had appointed M/s. Maulik Sheth & Associates, Company Secretaries to undertake the Secretarial Audit of the Company for the year ended March 31, 2017. The Secretarial Audit Report is annexed as Annexure – H.

## **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.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on 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.

## **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.

## **SIGNIFICANT AND MATERIAL ORDER**

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future for the year under review.

## **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

At the core of our success are our people. We do not view our employees as 'resources'; we consider them our most valuable assets, and have been working towards keeping them Engaged and Inspired. At Rajoo, we believe that Engaged and Inspired employees are more satisfied with their work, tend to stay longer, and are more productive and committed.

We aim to be an employer of choice for both our current and future employees. Our employees are the foundation of our success, and we believe in sharing our success with them.

We have also taken several steps towards encouraging women and enhancing workforce diversity through our initiatives on work-life flexibility.

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

## 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.

At Rajoo, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, color, gender, religion, political opinion, national extraction, social origin, sexual orientation or age.

At Rajoo, every individual is expected to treat his/her colleagues with respect and dignity. Whistle Blower Policy provides a platform to all employees for reporting unethical business practices at workplace without the fear of reprisal and help in eliminating any kind of misconduct in the system.

The Company also has in place `Prevention of Sexual Harassment Policy`. This Anti-Sexual Harassment Policy of the Company is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

An Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year:

No. of complaints received: Nil

No. of complaints disposed off : NA

## 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:

Your Company continually took necessary steps to absorb and adopt the latest technologies and innovations in the Plastic Manufacturing Machines Industry. All machinery and equipment are continuously serviced, updated and overhauled in order to maintain them in good condition. This resulted in consumption of lesser energy consumption. Energy audits and Inter unit studies are carried out on a regular basis for taking steps for reduction of the energy consumption.

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

#### (C) The company is in process of setting up and bringing in to operation grid interactive Solar Photovoltaic Power Plant on turnkey basis in the state of Gujarat at Village HADAMTADA, Taluka Kotda-Sangani, District Rajkot.

## 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 thermo formers.

(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

(₹ In Lacs)

Particulars	F.Y. 2016-17	F.Y. 2015-16
Foreign Exchange earned	4150.02	3555.99
Foreign Exchange used	1312.08	1059.26

### APPRECIATION:

Your Directors thank various Central and State Government Departments, Organizations and Agencies for the continued help and cooperation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

Date: 08/05/2017  
Place: Veraval (Shapar), Rajkot

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

**(R. N. DOSHI)**  
Chairman & Managing Director  
(DIN: 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 Pvt.Ltd.
1	Latest audited Balance Sheet Date	31 March, 2017
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	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	88435401
6	Profit/Loss for the year	16721870
	i. Considered in Consolidation	16721870
	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, 2017.

For and on behalf of the Board of Directors

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

**(K. C. DOSHI)**  
Whole Time 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 will be 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.html">http://www.rajoo.com/csr.html</a></p>
2	Composition of CSR Committee	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.
3	Average Net profits of the company for the last three financial year	Average Net profits: ₹ 6,63,36,342/-
4	Prescribed CSR expenditure (Two Percent of the amount in item no. 3 above)	₹ 13,26,727/-
5	Details of CSR Spent during the financial year:	<p>Amount budgeted for the year 2016-17 : ₹ 13,00,000/-</p> <p>Amount spent upto 31.03.2017 : ₹ 12,15,975/-</p> <p>Amount Unspent if any : ₹ 1,10,752/-</p>

**Manner in which the amount was spent during the Financial Year ended on 31.03.2017**

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	Cumulative 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 of economically backward students, Donation to Cultural Education Trust, Donation to Sister Nivedita Foundation, Rajkot for providing scholarship to girls from rural areas and construction of hall at Taluka Kanya Shala, Veraval Shapar.	Promoting Education	Veraval Shapar Rajkot Manavadar	1000000	1011095	1011095	Direct, Cultural Education Trust, Manavadar and Sister Nivedita Foundation, Rajkot
2	Providing health support facilities to the under privileged people by paying their medical expenses. Distribution of Food and Nutrient rich milk in the Civil Hospital Rajkot and slum area near Veraval Shapar.	Health care and Medical Facilities	Rajkot Manavadar	180000	184880	184880	Direct
3	Donation to Shivaji Sangh (Trikon Bagh ka Raja – Ganpati Festival)	Community Welfare	Rajkot	15000	15000	15000	Direct
4	Donation to Akhil Mukbadhir Viklang Mandal - Junagadh	Protection of art and culture	Junagadh	5000	5000	5000	Direct
<b>Total:</b>				<b>1200000</b>	<b>1215975</b>	<b>1215975</b>	

**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

**(KHUSHBOO CHANDRAKANT DOSHI)**  
Chairman of CSR Committee

**ANNEXURE III**

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**  
**as on financial year ended on 31.03.2017**

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

**I) REGISTRATION & OTHER DETAILS:**

1	CIN	:	L27100GJ1986PLC009212
2	Registration Date	:	8/12/1986
3	Name of the Company	:	Rajoo Engineers Limited
4	Category/Sub-category of the Company	:	Manufacturer - Extrusion Machinery
5	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
6	Whether listed company	:	Yes
7	Name , Address & contact details of the Registrar & Transfer Agent, if any	:	<b>M/s. Link Intime India Private Limited,</b> C-13, Pannanlal Silk Mill Compound. L.B.S. Marg, Bhandup (W), Mumbai - 400078 Ahmedabad Office: 506-508, Amarnath Business Centre-1 (ABC-1), Besides Gala Business Centre Near XT Xavier's College Corner, Off C G Road , Ellisebridge Ahmedabad 380006

**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 main Products / services	NIC code of the Products / services	% to total turnover of the company
1	Thermoplastic Extrusion Plants	2829	61.86%
2	Post Extrusion Equipments	2829	19.95%
3	Miscellaneous Parts and Equipments	2829	18.16%

**III) PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

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

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

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
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

Continue...

## 2. Non Institutions

### a) Bodies Corporate

- Indian	677146	11010	688156	1.19	426202	0	426202	0.73	(0.46)
- Overseas	0	0	0	0.00	0	0	0	0.00	0.00

### b) Individuals

- i) Individual shareholders holding nominal share capital up to ₹ 1 lac	12580467	2796160	15376627	26.50	12528904	2771170	15300074	26.36	-0.14
- ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lac	1858927	0	1858927	3.20	1918519	0	1918519	3.31	0.11

### c) Others (Specify)

- Clearing members	633092	0	633092	1.08	977383	0	977383	1.68	0.60
- Foreign National NRI (REPAT)	538552	0	538552	0.93	515319	0	515319	0.89	(0.04)
- Foreign National NRI (NON REPAT)	325706	0	325706	0.56	295434	0	295434	0.51	-0.05
- Foreign National NRI (NON REPAT)	39250	0	39250	0.07	27379	0	27379	0.05	-0.02

### Sub Total : (B) (2)

<b>16653140</b>	<b>2807170</b>	<b>19460310</b>	<b>33.53</b>	<b>16689140</b>	<b>2771170</b>	<b>19460310</b>	<b>33.53</b>	<b>(0.00)</b>
-----------------	----------------	-----------------	--------------	-----------------	----------------	-----------------	--------------	---------------

### Total Public Shareholding

(B) = (B)(1) + (B)(2)

<b>16653140</b>	<b>2810170</b>	<b>19463310</b>	<b>33.54</b>	<b>16689140</b>	<b>2774170</b>	<b>19463310</b>	<b>33.54</b>	<b>(0.00)</b>
-----------------	----------------	-----------------	--------------	-----------------	----------------	-----------------	--------------	---------------

### C. Share held by Custodian for GDRs & ADRs

<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
----------	----------	----------	-------------	----------	----------	----------	-------------	-------------

### Grand Total (A+B+C)

<b>55220580</b>	<b>2810170</b>	<b>58030750</b>	<b>100.00</b>	<b>55256580</b>	<b>2774170</b>	<b>58030750</b>	<b>100.00</b>	<b>0.00</b>
-----------------	----------------	-----------------	---------------	-----------------	----------------	-----------------	---------------	-------------



(ii) Share Holding Of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)			% 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>37071690</b>	<b>63.89</b>	<b>0.00</b>	<b>38567440</b>	<b>66.47</b>	<b>0.00</b>	<b>0.00</b>

(iii) Change In Promoters' Shareholding ( Specify If There Is No Change)

There is no change in the Promoters' Shareholding during the Financial Year 2016-17

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

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	<b>CHAVDA JAWAHARBHAI PETHALJIBHAI</b>				
	At the begning 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	<b>KALPANA KHUSHBIRSINGH BATRA</b>				
	At the begning of the Year	172951	0.30	172951	0.30
	Bought during the Year	0.00	0.00	0.00	0.00
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	172951	0.30	172951	0.30
3	<b>BHASKAR N OZA</b>				
	At the begning of the Year	164390	0.28	164390	0.28
	Bought during the Year	0.00	0.00	0.00	0.00
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	164390	0.28	164390	0.28
4	<b>HARSHIDABEN JAWAHARBHAI PANDYA</b>				
	At the begning of the Year	160000	0.28	160000	0.28
	Bought during the Year	0.00	0.00	0.00	0.00
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	160000	0.28	160000	0.28
5	<b>JAWAHAR CHUNILAL PANDYA</b>				
	At the begning of the Year	150000	0.26	150000	0.26
	Bought during the Year	0.00	0.00	0.00	0.00
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	150000	0.26	150000	0.26

6	<b>JIGNA MANISH DOSHI</b>				
	At the begning of the Year	118000	0.20	118000	0.20
	Bought during the Year	0.00	0.00	0.00	0.00
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	118000	0.20	118000	0.20
7	<b>JAYESH MAHADEV MEHTA - HUF</b>				
	At the begning of the Year	0.00	0.00	0.00	0.00
	Bought during the Year	116000	0.20	116000	0.20
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	116000	0.20	116000	0.20
8	<b>MANISHKUMAR SUMATILAL MEHTA</b>				
	At the begning of the Year	0.00	0.00	0.00	0.00
	Bought during the Year	108678	0.19	108678	0.19
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	108678	0.19	108678	0.19
9	<b>PIYUSH CHHAGANLAL DOSHI</b>				
	At the begning of the Year	106500	0.18	106500	0.18
	Bought during the Year	0.00	0.00	0.00	0.00
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	106500	0.18	106500	0.18
10	<b>PARESH CHHAGANLAL DOSHI</b>				
	At the begning of the Year	106000	0.18	106000	0.18
	Bought during the Year	0.00	0.00	0.00	0.00
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	106000	0.18	106000	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 (Whole Time Director)				
	Opening Balance	17000	0.03	17000	0.03
	Transactions during the year	150	0.00	150	0.00
	Closing Balance	17150	0.03	17150	0.03
3	KHUSHBOO C. DOSHI (Whole Time Director)	4867042	8.39	4867042	8.39
4	UTSAV K. DOSHI	2299372	3.96	2299372	3.96
5	RAMESH A SHAH (Independent Director)				
	Opening Balance	0.00	0.00	0.00	0.00
	Transactions during the year	1000	0.00	1000	0.00
	Closing Balance	1000	0.00	1000	0.00
6	KIRIT R. VACHHANI (Independent Director)	7000	0.01	7000	0.01
7	RAJENDRA VAJA (Independent Director)	0.00	0.00	0.00	0.00
8	LAXMAN R. AJAGIYA (Independent Director)	11000	0.02	11000	0.02
9	J.T. JHALAVADIA (Chief Financial Officer)	2500	0.00	2500	0.00
10	VIJAY JADEJA (Company Secretary)	0.00	0.00	0.00	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
<b>Indebtness at the beginning of the financial year</b>				
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>
<b>Change in Indebtedness during the financial year</b>				
Additions	10113250268	0	1220481	10114470749
Reduction	10114240025	0	1095900	10115335925
<b>Net Change</b>	<b>-989757.16</b>	<b>0</b>	<b>124581</b>	<b>-865176.16</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	66434566	0	1449581	67884146.84
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>66434565.84</b>	<b>0</b>	<b>1449581</b>	<b>67884146.84</b>

(vi) **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sl.No	Particulars of Remuneration	Name of the MD/MTD/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.	5874684	3821724	2939640	12636048
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	220786	0		220786
	(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
3	Sweat Equity	0	0		0
4	Commission as % of profit	0	0		0
5	Others, please specify	0	0		0
	<b>Total (A)</b>	<b>6095470</b>	<b>3821724</b>	<b>2939640</b>	<b>12856834</b>
	<b>Ceiling as per the Act</b>				

**B. Remuneration to other directors:**

Sl.No	Particulars of Remuneration	Name of the MD/MTD/Manager				Total Amount
1	Independent Directors	Mr. Ramesh Shah	Mr. Rajendra Vaja	Mr. Kirit Vachhani	Mr. Laxman Ajagiya	<b>29000</b>
	(a) Fee for attending board committee meetings	7000	7500	7500	7000	0.00
	(b) Commission	0.00	0.00	0.00	0.00	0.00
	(c) Others, please specify	0.00	0.00	0.00	0.00	0.00
	<b>Total (1)</b>	<b>7000</b>	<b>7500</b>	<b>7500</b>	<b>7000</b>	<b>29000</b>
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings	0.00	0.00	0.00	0.00	0.00
	(b) Commission	0.00	0.00	0.00	0.00	0.00
	(c) Others, please specify	0.00	0.00	0.00	0.00	0.00
	<b>Total (2)</b>					
	<b>Total (B) (1 + 2)</b>	<b>7000</b>	<b>7500</b>	<b>7500</b>	<b>7000</b>	<b>29000</b>
	<b>Total Managerial Remuneration</b>					<b>12885834</b>
	<b>Overall Ceiling as per the Act</b>					<b>10800000</b>

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

Sl.No	Particulars of Remuneration	Key Managerial Personnel		Total
1	Gross Salary	Company Secretary Mr. Vijay jadeja	Chief Financial Officer Mr. J. T. Jhalavadia	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	326688	747963	1074651
	(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>326688</b>	<b>747963</b>	<b>1074651</b>

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

There were no penalties, punishment or compounding of offences during the year ended March 31, 2017.

#### 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	26.96 17.54 13.49						
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. Utsav K. Doshi Mr. J. T. Jhalavadia (Chief Financial Officer) Mr. Vijay Jadeja (Company Secretary)	NIL NIL NIL NIL 8.25 % 20.00%						
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:	14.64%							
4	The number of permanent employees on the rolls of Company as on 31st March, 2017:	267							
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, 2017 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:	Market Capitalization: (₹ in Lacks) PE ratio No public offer has been made since	<table><tr><th>31.03.2017</th><th>31.03.2016</th></tr><tr><td>9371.96</td><td>8849.69</td></tr><tr><td>12.52</td><td>19.30</td></tr></table>	31.03.2017	31.03.2016	9371.96	8849.69	12.52	19.30
31.03.2017	31.03.2016								
9371.96	8849.69								
12.52	19.30								
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 each director to the median remuneration of the employees of the Company for the financial year:	None
11	Affirmation that the remuneration is as per the remuneration policy of the Company:	Remuneration paid during the year ended March 31, 2017 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 ₹ 5 lacs per month or ₹ 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 31.03.2017**

[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 31.03.2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31/03/2017 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 2008-09 (Unpaid Dividend A/C No. 087010200022765 with balance of ₹ 3,21,448/-) 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;

Continue >>>

(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, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the audit period)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (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 ; Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review.
- (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.
- (ii) The Listing Agreements entered into by the Company with BSE Limited, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Continue >>>

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.

I further report that based on review of compliance mechanism established by the Company we are of the opinion that there are adequate systems and processes in place in the Company which is 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 there were no instances of:

- i. Public/Right/Preferential issue of shares /debentures/sweat equity;
- ii. Redemption / buy-back of securities;
- iii. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013;
- iv. Merger / amalgamation / reconstruction;
- v. Foreign technical collaborations.

PLACE: RAJKOT  
DATE :08.05.2017

FOR, MAULIK SHETH & ASSOCIATES

**MAULIK SHETH**  
PROPRITER  
CP NO. 11441

### **Annexure To Secretarial Auditors' Report**

To,  
The Members,  
Rajoo Engineers Limited  
Rajoo Avenue,  
Survey No.210, Plot No.1,  
Industrial Area,  
Veraval (Shapar)-360024

Our Secretarial Audit Report for the financial year 31st March, 2017 is to be read along with this letter.

#### **Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

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

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

#### **Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

PLACE: RAJKOT  
DATE : 08.05.2017

FOR, MAULIK SHETH & ASSOCIATES

**MAULIK SHETH**  
PROPRITER  
CP NO. 1144

## 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, automotive, industrial manufacturing equipment, to mechanical engineering..

Plastics are visible in each and every walk of life in the modern world and have 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.
- (d) Use of machine learning ( ML) and artificial intelligence ( AI) – Industry 4.0
- (e) Global manufacturing and management practices with an eye for quality and design.
- (f) Development of new products and applications.
- (g) Efficient plastic recycling technologies
- (h) Technology Consultancy and Technology Transfer.
- (i) 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

Though the bans have been challenged in many courts of law, an awareness campaign about the benefits of plastics needs to be propagated.

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.

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.

Scarcity 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 market is expected to reach ₹ 42,000 billion ( USD 654.38 billion) by 2020, according to a new study by Grand View Research, Inc. Growth of major end-use industries, such as packaging, construction and automotive particularly in emerging markets of China, India and Brazil is expected to remain a key driving factor for global plastics demand. Volatile raw material prices coupled with growing environmental concerns regarding plastics disposal and sustainability continues to pose as serious challenge to market participants. Leading industry participants continue to develop bio-based alternatives to conventional plastics.

Global plastics demand was 233.75 million tons in 2013 and is expected to reach 334.83 million tons by 2020, growing at a CAGR of 5.3% from 2014 to 2020. Asia pacific emerged as the largest regional market for plastics and accounted for over 44.6% of total market volume. Increasing construction spending coupled with growth of the regional automotive industry is expected to drive plastic demand in Asia Pacific. Central and South America are expected to be the fastest growing regional markets for plastics, at an estimated CAGR of 6.3% from 2014 to 2020. Rise in disposable income coupled with growth of major end use markets in Brazil and Argentina are expected to drive demand over the next six years. North America and Europe are relatively mature markets for plastics and are driven by new technology and innovation in the field of bio-based and sustainable alternatives. North America plastics demand is expected to grow at an estimated CAGR of 4.3% from 2014 to 2020.

The Indian domestic polymer industry ( like the global industry) is dominated by Polyolefins ( PE and PP), representing about 73% of all commodity resins consumed in 2013-14. After clocking a subdued growth in 2013-14, the polymer industry growth in India was higher at 7%. Domestic demand is expected to outpace domestic production.

Polymer import dependency remained at 33% in 2014-15 and is expected to come down in next two years to around 27%. Trade deficit rose to 2723 KT in 2015-16 and declined to 1019 KT in 2016-17. However, the demand for polymers grew at an expected to witness a double digit growth of around 13% in 2017-18.



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 has become an outsourcing hub for supply of parts and assemblies to the developed economies.

Your Company has a positive outlook for F.Y. 2017-18. 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**

With the reformist government in the center and expected effective implementation and planned launch of GST in the next financial year, the outlook of the Indian economy is bright.

While FDI in single brand retail was already been permitted, the long pending financial reform of FDI in multi-brand retail is also permitted 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**

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 is giving direct employment to **267** employees. Industrial relations are cordial and satisfactory.

## 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: 08/05/2017  
Place: Veraval (Shapar), Rajkot

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

**(R. N. DOSHI)**  
Chairman & Managing Director

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

The Market regulator 'Securities and Exchange Board of India' (SEBI) has stipulated a set of Corporate Governance standard for the Listed Companies. The Corporate Governance standards demonstrate inalienable rights vested with various stakeholders and strong commitment to values, ethics and business conduct.

Rajoo Corporate Governance philosophy is about intellectual honesty whereby the governance is not just about encompassing regulatory and legal requirements but also strives to enhance stakeholders' value as a whole. Your Company belongs to a legacy where the visionary founders laid the stone for good governance through the philosophies of work with a social cause implying the duty to work diligently carries the responsibility that one should give something back to others in the society which enables one to build trust and confidence with one's stakeholders, including employees, customer and suppliers where a long term relationships could be developed for the benefit of everyone.

Your company's philosophy includes protection and facilitation of shareholder's rights, provide adequate and timely information on all material matters including the financial situation, performance, ownership and governance of the Company, opportunity to participate effectively in general meeting and ensure equitable treatment to all shareholders. The Board's role, functions, responsibility and accountability are clearly defined. Your Board monitors the Company's overall performance, directs and guides the activities of the Management towards the set of goals and seeks accountability. Your Board also sets standards of corporate behavior, ensures transparency in corporate dealings and compliance with the laws and regulations. Your company has fulfilled all the existing guidelines described by SEBI in chapter IV read with scheduled V of SEBI (listing obligations and disclosure requirements) Regulations, 2015.

## BOARD OF DIRECTORS:

### Composition of the Board:

- i. As on the date of this Report the Company's Board consists of Eight Directors. There are Four Executive Directors and Four Non-Executive Independent Director on the Board of the Company. The composition of Board is in conformity with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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. None of the Directors of your Company are inter-se related to each other.

### Board Meetings:

Twelve Meetings were held during the year on : 1st April, 2016, 13th May, 2016, 30th May, 2016, 1st July, 2016, 5th August, 2016, 5th September, 2016, 11th September, 2016, 11th December, 2016, 1st January, 2017, 20th January, 2017, 18th February, 2017 and 31st March, 2017. The dates and notices along with detailed agenda were fixed / issued well in advance in compliance with the Secretarial Standards. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days.

### Directors' Attendance Record and Directorships:

Details of the Composition and the attendance record of the Board of Directors are given below. None of the Directors are member of more than 10 Board level Committees of public companies in which they are Directors, nor holds chairmanship in more than five such Committees.

Name of the Director	Category	Number of Board Meeting held during the year 2016-17		Whether attended last AGM held on September 26, 2016	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	12	12	Yes	01	-	-
Ms. Khushboo Doshi	Executive Director	12	12	Yes	-	-	-
Mr. Sunil Jain	Executive Director	12	03	Yes	-	-	-
Mr. Utsav K. Doshi	Executive Director	12	09	Yes	-	-	-
Mr. Ramesh Shah	Independent Director	12	03	Yes	-	-	-
Mr. Rajendra Vaja	Independent Director	12	05	Yes	-	-	-
Mr. Kirit Vachhani	Independent Director	12	12	Yes	-	-	-
Mr. Laxman Rudabhai Ajagiya	Independent Director	12	06	Yes	-	-	-

- (1) The Directorship held by Directors do not include alternate directorships and directorships of Foreign Companies, Section 8 Company, One Person Companies and Private Limited Companies.
- (2) Only Audit Committee and Stakeholders' Relationship Committee are reckoned for this purpose.
- (3) The said directors have submitted the declaration satisfying all criteria of Independent Director under the Companies Act, 2013 and SEBI Regulation.

The Board evaluates the Company's strategic direction, management policies, performance objectives and effectiveness of Corporate Governance practices.

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>

During the year under review, separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 18th March, 2017 to review the performance of Non-Independent Directors and the Board as a whole; to review the performance of the Chairman of the Company and Assess 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 as required under Schedule IV of the Companies Act, 2013 and Listing Regulations. The meeting was attended by all the Independent Directors.

### **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>

During the year under review, separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 18th March, 2017 to review the performance of Non-Independent Directors and the Board as a whole; to review the performance of the Chairman of the Company and Assess 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 as required under Schedule IV of the Companies Act, 2013 and Listing Regulations. The meeting was attended by all the Independent Directors.

### **Familiarisation Programme for Independent Directors**

The Company conducts Familiarization Programme for the Independent Directors to enable them to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles, rights and responsibilities for the purpose of contributing significantly towards the growth of the Company. They are given full opportunity to interact with senior management personnel and are provided with all the documents required and/or sought by them to have a good understanding of the Company, its business model and various operations and the industry, it is a part.

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

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

### **Performance Evaluation of the Board, its Committees and Individual Directors, including Independent Directors**

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the process, format, attributes and criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements.

For evaluation of the entire Board and its Committees a structured questionnaire, covering various aspects of the functioning of the Board and its Committee, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the Board and Committee meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc., is in place. Similarly, for evaluation of individual Director's performance, the questionnaire covers various parameters like his/her profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc.

The performance of Chairman, Executive Directors and Independent Directors are evaluated on certain additional parameters depending upon their roles and responsibilities. For the Chairman the criteria includes leadership, relationship with stakeholders etc., for the Executive Directors the criteria includes execution of business plans, risk management, achievement of business targets, development of plans and policies aligned to the vision and mission of the Company, etc. Additional criteria for evaluation of Independent Directors include effective deployment of knowledge and expertise, commitment to his/her role towards the Company and various stakeholders, willingness to devote time and efforts towards his/her role, high ethical standards, adherence to applicable codes and policies, effective participation and application of objective independent judgment during meetings, etc.

Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2016-17.

The Nomination and Remuneration Committee has also carried out evaluation of every Director`s performance.

The Directors expressed their satisfaction with the evaluation process.

#### **CODE OF CONDUCT:**

Commitment to ethical professional conduct is a must for every employee, including Board Members and Senior Management personnel of Rajoo. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct.

The Code of Conduct is available on the website of the company [www.rajoo.com](http://www.rajoo.com). All Board members and Senior Management personnel affirm compliances with the Code of Conduct annually. A declaration signed by the Managing Director forms part of this Report.

**(Annexure V)**

## COMMITTEES OF THE BOARD:

There are five Board Committees as on 31st March, 2017 as follows:

Name of the Committee	Extract of Terms of Reference	Category and Composition		Other Details
		Name	Category	
<b>Audit Committee</b>	Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.	Kirit Vachhani (Chairman)	Independent, Non-Executive	- Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and internal auditors to be present at its meetings.
	- Oversight of financial reporting process.	Rajendra Vaja	Independent, Non-Executive	
	- Reviewing with the management, the Annual financial statements and Auditors' report thereon before submission to the board for approval.	Ramesh Shah	Independent, Non-Executive	- The Company Secretary acts as the Secretary to the audit committee.
	- Evaluation of internal financial controls and risk management systems.			- Quarterly Reports are sent to the members of the Committee on matters relating to the Insider Trading Code.
	- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.			- The previous AGM of the Company was held on 26th September, 2016 and was attended by Mr. Kirit Vachhani, Chairman of the Audit Committee.
<b>Stakeholders' Relationship Committee</b>	- Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.			
	Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.	Ramesh Shah (Chairman)	Independent, Non-Executive	- The Committee specifically redressed the shareholders grievances pertaining to share transfers, non-receipts of annual reports, non- receipt of declared dividend and other allied complaints.
	- Consider and resolve the grievances of security holders.	Kirit Vachhani	Independent, Non-Executive	
	- Consider and approve issue of share certificates, transfer and transmission of securities, etc.	Rajendra Vaja	Independent, Non-Executive	- A total of 26 correspondences were received from investors during 2016-17, of which 3 cases were reported as complaints, same have been subsequently replied to the satisfaction of shareholders but 5 are pending as on 31st March, 2017 due to incomplete documents submission by shareholders.
<b>Number of Meetings Held and Attendance:</b>				
Four Stakeholders Relationship Committee Meetings were held during the year. All the members have attended all the meetings of Stakeholders' Relationship Committee				

<b>Corporate Social Responsibility Committee</b>	Committee is constituted in line with the provisions of Section 135 of the Act.	Khushboo C. Doshi (Chairman)	Whole Time Director	·The CSR Charter and the CSR Policy of the Company is available on our website, <a href="http://www.rajoo.com/csr.html">http://www.rajoo.com/csr.html</a> .
	- Formulate and recommend to the board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act.	Rajesh Nanalal Doshi	Managing Director	·The CSR report for the year ended March 31, 2016 is attached as Annexure I to the Directors' Report.
	- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy. Monitor the CSR Policy.	Ramesh Amrutlal Shah	Independent, Non-Executive	Number of Meetings Held and Attendance:  Four CSR Committee meetings were held during the year. All the members have attended all the meetings of Audit Committee.
<b>Nomination and Remuneration Committee</b>	Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.	Ramesh Shah (Chairman)	Independent, Non-Executive	- The company does not have any Employee Stock Option Scheme.
	- Recommend to the Board the setup and composition of the Board and its committees.	Kirit Vachhani	Independent, Non-Executive	- Committee has conducted the Performance Evaluation of the Directors for the financial year 2016-17.
	- Recommend to the Board the Appointment/Re-appointment of Directors and Key Managerial Personnel. Carry out evaluation of every director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors.	Rajendra Vaja	Independent, Non-Executive	- Number of Meetings Held and Attendance:  - Four Nomination and Remuneration Committee Meetings were held during the year. All the members have attended all the meetings of Nomination and Remuneration Committee.
	- Recommend to the Board the Remuneration Policy for directors, executive team or Key Managerial Personnel as well as the rest of employees			
	- Oversee the Human Resource philosophy, Human Resource and People strategy and Human Resource practices including those for leadership development, rewards and recognition, talent management and succession planning.			

#### 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 2016-17:

The Company has paid remuneration to executive directors as per table given herein under.

Name of Director	Category	Salary (₹ per annum) (Incl. PF)	Benefits Perquisites and allowances	Sitting Fees	Shareholding at the end of the year (31.03.2017)
Mr. R. N. Doshi Chairman & Managing Director	Executive Director	5874684	220786	Nil	2940200
Mr. Sunil B. Jain	Executive Director	3821724	Nil	Nil	17150
Ms. Khushboo C. Doshi	Executive Director	2939640	Nil	Nil	4867042
Mr. Utsav K. Doshi	Executive Director	1963046	Nil	Nil	2299372
Mr. Ramesh A. Shah	Independent Director	Nil	Nil	7000	1000
Mr. Rajendra vaja	Independent Director	Nil	Nil	7500	-
Mr. Kirit Vachhani	Independent Director	Nil	Nil	7500	7000
Mr. Laxman Ajagiya	Independent Director	Nil	Nil	7000	11000
<b>Total</b>		<b>1,45,99,094</b>	<b>220786</b>	<b>29,000</b>	

### General Body Meetings:

Details of the last three annual general meetings are given below:

Financial Year	Date	Time	Venue
2015-2016	26th September, 2016	11:00 a.m.	Junagadh Road, Manavadar, District Junagadh.
2014-2015	22nd September, 2015	11:00 a.m.	Junagadh Road, Manavadar, District Junagadh.
2013-2014	5th September, 2014	11:00 a.m.	Junagadh Road, Manavadar, District Junagadh.

- No Extra-ordinary General Meeting of the Members was held during the year 2016-17.
- During the year under review, no special resolution has been passed through the exercise of postal ballot.
- 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
29th	<ul style="list-style-type: none"> <li>- Appointment of Utsav Doshi as Executive Director of the Company.</li> <li>- Re-appointment of Mr. R. N. Doshi, as Chairman and Managing Director of the Company Executive Director of the Company.</li> <li>- Re-appointment of Mr. Sunil Jain, as Whole-time Director of the Company.</li> <li>- Re-appointment of Ms. Khushboo Chandrakant Doshi, as Whole-time Director of the Company.</li> </ul>
28th	<ul style="list-style-type: none"> <li>- Approval to keep Register and Returns at Head Office of the Company.</li> <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>

#### 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. Prevention of Insider Trading**

Your company had adopted a Code of conduct as per SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, in order to preserve the confidentiality and prevent misuse of unpublished price sensitive information. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by this Code. The main object of the Code is to intimate all insiders a guideline, which they should follow in letter and spirit, while trading in target company's securities. During the year under review, the Company had made due compliance with SEBI (Prohibition of Insider trading) Regulations, 2015.

#### **vi. 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, 2017. (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 Un-audited Quarterly Results are announced within 45 days from the end of the quarter and the Annual Audited Results are announced within 60 days from the end of the financial year as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The Company provides the information to the stock exchange where shares of the Company are listed. The results are also published in one English newspaper having national circulation and one Gujarati Newspaper (The Economic Times).

The Financial Results of the Company are displayed on the Company's website <http://www.rajoo.com>

#### **General 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 30th Annual General Meeting (AGM) of the Company will be held on Monday, 18th September, 2017, 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.

#### **Dividend:**

The Board of Directors at their meeting held on 8th May, 2017 recommended a dividend of ₹ 0.25/- per equity shares of face value of ₹1/- each, for the financial year ended 31st March, 2017. Dividend, if approved by the members, will be paid on or after Friday, 23rd September, 2017.

#### 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.

#### Details of Stock Exchanges where Listed

Stock Exchange	ISIN	Stock Code
BSE Ltd, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400001	INE535F01024	522257

The annual listing fees for the financial year 2017-18 to BSE has been paid.

#### Market Price Data:

Market Price and Volume of the Company's Shares of Face Value of ₹ 1 each traded at the Bombay Stock Exchange, Mumbai are as under:

Month	2014-17		2014-17
	High (₹)	Low (₹)	Total number of equity shares traded
Apr 16	18.20	14.70	625411
May 16	19.30	15.75	871434
Jun 16	18.85	15.05	1141664
Jul 16	22.00	17.00	2257022
Aug 16	19.80	15.65	1118072
Sep 16	18.60	15.60	910139
Oct 16	20.00	16.65	1213937
Nov 16	23.20	16.20	3124532
Dec 16	18.70	16.10	454188
Jan 17	18.75	16.80	1116162
Feb 17	18.00	15.85	597747
Mar 17	16.85	15.00	861493

Market Price and Volume of the Company's Shares of Face Value of ₹ 1 each traded at the Bombay Stock Exchange, Mumbai are as under:

Year 2016-17	Rajoo Engineers Limited	Sensex
Apr 16	16.65	25,606.62
May 16	16.00	26,667.96
Jun 16	17.50	26,999.72
Jul 16	19.25	28,051.86
Aug 16	17.40	28,452.17
Sep 16	16.95	27,865.96
Oct 16	19.35	27,930.21
Nov 16	18.15	26,652.81
Dec 16	17.00	26,626.46
Jan 17	17.40	27,655.96
Feb 17	16.15	28,743.32
Mar 17	16.15	29,620.50

### 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, 2017:

Category	No. of Shares	% of Share holding
Promoters	3,85,67,440	66.46
Institutional Investors:		
Mutual Funds:	3,000	0.01
Non Institutional Investors:		
Body Corporates:	4,37,212	0.75
Individual Shareholders:	1,72,07,583	29.66
NRI's / OCBs / Foreign Nationals:	3,22,813	0.56
Hindu Undivided Family:	9,77,383	1.67
Clearing Members:	5,15,319	0.89
<b>Grand Total</b>	<b>5,80,30,750</b>	<b>100.00</b>

ii. Distribution of Shareholding as on 31st March, 2017:

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	3651	41.36	897516	1.55
0501-1000	2729	30.92	2608991	4.49
1001-2000	1041	11.79	1846581	3.18
2001-3000	371	4.20	998766	1.72
3001-4000	199	2.25	750189	1.29
4001-5000	197	2.23	955655	1.66
5001-10000	348	3.95	2698374	4.65
Above 10000	291	3.30	47274678	81.46
<b>Total</b>	<b>8827</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, 2017:

Particulars	No. of Share	% of Total Issued Cap.
Physical Segment	27,74,170	4.78%
Demat Segment		
NSDL	4,70,67,066	81.11%
CDSL	81,89,514	14.11%
<b>Total:</b>	<b>5,80,30,750</b>	<b>100.00%</b>

**R&T Address:**

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

1. C-13, Pannalal Silk Mill Compound,  
L.B.S. Marg Bhandup (W)  
Mumbai - 400078

2. 506-508, Amarnath Business Centre-1  
(ABC-1), Besides Gala Business Centre  
Near XT Xavier's College Corner  
Off C G Road, Ellisebridge  
Ahmedabad 380006  
Tel No : +91 79 26465179 /86 / 87  
E-mail id : ahmedabad@linkintime.co.in  
Website : www.linkintime.co.in

**Name, designation and address of Compliance Officer:**

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

The Company's dedicated e-mail address for Investors' Complaints and other communications is [relmvr@rajoo.com](mailto:relmvr@rajoo.com)

**(Annexure V)**

**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, 2017 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.

Date: 08/05/2017

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 VI**

### **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, 2017 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: 08/05/2017

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**

1. We have examined the compliance of conditions of Corporate Governance by Rajoo Engineers Limited, for the year ended on 31<sup>st</sup> March 2017, 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.

2. 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.

3. 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.

4. 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

Date : 08/05/2017

**Place : Rajkot**

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

## Independent Auditor's Report

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, 2017, 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, 2017 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-1" 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, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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 company 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) 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 : 08th May, 2017  
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 2017, 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 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 as on 31/3/2017 as under :-

Sr. No.	Name of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Protective Demand on completion of Assessment u/s 143(3)	8,64,22,130	A.Y 2014-15	CIT (Appeals)-3, Rajkot
2	Central Excise Act, 1944	As per Order in Original No. 33/ADC/PV/2016-17, dtd: 28/09/2016	27,72,837 + Interest @ 18% and Penalty 13,86,419	F.Y. 2011-12	Commissioner Appeal-III, of Central Excise, Rajkot
3	Central Excise Act, 1944	As per Order in Original No. 123/ADC/PV/2016-17, dtd: 07/02/2017	65,11,253 + Interest @ 18% ₹ 18,65,327 Penalty 65,11,253	F.Y 2010-11 to F.Y 2012-13	Commissioner Appeal-III, of Central Excise, Rajkot

- (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.

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

Date : 08th May, 2017  
 Place : Veraval (Shapar), Rajkot

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

## **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, 2017 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 authorizations 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, 2017, 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.

Date : 08th May, 2017  
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, 2017**

Particulars	Note No.	As at 31.03.2017		As at 31.03.2016	
		(₹)	(₹)	(₹)	(₹)
<b>I. Equity And Liabilities</b>					
1. Share Holders' Fund					
(a) Share Capital	4	58030750		58030750	
(b) Reserve & Surplus	5	356557723		309917991	
(c) Money received against Share Warrants		-	414588473	-	367948741
2. Share Application money pending allotment			-		-
3. Non- Current Liabilities					
(a) Long Term Borrowings	6	1449581		1325000	
(b) Deferred Tax Liabilities (Net)	7	20424661		20185278	
(c) Long term Liabilities	-	-		-	
(d) Long Term Provisions	8	7504610	29378852	7409310	28919588
4. Current Liabilities					
(a) Short Term Borrowings	9	66434567		67424323	
(b) Trade Payables	10	238345835		157778629	
(c) Other Current Liabilities	11	233838890		114066459	
(d) Short Term Provisions	12	64880190	603499482	41816339	381085751
<b>Total</b>			<b>1047466807</b>		<b>777954080</b>
<b>II. Assets</b>					
<b>1. Non- Current Assets</b>					
(a) Fixed Assets	13				
(i) Tangible Assets		271032209		163903291	
(ii) Intangible Assets		13894428		18022678	
(iii) Capital Work In Progress		14616219		64372394	
(iv) Intangible assets under development		-	299542856	-	246298363
(b) Non Current Investment	14	19814200		19814200	
(c) Long-term loans and advances	15	3405176		11143942	
(d) Other non-current assets	16	651548	23870924	1303096	32261238
<b>2. Current Assets</b>					
(a) Current Investments	17	-		10816633	
(b) Inventories	18	243794000		120411240	
(c) Trade Recivables	19	239305092		127405303	
(d) Cash and Cash equivalents	20	91330542		84479813	
(e) Short-term loans and advances	21	148555064		108312669	
(f) Other Current assets	22	1068329	724053027	47968821	499394479
<b>Total</b>			<b>1047466807</b>		<b>777954080</b>

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

1 to 37

As per our report of even date

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

**(K. C. Doshi)**

Director

**(J.T. Jhalavadia)**

C.F.O.

**(Vijay Jadeja)**

Company Secretary

Date : 08th May, 2017

Place : Veraval (Shapar), Rajkot



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2017**

Particulars		Note No.	F. Y. 2016-17 (₹)	F. Y. 2015-16 (₹)
I	Revenue from Operation	23	1113809471	1068637159
II	Other Income	24	8447287	1541782
III				
	<b>Total Revenue (I + II)</b>		<b>1122256758</b>	<b>1070178941</b>
IV	<b>Expenditure:</b>			
	Cost of Materials consumed	25	705142227	696110164
	Purchase of Stock-In-Trade		-	14161650
	Changes in Inventories of Finished Goods			
	Work in Progress and Stock-in-Trade	26	(52239304)	(13262984)
	Employee Benefits Expenses	27	109983137	98601054
	Financial Cost	28	9202368	4440106
	Depreciation	13	25259843	25571513
	Other Expenses	29	227495239	174482453
	<b>Total Expenses</b>		<b>1024843510</b>	<b>1000103956</b>
V	Profit before Exceptional and Extraordinary Items & tax (III-IV)		97413248	70074985
VI	Exceptional Items		-	-
VII	Profit before Extraordinary Items & tax (V-VI)		97413248	70074985
VIII	Extraordinary Items		-	-
IX	Profit before Tax (VII-VIII)		97413248	70074985
X	Tax Expenses			
	(1) Current Tax			
	Income Tax		33073015	26793985
	(2) Deferred Tax - Liability / (Asset)		239383	(2480176)
XI	Profit for the period from Continuing operations (IX-X)		64100850	45761176
XII	Loss from Discontinuing Operations (after tax)		-	-
XIII	Profit for the Period (XI - XII )		64100850	45761176
XIV	Earning Per Equity Share			
	(1) Basic		1.10	0.79
	(2) Diluted		1.10	0.79

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

**1 to 37**

As per our report of even date

For and on behalf of the Board

For, **M. N. MANVAR & CO.**  
Chartered Accountants  
FRN : 106047W  
**( M. N. MANVAR )**  
Proprietor  
Membership No.:- 036292

**(R. N. Doshi)**  
Chairman / Managing Director  
**(K. C. Doshi)**  
Director

**(J.T. Jhalavadia)**  
C.F.O.  
**(Vijay Jadeja)**  
Company Secretary  
Mem. No. A31035

Date : 08th May, 2017  
Place : Veraval (Shapar), Rajkot

## CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

Particulars	31.03.2017 (₹ in Lacs)	31.03.2016 (₹ in Lacs)
<b>(A) Cash Flow From Operating Activities</b>		
Net Profit Before taxes	974.13	700.75
Adjustments for : - Depreciation	252.60	255.72
- Amalgamation Adjustment	-	-
- Interest (Net)	66.91	36.59
- Loss/(Profit) on sale of assets	2.69	16.30
Operating Profit Before Working Capital Change	<b>1296.33</b>	<b>1009.36</b>
(Increase)/Decrease in Inventory	(1233.83)	359.44
(Increase)/Decrease in Trade and other receivables	(1119.00)	609.43
(Increase)/Decrease in other Current Asset	258.65	(320.58)
Increase/(Decrease) in Current Liabilities	1987.69	327.79
<b>Cash Generated From Operations</b>	<b>1189.85</b>	<b>1985.44</b>
Income Tax Paid	(267.94)	(271.17)
Net Cash From Operating Activities	<b>921.91</b>	<b>1714.28</b>
<b>(B) Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(791.79)	(622.05)
Sales of Fixed Assets	4.06	55.14
(Purchase) / Sale of Investment	-	-
Net Cash From Investment Activities	<b>(787.73)</b>	<b>(566.91)</b>
<b>(C) Cash Flow From Financing Activities</b>		
Increase/(Decrease) in Share Capital	-	-
Increase/(Decrease) in Long Term Borrowings	1.25	6.13
Interest Paid	(66.91)	(36.59)
Dividend Paid	-	(348.70)
Net Cash From Financing Activities	(65.67)	(379.15)
<b>(A + B + C)</b>	<b>68.51</b>	<b>768.22</b>
Increase/(Decrease) in Cash and Cash Equivalents	<b>(68.51)</b>	<b>(768.22)</b>
Cash and Cash Equivalent at the beginning of the year	844.80	76.58
Cash and Cash Equivalent at the end of the year	913.31	844.80

### 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.

As per our report of even date

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  
**(K. C. Doshi)**  
Director

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

**(Vijay Jadeja)**  
Company Secretary

Date : 08th May, 2017  
Place : Veraval (Shapar), Rajkot

## NOTES TO ACCOUNTS

F.Y. 2016-17

### 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.

## NOTES TO ACCOUNTS

F.Y. 2016-17

### 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	
2	Shri Sunil Jain	
3	Ms. Khushboo C. Doshi	Key Management Personnel
4	Mr. J. T. Zalawadia	
5	Mr. Vijay Jadeja	
6	Rajoo Bausano Extrusion Pvt. Ltd.	Joint Venture
7	Rajoo Innovation Centre LLP	Associate Concern

Sr. no.	Nature of Transaction	Associate Concerns		Associate Concerns		Key Managerial Personnel	
		2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
1	Sales & Other Income	1041.09	846.82	898.38	-	-	-
2	Purchase & Other Services	-	-	9.00	-	-	-
3	Rent Paid	-	-	-	-	-	-
4	Salary & Remuneration	-	-	-	-	151.29	117.02
5	Purchase of Fixed Assets	-	-	-	-	-	-
6	Sale of Fixed Assets	0.06	-	0.15	-	-	-
7	Investment in Equity	-	-	-	-	-	-
8	Selling Commission	-	-	-	-	-	-
9	Others	228.58	140.04	1.30	-	-	-
10	(Receivable)/ Payable Net	(201.80)	(470.26)	(868.71)	-	-	-

### 3.10 Lease:

Land and Building of Unit – V, Fabrication Division of the Company at Veraval (Shapar), Rajkot has been Leased to M/s. Shruti Engineer for a monthly rent of ₹ 50000/-.

### 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 31.03.2017	Amount as at 31.03.2016
(i)	<b>Contingent Liability</b>		
	A. Claim against the company / disputed liabilities not acknowledged as debt	1,90,47,089	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

(\*Excluding Interest at the rate 18% on disputed liability of Central Excise ₹ 27,72,837 which will be decided on the completion of the proceeding.)

### 3.14 Segment Reporting:

The company's business activity falls within a single business segment viz. Plastic Processing Machineries and post extrusion equipment. However, business activity falls within different geographical segment based on customer's locations. Therefore, primary segment reporting based on geographical segment is reported under Note -35 Segment Reporting.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

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 31st March, 2017 (₹)	As at 31st March, 2016 (₹)
1	<b>Assets</b>		
	Fixed Assets	1790635	1719488
	Non Current Investments	-	-
	Non Current Assets	723007	804591
	Current Investments	1728357	4732371
	Current Assets	72423741	105391346
2	<b>Liabilities</b>		
	Long Term Borrowings	461525	311270
	Non- Current Liabilities and Provisions	-	-
	Short Term Borrowings	-	-
	Current Liabilities and Provisions	32972435	77301612
3	<b>Income</b>	133600776	86322407
4	<b>Expenses</b>	121506868	72890860

### 3.16 Research & Development Expenditure:

The company has recognized the research & development expenditure incurred for the development, modification, upgradation of plastic processing machinery and spares manufacturing. The capital expenditure is recognized and included in the cost of Plant & Machinery and Computer in the Balance sheet and Revenue expenditure is charged to Statement of Profit and Loss Account as detailed here;

(₹ in Lacs)

Sr. No.	Particulars	2016-17	2015-16
1	Capital Expenditure	69.25	11.20
2	Revenue Expenditure	139.07	145.14
	<b>Total</b>	<b>208.32</b>	<b>156.34</b>



#### Note - 4 : Share Capital

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
a) <b>Authorised Share Capital</b> 7,70,00,000 Equity shares of ₹ 1/- each	<u>77000000</u>	<u>77000000</u>
b) <b>Issued, Subscribed &amp; Paid up Capital</b> 5,80,30,750 Equity shares of Re.1 Each Fully paid up	58030750	58030750
	58030750	58030750
c) Par value of Equity Share	1/-	1/-
d) <b>Reconciliation of Number of shares</b>		

Particulars	31.03.2017 Equity Shares		31.03.2016 Equity Shares	
	No. of Shares	Amt. (₹)	No. of Shares	Amt. (₹)
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 31.03.2017		As at 31.03.2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Smt. Devyani Chandrakant Doshi	5862560	10.10%	5862560	10.10%
2	Ms. Khushboo Chandrakant Doshi	4867042	8.39%	4867042	8.39%
3	Shri Pallav Kishorbhai Doshi	4826609	8.32%	4826609	8.32%
4	Smt. Rita Rajesh Doshi	4513440	7.78%	4513440	7.78%
5	Smt. Nita Kishorbhai Doshi	3884600	6.69%	3884600	6.69%
6	Ms. Kruti Rajeshbhai Doshi	3144132	5.42%	3144132	5.42%
7	Shri Rajesh Nanlal Doshi	2940200	5.07%	2940200	5.07%

#### 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 )				
	2016-17	2015-16	2014-15	2013-14	2012-13
<b>Equity Shares :</b>					
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

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>I. Reserves :</b>		
<b>i) General Reserve</b>		
Opening Balance	38537443	38537443
Add : Addition during the year	-	
	38537443	38537443
<b>ii) Securities Premium</b>		
Opening Balance	55489163	55489163
Add : Addition during the year	-	
	55489163	55489163
<b>iii) Capital Reserve</b>		
Opening Balance	2625456	2625456
Add : On Amalgamation	-	
	2625456	2625456
<b>Total - I</b>	<b>96652062</b>	<b>96652062</b>
<b>II. Surplus :</b>		
<b>i) Consolidated Profit and Loss Account Balance</b>		
Opening Balance	213265929	184965913
Add : Profit (Loss) During the year	64100850	45761176
Total Profit available for appropriation	277366780	230727089
<b>Appropriations</b>		
Less : Proposed Dividend	14507688	14507688
Less : Dividend Tax	2953431	2953472
	17461119	17461160
<b>Sub Total</b>	259905661	213265929
<b>Total - I + II</b>	<b>356557723</b>	<b>309917991</b>

### Note - 6 : Long Term Borrowings

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>Unsecured</b>		
<b>(a) Deposits</b>		
- Employees Security Deposit	1449581	1325000
	<b>1449581</b>	<b>1325000</b>

### NOTE - 7 : Deferred Tax Liabilities

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
- Opening Balance	20185278	22665454
Add : Current Year	239383	(2480176)
	<b>20424661</b>	<b>20185278</b>

**Note - 8 : Long Term Provisions**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>Provision for Employee Benefit</b>		
- Leave Encashment	7504610	7409310
	<b>7504610</b>	<b>7409310</b>

**Note - 9 : Short Term Borrowings**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>Secured</b>		
(a) <b>Working Capital Finance</b>		
- Axis Bank Limited, Rajkot		
- Cash Credit	66434566	67424323
(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.)		
	<b>66434566</b>	<b>67424323</b>

**Note - 10 : Trade Payables**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>Trade Payables for</b>		
- Goods	225434331	148908630
- Expenses	8503564	5238621
- Labour Job	4407940	3631378
	<b>238345835</b>	<b>157778629</b>

**Note - 11 : Other Current Liabilities**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>Other payables</b>		
- Credit balance in current account with Axis Bank Limited	-	-
- Sundry Creditor for Capital Goods	505603	4094926
- Advance Received against Orders	231190320	108543223
- Service Tax Payable	431600	111722
- TCS Payable	2664	-
- TDS Payable	1631843	1181948
- Professional Tax Payable	76860	134640
	<b>233838890</b>	<b>114066459</b>

## Note - 12 : Short Term Provisions

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>(a) Provisions for employee benefits</b>		
- Salaries	8026648	7221461
- Bonus to Staff	1247587	1266568
- Provident Fund	706013	647353
<b>(b) Other provisions</b>		
- Audit Fees	128250	128250
- Royalty on Sales	645590	406774
- Selling Commission	2672128	2599539
- Telephone Expenses	1154	1190
- Other Expenses	879581	2620010
- Clearing & Forwarding Expenses	39105	131209
- Income Tax	33073015	26793985
- Dividend	14507688	-
- Dividend Tax	2953431	-
	<b>64880190</b>	<b>41816339</b>

## Note - 13 : Fixed Assets Tangible Assets

Description	<----- GROSS BLOCK ----->			<----- DEPRECIATION / AMORTIZATION ----->				<----- NET BLOCK ----->			
	As at 01.04.2016	Addition	Dedu.	As at 31.03.2017	As at 01.04.2016	For the Year	Adjustment	Deduction	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land	3404187	31696810	0	35100997	0	0	0	0	0	35100997	3404188
Building	85108451	75703279	0	160811729	25239219	4975878	0	0	30215097	130596632	59869233
Site Development	457899	0	0	457899	213188	27727	0	0	240915	216984	244711
Plant & Machinery	131623593	5299184	805591	136117186	62084601	8572637	106102	268488	70494852	65622334	69538992
Electrification	8662156	386700	4555	9044301	6233285	309670	0	4327	6538628	2505673	2428871
Office Equipment	18336433	3905918	6300	22236051	10733756	3128018	(2)	5985	13855787	8380265	7602677
Furniture And Fixture	12556690	4223331	131394	16648627	7959724	1238692	40760	29800	9209376	7439251	4596966
Fire Fighting Equipment	74934	0	0	74934	74934	0	(2273)	0	72661	2273	0
Computer	36335135	636486	290000	36681621	36335135	1677945	(3638372)	275500	34099208	2582413	0
Vehicles	25277783	7083366	612469	31748680	9060129	4440727	254085	591649	13163292	18585388	16217654
Sub Total	321837260	128935074	1850309	448922024	157933971	24371294	(3239700)	1175749	177889816	271032209	163903291
Intangible Assets	41804285	0	0	41804285	23781607	4128250	0	0	27909857	13894428	18022678
Sub Total	41804285	0	0	41804285	23781607	4128250	0	0	27909857	13894428	18022678
Capital - Work In Process	64372394	14616219	64372394	14616219	0	0	0	0	0	14616219	64372394
	428013939	143551293	66222703	505342528	181715578	28499544	(3239700)	1175749	205799673	299542856	246298363

#### Note - 14 : Non-current Investments

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>Trade Investment</b>		
(a) <b>Investment in Equity Instrument</b>		
- Joint Venture, Fully paid-up 1960000 - 'Rajoo Bausano Extrusion Pvt. Ltd. of ₹10 each Fully paid-up	19600000	19600000
<b>Other Non-current Investment</b>		
- Quoted Shares, fully paid-up 235 - Windsor Machines Limited of ₹ 2 each. 800 - Kabra Extrusion Technic Limited of ₹ 5 each. [Approximately total market value of quoted shares is ₹ 1,03,922/- (Previous year ₹ 74,865/-)]	17750 8950	17750 8950
- <b>Unquoted Shares, fully paid-up</b> 2500 - BPL Engineering Limited of ₹ 10 each.	<u>187500</u> <u>19814200</u>	<u>187500</u> <u>19814200</u>

#### Note - 15 : Long Term Loans & Advances

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
(a) <b>Capital Advances</b>		<b>8913853</b>
(b) <b>Security Deposits</b> (Unsecured, considered good)		
- Utility Service Deposit	2572654	1452864
- Gas Cylinder Deposit	169675	180675
- Sales Tax Deposit	25000	25000
- Other Deposit	471297	405000
- Ahmedabad Office Maintenance Deposit	71550	71550
- Ashray Home Owners Maintenance Deposit	95000	95000
	<u>3405176</u>	<u>11143942</u>

#### Note - 16 : Other Non Current Assets

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
(a) <b>Unamortised Expenses</b>		
Merger Expenses	1303096	1954644
Less: Amortized during the year	651548	651548
	<u>651548</u>	<u>1303096</u>

#### Note - 17 : Current Investments

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>(a) Investment in Mutual Funds</b>		
NIL (Previous Year 10775.371) Axis Treasury Advantage Fund	-	10816633
- Daily Dividend Plan	-	-
	<u>-</u>	<u>10816633</u>

#### Note - 18 : Inventories

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
(1) Raw Materials & Components		
- Indigeneous	96090983	50763028
- Imported	29974740	6765972
(2) Testing Materials	2166139	1500000
(3) Consumable Stores	4996611	2200000
(4) Scrap	143984	1000000
(5) Stock in Process	101421544	47382240
(6) Finished Goods	9000000	10800000
	<u>243794000</u>	<u>120411240</u>

#### Note - 19 : Trade Receivables

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
Unsecured considered good		
- Other	148230473	78571510
- Outstanding exceeding Six Months	91074619	48833792
	<u>239305092</u>	<u>127405303</u>

#### Note - 20 : Cash & Cash Equivalents

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>(a) Balance with banks</b>		
- in current accounts	84055867	77849849
<b>(b) Cash on hand</b>	2108426	3194114
<b>(c) Other bank balances</b>		
- Margin Money Deposit	5166250	3435850
	<u>91330542</u>	<u>84479813</u>

\*Refer Note-36" Disclosure of Specified Notes held and transacted during the period 08/11/2016 to 30/12/2016"

**Note - 21 : Short Term Loans & Advances**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>(a) Receivables from Revenue Authority</b>		
(Unsecured, considered good)		
- Income Tax Authority	28740423	30148545
- Sales Tax Authority		
VAT Receivable - Veraval (Shapar) Unit	4811374	8605755
VAT Receivable - Manavadar Unit	-	2297292
VAT Receivable - Nashik Unit	1097406	167406
- Excise Authority		
Excise Duty Receivable - Veraval (Shapar) Unit	16691190	5884792
- Service Tax Authority		
Service Tax Receivable	10261100	5930665
- Export Incentives Receivable	6941234	12542787
- Prepaid Custom Duty	2571567	-
<b>(b) Other advances recoverable in cash or kind</b>		
(Unsecured, considered good)		
- Interest Receivable	253526	245037
- Prepaid Insurance / Expenses	7002603	7318694
- Advance to Suppliers	70184640	35171697
	<b>148555064</b>	<b>108312669</b>

**Note - 22 : Other Current Assets**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
- Advance to Employees	500000	18000
- Loan to Employees	429570	818620
- Other Advances	138759	47132201
	<b>1068329</b>	<b>47968821</b>

**Note - 23 : Revenue From Operations**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
1. Sale of Products		
- Domestic	782271303	684286522
- Export	390074031	422118042
2. Sale of Services		
- Domestic	3681345	11829028
- Export	6117193	944630
3. Sale of Trading Goods		
- Export	-	20995070
4. Other operating Revenue	<b>1182143872</b>	<b>1140173292</b>
- Jobwork Income	8500	260150
- Deposit Forefeited	2603883	987883
- Net Foreign Exchange Difference	8350853	590192
- Net gain from expenses recovered	-	1609371
- Export Incentives	9876757	10311169
	<b>1202983865</b>	<b>1153932057</b>
Less:- Excise Duty & Service Tax	89174394	85294898
	<b>1113809471</b>	<b>1068637159</b>

#### Note - 24 : Other Income

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
- Interest Income		
- From Bank	2510871	780880
- Net Gain / (Loss) on sale of Fixed Assets	(268599)	(1630235)
- Miscellaneous Credits	464508	298159
- Dividend Received	125939	1642978
- Selling Commission Received	5014568	-
- Rent Income	600000	450000
	<b>8447287</b>	<b>1541782</b>

#### Note - 25 : Cost Of Materials And Components Consumed

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>I. Indigeneous Raw Material and Components Consumed</b>		
<b>Opening Stock</b>		
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>
Add : Purchases	<b>666744822</b>	<b>559780071</b>
Less : Closing Stock		
1. Raw material & components	96090983	50763028
2. Testing Material	2166139	1500000
3. Consumable Stores	4996611	2200000
4. Scrap	143984	1000000
	103397716	55463028
<b>TOTAL - (I)</b>	<b>618810135</b>	<b>604889824</b>
<b>II. Imported Raw Material Consumed</b>		
Opening Stock	6765972	10863000
Add : Purchases (including Customs duty)	109540860	87123312
Less : Closing Stock	29974740	6765972
<b>TOTAL - (II)</b>	<b>86332092</b>	<b>91220340</b>
<b>TOTAL - (I + II)</b>	<b>705142227</b>	<b>696110164</b>



**Note - 26 : Changes In Inventories Of Finished Goods Work In Progres And Stock-in-trade**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>I. Finished Goods :</b>		
Opening Stock	10800000	20800000
Less : Closing Stock	9000000	10800000
<b>Increase/(Decrease)</b>	<b>1800000</b>	<b>10000000</b>
<b>II. Stock In Process :</b>		
Opening Stock	47382240	24119256
Less : Closing Stock	101421544	47382240
<b>Increase/(Decrease)</b>	<b>(54039304)</b>	<b>(23262984)</b>
<b>Changes in Inventories</b>	<b>(52239304)</b>	<b>(13262984)</b>

**Note - 27 : Employee Benefits Expenses**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
Director Remuneration	13851284	11203530
Perquisites to Directors	220786	186552
Sitting Fees	29000	21000
Salary & Wages Expenses (Incl. Sales-Service Staff)	72066520	63893921
Salary (O.T.) Expenses	3524864	4417570
Salary Stipend (Trainee)	1786424	2453397
Bonus to Employees	2172539	1266568
Providend Fund Contribution	4366407	3821117
Gratuity	1251211	1938844
Leave Encashment	1769068	4197118
Staff Welfare	2313315	2533155
Staff Medical Aid	121861	93320
Canteen Expenses	3066123	2289981
Training & Seminar Expenses	3443735	284981
<b>Total</b>	<b>109983137</b>	<b>98601054</b>

**Note - 28 : Financial Cost**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
Interest Expenses Paid		
- For Bank	5802724	634841
- For Others	194937	2552914
Bank Commission / Charges	1884512	1758492
(Gain) / Loss on Foreign Currency Transaction	1320195	(506141)
	<b>9202368</b>	<b>4440106</b>

## Note - 29 : Other Expenses

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>I-Manufacturing Expenses</b>		
Clearing & Forwarding Charges - Imports	4018085	3452026
Conveyance Charges	217165	217245
CST on Purchases	2859505	2701750
Excise stuffing, Inspection Fees	-	62403
Electrical Repair & Other Expenses	155049	142219
Electricity Consumption HT	10318800	9846954
Factory Building Repairs & Maintenance	774517	949763
Factory Misc. Expenses	715427	824865
Fuel for Generator	400718	356516
Goods Packing Material Expenses	10471934	8012755
Hotel Charges	266126	127972
Inward Freight	4731294	4479196
ISO Certification & Consultancy Charges	51278	126500
Jobwork Charges	31726551	30561568
Labour Charges	22465274	20970276
Licence Fees	52330	41899
Outward Freight (Manufacturing)	744799	552868
Plant & Machinery Repairing & Maintenance Exp.	599398	858585
Technical Consultancy Fees	1096499	1693899
Travelling Expenses - Domestic	412417	350166
Material & Sample Testing Expenses	103663	57840
Travelling Expenses - Foreign	105042	85955
Machine Spares Rejection Charges	51800	299219
<b>Total - I</b>	<b>92337671</b>	<b>86772439</b>
<b>II-Personnel Expenses</b>		
Advertisement Expenses - Recruitment	-	3213
Consultancy and Contractors expenses	2136390	3810450
Conveyance Expenses - Recruitment	65770	180065
Recruitment Expenses	134258	28952
Security Service Charges	1222926	1425771
<b>Total - II</b>	<b>3559344</b>	<b>5448451</b>

## Note - 29 : Other Expenses

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>III-Administrative Expenses</b>		
Advertisement Expenses	260801	556759
Books & Periodicals	17110	9153
CSR Expenses (Charity & Donation)	1205665	1352536
Computer Maintenance & Other Expenses	567078	541819
Demat Share Expenses	87369	58900
Donation	318700	1390786
Excise & Service Tax Expense	484297	-
Garden Maintenance Expenses	665202	657782
Hotel Charges	5660	23385
House Keeping Expenses	180384	836948
Income Tax Expenses	2000	1097635
Insurance	1171113	954940
Legal & Professional Fees	1922811	1959754
Listing Fees	200000	200000
Membership & Subscription Expenses	177100	202500
Merger Expenses Written off	651548	651548
Motor Car Expenses - Petrol / Diesel	1536415	1418986
Motor Car - Repair & Maintenance	1552192	1473058
Office Building Repair & Maintenance	25338	25911
Office Equipment Repair & Maintenance	216859	252975
Office Furniture Repair & Maintenance	102900	42650
Office Misc. Expenses	25274	20770
Payment to Auditors	230000	177000
Postage & Angadia - Administrative	272702	298536
Printing & Stationery	838700	1194256
Registration & Filing Fees	52946	19490
Rate Difference	22233	90367
Rent-Rate-Taxes	385907	760647
Sales Tax Paid	892982	62800
Scooter Petrol Expenses	8200	6500
Scooter Repair & Maintenance	3402	3000
Software - AMC Expenses	3808767	1078179
Swachh Bharat Cess	236157	66444
Telephone Expenses	918120	852821
Travelling Administrative - Domestic	50664	22465
Travelling Administrative - Foreign	-	359937
Water Supply & Other Expenses	780413	728635
<b>Total - III</b>	<b>19877009</b>	<b>19449872</b>

**Note - 29 : Other Expenses**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>IV-Selling &amp; Services Expenses</b>		
Advertisement Expenses - Overseas	160713	125200
Advertisement Expenses - Sales & Service	2422595	1934448
Ahmedabad (CSO) Office Expenses	8017894	7763625
Bad Debts Written Off	32443260	10056800
Bangalore Office Expenses	2307646	1965440
Business Meeting Expenses	42877	385083
Clearing & Forwarding Charges - Export	1360724	1572797
Delhi Office Expenses	3955937	4121870
Exhibition & Display Expenditure - Domestic	3325152	4351278
Exhibition & Display Expenditure - Overseas	32046567	9177689
Hotel Charges - Sales & Service	56300	98580
Internet & leased line Expenses	376960	289447
Kolkata Office Expenses	886809	698261
Hydrabad Office Expenses	464741	545435
Outward Freight - Sales & Service	1052239	349491
Postage & Angadia Charges - International	55717	67367
Royalty Expense	1350945	1129634
Sales Promotion Expenses	1099029	171960
Selling Commission - Domestic	2445956	2440853
Selling Commission - Overseas	10680169	9451481
Excise on FOC Sales	143763	113188
Travelling - Business Prospectus	2530904	271615
Travelling - Sales - Domestic	232093	242251
Travelling - Sales - Foreign	545586	1151743
Travelling - Service - Domestic	1486465	1563855
Travelling - Service - Foreign	1920701	2300309
Web site Development & Maintenance Expenses	309473	471992
<b>Total = IV</b>	<b>111721215</b>	<b>62811691</b>
<b>Total = (I+II+III+IV)</b>	<b>227495239</b>	<b>174482453</b>

**Note - 30 : Payment To Auditors**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
a. For Taxation Matter	102000	32000
b. For Company Law Matter	128000	145000
	<b>230000</b>	<b>177000</b>

**Note - 31 : Value Of Imports Calculated On C.i.f. Basis**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
a. Raw Material, Components and Spare Parts	109993710	79640013

**Note - 32 : Expenditure In Foreign Currency**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
a. Royalty	1344876	1129634
b. Professional Fees	1096499	1693899
c. Other	128766284	103102512

**Note - 33 : Earnings In Foreign Exchange**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
a. Export of Goods Calculated on F.O.B. Basis	408835311	354654645
b. Service Charges	6117194	944631
c. Other	49295	

**Note - 34 : Trade Payable Includes**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
a. Small Scale Industries	24445392	23151821
b. Others	213900443	134626808
	<b>238345835</b>	<b>157778629</b>

### Note - 35 : Segment Reporting

Particulars	Outside India		Within India		Unallocable Expenses		Total	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
<b>Segment Revenue</b>								
External Turnover/Revenue	404542077	423652864	798441788	707674752	0	0	1202983865	1131327616
GROSS TURNOVER	404542077	423652864	798441788	707674752	0	0	1202983865	1131327616
Less : Excise Duty <small>Service Tax Recovered</small>	2442796	7375000	(331590786)	(395537838)	0	0	(329147990)	(388162838)
NET TURNOVER	<b>402099281</b>	<b>416277864</b>	<b>1130032574</b>	<b>1103212590</b>	0	0	<b>1532131855</b>	<b>1519490454</b>
Segment Result	140810773	148795234	395556950	394481241	0	0	536367722	543276476
Less : Unallocable Expenses					29079377	23889978	29079377	23889978
Add : Other Income					8447287	1541782	8447287	1541782
Profit before Tax							515735633	520928280
Current Tax							33073015	26793985
Deferred Tax							239383	(2480176)
Profit after Tax							<b>482423235</b>	<b>496614470</b>
Segment Assets	85085025.00	35278148	154220067.00	92127154.64	808161714.80	650548777.43	1047466806.80	777954080.07
Segment Liability	40264966.05	16447910	190925353.75	92095313.14	379813771.76	279951837.69	611004091.56	388495060.83

### Note -36 : Details Of Specified Bank Notes (sbn) Held And Transacted During

THE PERIOD 08/11/2016 TO 30/12/2016 IS AS UNDER:

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	337000	864591	1201591
(+) Permitted Receipts	0	854842	854842
(-) Permitted Payments	0	758961	758961
(-) Amount deposited in Banks	337000	0	337000
Closing cash in hand on 30.12.2016	0	960472	960472

**Note 37. Quantitative Information In Respect Of Opening Stock, Purchase, Sales, And Closing Stock**

Particulars	No.	31.03.2017 (₹)	No.	31.03.2016 (₹)
<b>A. Opening Stock</b>				
1. Raw material & components				
Indigeneous		50763028		93537780
Imported		6765972		10863000
2. Testing Material		1500000		2345000
3. Consumable Stores		2200000		3127000
4. Scrap		1000000		1563000
5. Stock in Process		47382240		24119256
6. Finished Goods		10800000		20800000
		<b>120411240</b>		<b>156355036</b>
<b>B. Purchases</b>				
1 Raw-Material & components				
Imported		109540860		87123312
Indigineous		666744822		559780071
2 Trading Purchase (Imported)		-		14161650
		<b>776285682</b>		<b>661065034</b>
<b>C. Sale by Class of Goods</b>				
1. Thermoplastic	Domestic	391229124		335388902
Extrusion Plants	Export	332989533		346915033
2. Post Extrusion	Domestic	216772591		193001329
Equipments	Export	22942928		50809694
3. Miscellaneous	Domestic	172590847		155054037
Parts & Equipments	Export	34141570		24393315
4. Iron Waste / Scrap	Domestic	1678741		842254
5. Service Charges	Domestic	3681345		11829028
	Export	6117193		944630
6. Jobwork Income	Domestic	8500		260150
7. Trading Finished Goods	Export	-		20995070
		<b>1092977981</b>		<b>1140433442</b>
<b>D. Closing Stock</b>				
1. Raw material & components				
Indigeneous		96090983		50763028
Imported		29974740		6765972
2. Testing Material		2166139		1500000
3. Consumable Stores		4996611		2200000
4. Scrap		143984		1000000
5. Stock in Process		101421544		47382240
6. Finished Goods		9000000		10800000
		<b>243794000</b>		<b>120411240</b>

As per our report of even date

For and on behalf of the Board

For, **M. N. MANVAR & CO.**

Chartered Accountants

FRN : 106047W

**( M. N. MANVAR )**

Proprietor

Membership No.:- 036292

**(R. N. Doshi)**

Chairman / Managing Director

**(K. C. Doshi)**

Director

**(J.T. Jhalavadia)**

C.F.O.

**(Vijay Jadeja)**

Company Secretary

Date : 8th May, 2017

Place : Veraval (Shapar), Rajkot

## Independent Auditor's Report

To,  
The Members, **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, 2017, 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, 2017 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 ₹ 1566.68 Lacs as at march 31, 2017, total revenues of 2726.55 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, 2017, 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, 2017, 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

Date : 08th May, 2017  
Place : Veraval (Shapar), Rajkot

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

## **CARO 2016 Report on the Consolidated Financial Statement of Rajoo Engineers Limited**

To,  
The Members, **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 2017, 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.
- (vii) 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.

Date : 8th May, 2017  
Place : Veraval (Shapar), Rajkot

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

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

## **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, 2017 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 authorizations 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, 2017, 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.,

Date : 8th May, 2017

Place : Veraval (Shapar), Rajkot

**Chartered Accountants**

FRN: 106047W

**(M. N. Manvar)**

**Proprietor**

Membership No.036292

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017**

Particulars	Note No.	As at 31.03.2017		As at 31.03.2016	
		(₹)	(₹)	(₹)	(₹)
<b>I. Equity And Liabilities</b>					
1. Share Holders' Fund					
(a) Share Capital	4	58030750		58030750	
(b) Reserve & Surplus	5	380291030		325457622	
(c) Money received against Share Warrants		-	438321780	-	383488372
2. Share Application money pending allotment			-		-
3. Non- Current Liabilities					
(a) Long Term Borrowings	6	1911106		1636271	
(b) Deferred Tax Liabilities (Net)	7	20323095		20080564	
(c) Long term Liabilities	-	-		-	
(d) Long Term Provisions	8	7504610	29738811	7409310	29126144
4. Current Liabilities					
(a) Short Term Borrowings	9	66434567		67424323	
(b) Trade Payables	10	242828585		192724135	
(c) Other Current Liabilities	11	257756063		151784838	
(d) Short Term Provisions	12	69452743	636471958	46454067	458387363
<b>Total</b>			<b>1104532550</b>		<b>871001879</b>
<b>II. Assets</b>					
<b>1. Non- Current Assets</b>					
(a) Fixed Assets	13				
(i) Tangible Assets		272822845		165422514	
(ii) Intangible Assets		13894428		18022678	
(iii) Capital Work In Progress		14616219		64572659	
(iv) Intangible assets under development		-	301333492	-	248017852
(b) Non Current Investment	14	214200		214200	
(c) Long-term loans and advances	15	4128183		11948534	
(d) Other non-current assets	16	651548	4993931	1303096	13465830
<b>2. Current Assets</b>					
(a) Current Investments	17	1728357		15549004	
(b) Inventories	18	283859870		160712648	
(c) Trade Recivables	19	243355536		130962164	
(d) Cash and Cash equivalents	20	103982310		132746333	
(e) Short-term loans and advances	21	164242530		121559259	
(f) Other Current assets	22	1036524	798205127	47988789	609518198
<b>Total</b>			<b>1104532550</b>		<b>871001879</b>

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

1 to 33

As per our report of even date

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

(**K. C. Doshi**)

Director

(**J.T. Jhalavadia**)

C.F.O.

(**Vijay Jadeja**)

Company Secretary

Date : 8th May, 2017

Place : Veraval (Shapar), Rajkot

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2017**

	Particulars	Note No.	F. Y. 2016-17 (₹)	F. Y. 2015-16 (₹)
I	Revenue from Operation	23	1246114016	1154056428
II	Other Income	24	9691762	2417003
III	<b>Total Revenue (I + II)</b>		<b>1255805778</b>	<b>1156473432</b>
IV	<b>Expenditure:</b>			
	Cost of Materials consumed	25	803831292	765584106
	Purchase of Stock-In-Trade		-	14161650
	Changes in Inventories of Finished Goods			
	Work in Progress and Stock-in-Trade	26	(51171943)	(28732935)
	Employee Benefits Expenses	27	114390541	101255137
	Financial Cost	28	9325899	4476043
	Depreciation	13	25880217	25720258
	Other Expenses	29	244042615	190502638
	<b>Total Expenses</b>		<b>1146298621</b>	<b>1072966898</b>
V	Profit before Exceptional and Extraordinary Items & tax (III-IV)		109507158	83506534
VI	Exceptional Items		-	-
VII	Profit before Extraordinary Items & tax (V-VI)		109507158	83506534
VIII	Extraordinary Items		-	-
IX	Profit before Tax (VII-VIII)		109507158	83506534
X	Tax Expenses			
	(1) Current Tax			
	Income Tax		36970058	31234857
	Wealth Tax		-	-
	(2) Deferred Tax - Liability / (Asset)		242532	(2571097)
XI	Profit for the period from Continuing operations (IX-X)		72294568	54842773
XII	Loss from Discontinuing Operations (after tax)		-	-
XIII	Profit for the Period (XI - XII)		72294568	54842773
XIV	Earning Per Equity Share			
	(1) Basic		1.25	0.95
	(2) Diluted		1.25	0.95

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

**1 to 33**

As per our report of even date

For and on behalf of the Board

For, **M. N. MANVAR & CO.**  
Chartered Accountants  
FRN : 106047W  
**( M. N. MANVAR )**  
Proprietor  
Membership No.:- 036292

**( R. N. Doshi )**  
Chairman / Managing Director  
**( K. C. Doshi )**  
Director

**(J.T. Jhalavadia)**  
C.F.O.  
**(Vijay Jadeja)**  
Company Secretary  
Mem. No. A31035

Date : 8th May, 2017  
Place : Veraval (Shapar), Rajkot



# CONSOLIDATED STATEMENT OF CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

Particulars	31.03.2017 (₹ in Lacs)	31.03.2016 (₹ in Lacs)
<b>(A) Cash Flow From Operating Activities</b>		
Net Profit Before taxes	1095.07	835.07
Adjustments for : - Depreciation	258.80	257.20
- Amalgamation Adjustment	-	-
- Interest (Net)	61.08	31.17
- Loss/(Profit) on sale of assets	2.69	16.30
Operating Profit Before Working Capital Change	<b>1417.64</b>	<b>1139.74</b>
(Increase)/Decrease in Inventory	(1231.47)	31.37
(Increase)/Decrease in Trade and other receivables	(1123.93)	574.03
(Increase)/Decrease in other Current Asset	265.62	(403.61)
Increase/(Decrease) in Current Liabilities	1724.45	964.34
<b>Cash Generated From Operations</b>	<b>1052.30</b>	<b>2305.87</b>
Income Tax Paid	(312.35)	(275.85)
Net Cash From Operating Activities	<b>739.95</b>	<b>2030.02</b>
<b>(B) Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(1444.43)	(637.35)
Sales of Fixed Assets	649.79	55.14
(Purchase) / Sale of Investment	-	-
Net Cash From Investment Activities	<b>(794.64)</b>	<b>(582.21)</b>
<b>(C) Cash Flow From Financing Activities</b>		
Increase/(Decrease) in Share Capital	-	-
Increase/(Decrease) in Long Term Borrowings	2.75	7.58
Interest Paid	(61.08)	(31.17)
Dividend Paid	(174.61)	(348.70)
Net Cash From Financing Activities	(232.94)	(372.29)
<b>(A + B + C)</b>	<b>(287.64)</b>	<b>1075.54</b>
Increase/(Decrease) in Cash and Cash Equivalents	<b>287.64</b>	<b>(1075.54)</b>
Cash and Cash Equivalent at the beginning of the year	1327.46	251.92
Cash and Cash Equivalent at the end of the year	1039.82	1327.46

## 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.

As per our report of even date

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  
**( K. C. Doshi )**  
Director

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

**(Vijay Jadeja)**  
Company Secretary

Date : 8th May, 2017  
Place : Veraval (Shapar), Rajkot

## NOTES TO ACCOUNTS

F.Y. 2016-17

### 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

- 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"
- 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.
- 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
- Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".
- 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, 2017 (₹)	As at 31st March, 2016 (₹)
	<b>Assets</b>		
1	Fixed Assets	1790635	1719488
	Non Current Investments	-	-
	Non Current Assets	723007	804591
	Current Investments	1728357	4732371
	Current Assets	72423741	105391346
2	<b>Liabilities</b>		
	Long Term Borrowings	461525	311270
	Non- Current Liabilities and Provisions	-	-
	Short Term Borrowings	-	-
	Current Liabilities and Provisions	32972435	77301612
3	<b>Income</b>	133600776	86322407
4	<b>Expenses</b>	121506868	72890860

**Note - 4 : Share Capital**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
a) <b>Authorised Share Capital</b> 7,70,00,000 Equity shares of ₹1/- each	<u>77000000</u>	<u>77000000</u>
b) <b>Issued, Subscribed &amp; Paid up Capital</b> 5,80,30,750 Equity shares of Re.1 Each Fully paid up	58030750	58030750
	58030750	58030750
c) Par value of Equity Share	1/-	1/-
d) <b>Reconciliation of Number of shares</b>		

Particulars	31.03.2017 Equity Shares		31.03.2016 Equity Shares	
	No. of Shares	Amt. (₹)	No. of Shares	Amt. (₹)
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 31.03.2017		As at 31.03.2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Smt. Devyani Chandrakant Doshi	5862560	10.10%	5862560	10.10%
2	Ms. Khushboo Chandrakant Doshi	4867042	8.39%	4867042	8.39%
3	Shri Pallav Kishorbhai Doshi	4826609	8.32%	4826609	8.32%
4	Smt. Rita Rajesh Doshi	4513440	7.78%	4513440	7.78%
5	Smt. Nita Kishorbhai Doshi	3884600	6.69%	3884600	6.69%
6	Ms. Kruti Rajeshbhai Doshi	3144132	5.42%	3144132	5.42%
7	Shri Rajesh Nanlal Doshi	2940200	5.07%	2940200	5.07%

**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 )				
	2016-17	2015-16	2014-15	2013-14	2012-13
<b>Equity Shares :</b>					
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

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>I. Reserves :</b>		
<b>i) General Reserve</b>		
Opening Balance	38537443	38537443
Add : Addition during the year	-	
	38537443	38537443
<b>ii) Securities Premium</b>		
Opening Balance	55489163	55489163
Add : Addition during the year	-	
	55489163	55489163
<b>iii) Capital Reserve</b>		
Opening Balance	2625456	2625456
Add : On Amalgamation	-	
	2625456	2625456
<b>Total - I</b>	<b>96652062</b>	<b>96652062</b>
<b>II. Surplus :</b>		
<b>i) Consolidated Profit and Loss Account Balance</b>		
Opening Balance	228805560	191423947
Add : Profit (Loss) During the year	72294568	54842773
Total Profit available for appropriation	301100128	246266720
<b>Appropriations</b>		
Less : Proposed Dividend	14507688	14507688
Less : Dividend Tax	2953472	2953472
Less : Depreciation Adjustment	-	-
	17461160	17461160
<b>Sub Total</b>	<b>283638968</b>	<b>228805560</b>
<b>Add : Post Acquisition Profit of Associates</b>	<b>-</b>	<b>-</b>
	<b>283638968</b>	<b>228805560</b>
<b>Total - I + II</b>	<b>380291030</b>	<b>325457622</b>

#### Note - 6 : Long Term Borrowings

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>Unsecured (a) Deposits</b>		
- Employees Security Deposit	1776773	1501937
- Deposit from Corporates	134334	134334
	<b>1911106</b>	<b>1636271</b>

#### NOTE - 7 : Deferred Tax Liabilities

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
- Opening Balance	20080564	22651661
Add : Current Year	242532	(2571097)
	<b>20323095</b>	<b>20080564</b>

#### Note - 8 : Long Term Provisions

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
Provision for Employee Benefit - Leave Encashment	7504610	7409310
	<b>7504610</b>	<b>7409310</b>

#### Note - 9 : Short Term Borrowings

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
-------------	-------------------	-------------------

##### Secured

##### (a) Loans repayable on demand

- From Axis Bank Limited, Rajkot
- Cash Credit

(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.)

66434566	67424323
<b>66434566</b>	<b>67424323</b>

#### Note - 10 : Trade Payables

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
Trade Payables for		
- Goods	229208154	182862246
- Expenses	9212491	6230510
- Labour Job	4407940	3631378
	<b>242828585</b>	<b>192724135</b>

#### Note - 11 : Other Current Liabilities

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
Other payables		
- Sundry Creditor for Capital Goods	505603	4094926
- Advance Received against Orders	253970925	145417548
- Service Tax Payable	905264	394616
- TCS Payable	2664	-
- TDS Payable	2294748	1740481
- Professional Tax Payable	76860	137266
	<b>257756063</b>	<b>151784838</b>

**Note - 12 : Short Term Provisions**

Particulars		31.03.2017 (₹)	31.03.2016 (₹)
<b>(a)</b>	<b>Provisions for employee benefits</b>		
	- Salaries	8293710	7405381
	- Bonus to Staff	1247587	1266568
	- Provident Fund	728916	647353
<b>(b)</b>	<b>Other provisions</b>		
	- Audit Fees	144175	140500
	- Royalty on Sales	645590	406774
	- Selling Commission	2672128	2599539
	- Telephone Expenses	1154	1190
	- Other Expenses	879581	2620696
	- Clearing & Forwarding Expenses	39105	131209
	- Income Tax	36970058	31234857
	- Value Added Tax	369579	-
	- Dividend	14507688	-
	- Dividend Tax	2953472	-
		<b>69452743</b>	<b>46454067</b>

**Note - 13 : Fixed Assets**  
**Tangible Assets**

Sr. No.	Description	<----- GROSS BLOCK ----->			<----- DEPRECIATION BLOCK ----->			Closing Balance as on 31.03.2017	NET BLOCK AS ON 31.03.2017
		Opening Balance as on 01.04.16	Addition during the year	Dedu.	Closing Balance as on 31.03.2017	Opening Balance as on 01.04.16	Addition		
1	Land								
	Land - Manavadar	162687	31696810	-	31859497	-	-	-	31859497
	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	213188	27727	-	216984
3	Approach Road	1952949	-	-	1952949	1389064	-	-	563885
4	Buildings								
	Admn. Office Building - Manavadar	70000	-	-	70000	43622	-	-	26378
	Admn. Office Building - Rajkot	9684649	75703279	-	85387927	2283990	4975878	-	78128059
	Factory Building - Manavadar	834157	-	-	834157	667117	-	-	167040
	Factory Building - Rajkot	39265917	-	-	39265917	13522114	-	-	25743803
	Factory Building - Unit- V	4119741	-	-	4119741	985616	-	-	3134125
	Factory Building - Unit- VI	4698326	-	-	4698326	1101122	-	-	3597204
	Factory Building - Unit- VII	5801623	-	-	5801623	1774456	-	-	4027167
	Land-Scaping	7867473	-	-	7867473	1806688	-	-	6060785
	Office Building (Bangalore)	3447040	-	-	3447040	520435	-	-	2926605
	Office Building (New Delhi)	2024249	-	-	2024249	451819	-	-	1572430
	Office Building Samaan-II, Ahmedabad	1905533	-	-	1905533	355928	-	-	1549605
	Resi. Houses (Ashray)	3436794	-	-	3436794	337248	-	-	3099546
5	Plant & Machineries								
	Imported Machineries	40773489	-	-	40773489	21107444	-	-	19666045
	Imported Machineries - Unit - VII	3770707	-	-	3770707	2480656	-	-	1290051
	Indigeneous Machineries	75104627	5299184	805591	79598220	31342535	8704165	268488	39820008
	Indigeneous Machineries - Unit - VI	2026454	-	-	2026454	867833	-	-	1158621
	Indigeneous Machineries - Unit - VII	3115606	-	-	3115606	1773896	-	-	1341710
	Laboratory Equipment	1432045	-	-	1432045	929828	-	-	502217
	Misc. Fixed Asset	579822	-	-	579822	559019	-	-	20803
	Technical Know How	3771679	-	-	3771679	2185515	-	-	1586164
	Tools, Jigs & Moulds	391302	64025	-	455327	311166	49078	-	95083
	Tools, Jigs & Moulds - Unit - VI	86462	-	-	86462	72508	-	-	13954
	Tools, Jigs & Moulds - Unit - VII	883324	-	-	883324	580249	-	-	303075
6	Furniture & Fixtures								
	Administrative Office - Manavadar	269385	-	-	269385	246103	-	-	23282
	Administrative Office - Rajkot	6055028	4671445	131394	10595079	2552562	1382311	29800	6690005
	Factory Furniture - Rajkot	3681111	-	-	3681111	3072164	-	-	608947
	Office Furniture - Unit - V	548707	-	-	548707	277500	-	-	271207
	Office Furniture - Unit - VI	369795	-	-	369795	265422	-	-	104373
	Office Furniture - Unit - VII	393945	-	-	393945	344886	-	-	49059
	Office Furniture- Samaan II, Ahmedabad	21200	-	-	21200	8630	-	-	12570
	Office Furniture-Bangalore	403560	-	-	403560	334109	-	-	69451
	Office Furniture-Delhi	644873	-	-	644873	612627	-	-	32246
	Office Furniture-Hyderabad	69823	-	-	69823	33898	-	-	35925
	Office Furniture-Chennai	39045	-	-	39045	7418	-	-	31627
	Work Shop	297526	-	-	297526	297526	-	-	-
7	Office Equipment								
	Office Equipment - Rajkot	18093345	3923557	6300	22010602	10475109	3150001	5985	8391477
	Office Equipment - Unit - VI	79590	-	-	79590	75611	-	-	3979
	Office Equipment - Unit - VII	236143	-	-	236143	223310	-	-	12833
8	Computer								
	Ahmedabad Office	288903	-	-	288903	288903	-	-	-
	Bangalore Office	82800	-	-	82800	82800	-	-	-
	Delhi Office	77110	-	-	77110	77110	-	-	-
	Veraval Works	35157928	716062	290000	35157928	35144116	(1922792)	275500	2638166
	Veraval Works - Unit - VI	132360	-	-	132360	132360	-	-	-
	Veraval Works - Unit - VII	413907	-	-	413907	413907	-	-	-
	Website	361451	-	-	405831	315126	42153	-	48553

### Note - 13 : Fixed Assets Tangible Assets

Sr. No.	Description	<----- GROSS BLOCK ----->				<----- DEPRECIATION BLOCK ----->				NET BLOCK AS ON 31.03.2017
		Opening Balance as on 01.04.16	Addition during the year	Dedu.	Closing Balance as on 31.03.2017	Opening Balance as on 01.04.16	Addition	Dedu.	Closing Balance as on 31.03.2017	
9	Fire Fighting Equipment	74934	-	-	74934	74934	(2273)	-	72661	2273
10	Vehicles									
	Vehicles - Rajkot	25724866	7088266	612469	32200663	8451234	4976395	591649	12835980	19364683
	Vehicles - Unit - VI	18551	-	-	18551	10220	-	-	10220	8331
	Vehicles - Manavadar	646869	-	-	646869	614525	-	-	614525	32344
11	Electrification									
	Electrification - Unit - V	645356	-	-	645356	406242	-	-	406242	239114
	Electrification - Unit - VI	434913	-	-	434913	311602	-	-	311602	123311
	Electrification - Unit - VII	635320	-	-	635320	553791	-	-	553791	81529
	Factory	5932751	619851	4555	6548047	4285170	369323	4327	4650166	1897881
	Office	1009261	-	-	1009261	672153	-	-	672153	337108
	Resi. Flat Vapi	4555	-	-	4555	4327	-	-	4327	228
	Sub Total	323750964	129826859	1850309	451727514	158328451	21751967	1175749	178906469	272822845
	CAPITAL - WORK IN PROGRESSES	64572660	14616219	64572660	14616219	-	-	-	-	14616219
	a) Current Year ₹	388323624	144443078	66422969	466343733	158328451	21751967	1175749	178904669	287439064
	b) Previous Year ₹	316119294	20163863	12532193	323750964	142113550	21602733	5387833	158328450	165422514

### Note - 13 : Fixed Assets Intangible Assets

Sr. Description No.	<----- GROSS BLOCK ----->				<----- DEPRECIATION BLOCK ----->				Closing Balance as on 31.03.2017	NET BLOCK AS ON 31.03.2017
	Opening Balance as on 01.04.16	Addition during the year	Dedu.	Closing Balance as on 31.03.2017	Opening Balance as on 01.04.16	Depreciation Adjustment	Addition	Dedu.		
1 Goodwill, Trade Mark & Patents	36143000	-	-	36143000	21642900	-	4128250	-	25771150	10371850
2 Goodwill on Merger	5661285	-	-	5661285	2138707	-	-	-	2138707	3522578
<b>a) Current Year ₹</b>	<b>41804285</b>	<b>-</b>	<b>-</b>	<b>41804285</b>	<b>23781607</b>	<b>-</b>	<b>4128250</b>	<b>-</b>	<b>27909857</b>	<b>13894428</b>
<b>b) Previous Year ₹</b>	<b>41804285</b>	<b>-</b>	<b>-</b>	<b>41804285</b>	<b>19664082</b>	<b>-</b>	<b>4117525</b>	<b>-</b>	<b>23781607</b>	<b>18022678</b>



**Note - 14 : Non-current Investments**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>Other Non-Current Investment</b>		
<b>(a) Investment in Equity Instrument</b>		
- Quoted Shares, Fully paid-up	17750	17750
235 - Windsor Machines Limited of ₹ 2 each.	8950	8950
800 - Kabra Extrusion Technic Limited of ₹ 5 each.		
[Approximately total market value of quoted shares is ₹ 74,865/- (Previous year ₹ 62,307/-)]		
<b>- Unquoted Shares, fully paid-up</b>		
2500 - BPL Engineering Limited of ₹ 10 each.	<u>187500</u>	<u>187500</u>
	<u>214200</u>	<u>214200</u>

**Note - 15 : Long Term Loans & Advances**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>(a) Capital Advances</b>		<u>8913853</u>
<b>(b) Security Deposits</b>		
(Unsecured, considered good)		
- Utility Service Deposit	2572654	1452864
- Gas Cylinder Deposit	169675	180675
- Sales Tax Deposit	25000	25000
- Other Deposit	1194304	1209592
- Ahmedabad Office Maintenance Deposit	71550	71550
- Ashray Home Owners Maintenance Deposit	95000	95000
	<u>4128183</u>	<u>11948534</u>

**Note - 16 : Other Non Current Assets**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>(a) Unamortised Expenses</b>		
Merger Expenses	1303096	1954644
Less: Amortized during the year	651548	651548
	<u>651548</u>	<u>1303096</u>

**NOTE - 17 : CURRENT INVESTMENTS**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>(a) Investment in Mutual Funds</b>		
Axis Treasury Advantage Fund	1728357	15549004
- Daily Dividend Plan	-	-
	<u>1728357</u>	<u>15549004</u>

#### Note - 18 : Inventories

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
(1) Raw Materials & Components		
- Indigeneous	96993282	51275072
- Imported	47288993	23638657
(2) Testing Materials	2166139	1500000
(3) Consumable Stores	4996611	2200000
(4) Scrap	143984	1000000
(5) Stock in Process	120197440	67225498
(6) Finished Goods	12073420	13873420
	<b>283859870</b>	<b>160712648</b>

#### Note - 19 : Trade Receivables

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
Unsecured considered good		
- Other	149475492	149475492
- Outstanding exceeding Six Months	93880043	82055796
	<b>243355536</b>	<b>130962164</b>

#### Note - 20 : Cash & Cash Equivalent

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
(a) Balance with banks		
- in current accounts	96660099	113866315
(b) Cash on hand	2155961	3194168
(c) Other bank balances		
- Margin Money Deposit	5166250	3435850
- Fixed Deposit	-	12250000
	<b>103982310</b>	<b>132746333</b>

\*Refer Note-36" Disclosure of Specified Notes held and transacted during the period 08/11/2016 to 30/12/2016"

#### Note - 21 : Short Term Loans & Advances

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>(a) Receivables from Revenue Authority</b> (Unsecured, considered good)		
- Income Tax Authority	32806184	34661116
- Sales Tax Authority		
VAT Receivable - Veraval (Shapar) Unit	4890403	9153660
VAT Receivable - Manavadar Unit	-	2297292
VAT Receivable - Nashik Unit	1097406	167406
- Excise Authority		
Excise Duty Receivable	22268951	12808657
Cenvat Credit on Capital Goods	3357	-
- Service Tax Authority		
Service Tax Receivable	12354089	7117932
- Export Incentives Receivable	7010309	12609369
- Prepaid Custom Duty	2571567	-
<b>(b) Other advances recoverable in cash or kind</b> (Unsecured, considered good)		
- Interest Receivable	253526	245037
- Prepaid Insurance / Expenses	7044947	7320345
- Advance to Suppliers	73941790	35178446
	<b>164242530</b>	<b>121559259</b>

#### Note - 22 : Other Current Assets

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
- Advance to Employees	500000	18000
- Loan to Employees	397765	838588
- Other Advances	138759	47132201
	<b>1036524</b>	<b>47988789</b>

#### Note - 23 : Revenue From Operations

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
1. Sale of Products		
- Domestic	897881831	728745403
- Export	405553495	456080613
2. Sale of Services		
- Domestic	3681345	11829028
- Export	6117193	944630
3. Sale of Trading Goods		
- Export	-	20995070
	<b>1313233865</b>	<b>1218594744</b>
4. Other operating Revenue		
- Jobwork Income	8500	260150
- Deposit Forefeited	2753333	987883
- Net Foreign Exchange Difference	9094492	2812423
- Net gain from expenses recovered	12294	2734138
- Export Incentives	10185926	13961988
	<b>1335288410</b>	<b>1239351326</b>
Less:- Excise Duty & Service Tax	89174394	85294898
	<b>1246114016</b>	<b>1154056428</b>

#### Note - 24 : Other Income

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
- Interest Income		
- From Bank	3217895	1358748
- Net Gain / (Loss) on sale of Fixed Assets	(268599)	(1630235)
- Miscellaneous Credits	477974	300549
- Dividend Received	649924	1937942
- Selling Commission Received	5014568	-
- Rent Income	600000	450000
	<b>9691762</b>	<b>2417003</b>

#### Note - 25 : Cost Of Materials And Components Consumed

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>I. Indigeneous Raw Material and Components Consumed</b>		
<b>Opening Stock</b>		
1. Raw material & components	51275072	93585925
2. Testing Material	1500000	2345000
3. Consumable Stores	2200000	3127000
4. Scrap	1000000	1563000
	<b>55975072</b>	<b>100620925</b>
Add : Purchases	<b>716213199</b>	<b>597604576</b>
Less : Closing Stock		
1. Raw material & components	96993282	51275072
2. Testing Material	2166139	1500000
3. Consumable Stores	4996611	2200000
4. Scrap	143984	1000000
	104300016	55975072
<b>TOTAL - (I)</b>	<b>667888255</b>	<b>642250429</b>
<b>II. Imported Raw Material Consumed</b>		
Opening Stock	23638657	10863000
Add : Purchases (including Customs duty)	159593372	136109334
Less : Closing Stock	47288993	2368657
<b>TOTAL - (II)</b>	<b>135943037</b>	<b>123333677</b>
<b>TOTAL - (I + II)</b>	<b>803831292</b>	<b>765584106</b>

**Note - 26 : Changes In Inventories Of Finished Goods Work In Progress And Stock-in-trade**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>I. Finished Goods :</b>		
Opening Stock	13873420	20800000
Less : Closing Stock	12073420	13873420
<b>Increase/(Decrease)</b>	<b>1800000</b>	<b>6926580</b>
<b>II. Stock In Process :</b>		
Opening Stock	67225498	31565983
Less : Closing Stock	120197440	67225498
<b>Increase/(Decrease)</b>	<b>(52971942)</b>	<b>(35659515)</b>
<b>Changes in Inventories</b>	<b>(51171943)</b>	<b>(28732935)</b>

**Note - 27 : Employee Benefits Expenses**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
Director Remuneration	13851284	11203530
Perquisites to Directors	220786	186552
Sitting Fees	29000	21000
Salary & Wages Expenses (Incl. Sales-Service Staff)	76245167	66526692
Salary (O.T.) Expenses	3608346	4429125
Salary Stipend (Trainee)	1786424	2453397
Bonus to Employees	2172539	1266568
Provident Fund Contribution	4366407	3821117
Gratuity	1251211	1938844
Leave Encashment	1769068	4197118
Staff Welfare	2449990	2541404
Staff Medical Aid	121861	93320
Canteen Expenses	3066123	2289981
Training & Seminar Expenses	3452335	286489
<b>Total</b>	<b>114390541</b>	<b>101255137</b>

**Note - 28 : Financial Cost**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
Interest Expenses Paid		
- For Bank	5802724	634841
- For Others	265746	2560020
Bank Commission / Charges	1937234	1787323
(Gain) / Loss on Foreign Currency Transaction	1320195	(506141)
	<b>9325899</b>	<b>4476043</b>

## Note - 29 : Other Expenses

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>I-Manufacturing Expenses</b>		
Clearing & Forwarding Charges - Imports	4273406	4065192
Custom Duty	3136911	2959151
Conveyance Charges	217165	217245
CST on Purchases	2859505	2701750
Excise stuffing, Inspection Fees	-	62403
Electrical Repair & Other Expenses	155049	142219
Electricity Consumption HT	10924175	9882493
Factory Building Repairs & Maintenance	918354	1134548
Factory Misc. Expenses	789023	858655
Factory Rent	793800	517195
Fuel for Generator	498721	372786
Goods Packing Material Expenses	10471934	8012755
Hotel Charges	266126	127972
Inward Freight	6094186	5080080
ISO Certification & Consultancy Charges	51278	126500
Jobwork Charges	31892658	30561568
Labour Charges	22612700	21040635
Licence Fees	52330	3368245
Outward Freight (Manufacturing)	744799	552868
Plant & Machinery Repairing & Maintenance Exp.	644765	3071596
Packing and Forwarding Charges	(51756)	(50644)
Technical Consultancy Fees	1772699	1693899
Travelling Expenses - Domestic	412417	350166
Material & Sample Testing Expenses	103663	57840
Travelling Expenses - Foreign	105042	85955
Machine Spares Rejection Charges	51800	299219
<b>Total - I</b>	<b>99790750</b>	<b>97292292</b>
<b>II-Personnel Expenses</b>		
Advertisement Expenses - Recruitment	-	3213
Consultancy and Contractors expenses	2201214	3858479
Conveyance Expenses - Recruitment	118743	236510
Recruitment Expenses	134258	28952
Security Service Charges	1222926	1574976
<b>Total - II</b>	<b>3677140</b>	<b>5702130</b>

**Note - 29 : Other Expenses**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>III-Administrative Expenses</b>		
Advertisement Expenses	681338	652183
Books & Periodicals	17110	9153
CSR Expenses (Charity & Donation)	1205665	1352536
Computer Maintenance & Other Expenses	569217	546677
Demat Share Expenses	87369	58900
Donation	318700	1390786
Excise & Service Tax Expense	484297	-
Garden Maintenance Expenses	665202	657782
Hotel Charges	185273	78755
House Keeping Expenses	180384	836948
Income Tax Expenses	2000	1097635
Insurance	1237005	1005325
Legal & Professional Fees	1957490	2028167
Listing Fees	200000	200000
Membership & Subscription Expenses	177661	215583
Merger Expenses Written off	651548	651548
Motor Car Expenses - Petrol / Diesel	1536415	1418986
Motor Car - Repair & Maintenance	1628018	1476554
Office Building Repair & Maintenance	25338	25911
Office Equipment Repair & Maintenance	216859	252975
Office Furniture Repair & Maintenance	102900	42650
Office Misc. Expenses	83068	66621
Payment to Auditors	282675	198070
Postage & Angadia - Administrative	302597	314889
Printing & Stationery	915179	1222418
Registration & Filing Fees	52946	19490
Rate Difference	22233	90367
Rent-Rate-Taxes	396051	760647
Sales Tax Paid	955915	81721
Scooter Petrol Expenses	8200	6500
Scooter Repair & Maintenance	3402	3000
Software - AMC Expenses	3808767	1078179
Swachh Bharat Cess	298585	91864
Telephone Expenses	952949	884104
Travelling Administrative - Domestic	50664	22465
Travelling Administrative - Foreign	-	359937
Water Supply & Other Expenses	780413	728635
<b>Total - III</b>	<b>21043433</b>	<b>19927961</b>

**Note - 29 : Other Expenses**

Particulars	31.03.2017 (₹)	31.03.2016 (₹)
<b>IV-Selling &amp; Services Expenses</b>		
Advertisement Expenses - Overseas	160713	125200
Advertisement Expenses - Sales & Service	2422595	1934448
Ahmedabad (CSO) Office Expenses	8017894	7763625
Bad Debts Written Off	32443260	10056800
Bangalore Office Expenses	2307646	1965440
Business Meeting Expenses	79627	400260
Clearing & Forwarding Charges - Export	1360724	1572797
Consumable Expenses	3347	12024
Consumer Prospect	48386	36674
Delhi Office Expenses	3955937	4121870
Exhibition & Display Expenditure - Domestic	3915161	5204524
Exhibition & Display Expenditure - Overseas	32046567	9177689
Hotel Charges - Sales & Service	56300	98580
Internet & leased line Expenses	376960	289447
Kolkata Office Expenses	886809	698261
Hydrabad Office Expenses	464741	545435
Outward Freight - Sales & Service	1140596	392644
Postage & Angadia Charges - International	55717	67367
Royalty Expense	4499886	3068678
Sales Promotion Expenses	1111708	221911
Selling Commission - Domestic	4541424	3199979
Selling Commission - Overseas	10680169	9451481
Excise on FOC Sales	942956	491438
Travelling - Business Prospectus	2530904	271615
Travelling - Sales - Domestic	1209841	906726
Travelling - Sales - Foreign	545586	1151743
Travelling - Service - Domestic	1486465	1563855
Travelling - Service - Foreign	1920701	2300309
Web site Development & Maintenance Expenses	318671	489436
<b>Total = IV</b>	<b>119531292</b>	<b>67580255</b>
<b>Total = (I+II+III+IV)</b>	<b>244042615</b>	<b>190502638</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 (₹)	as % of Consolidated Net Assets	Amount in (₹)

**Parent**

Rajoo Engineers Limited	90.11%	394988473	88.67%	64100850
-------------------------	--------	-----------	--------	----------

**Joint Ventures (As per proportionate consolidation / Investment as per the Equity Method)**

Rajoo Bausano Extrusion Pvt. Ltd.	9.89%	43333346	11.33%	8193716
-----------------------------------	-------	----------	--------	---------

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.
Shares of Joint Ventures held by the company on the year end	
Latest Audited Balance Sheet Date	31.03.2017
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	43333346
Profit/Loss for the year	
considered in Consolidation	8193716
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 : Segment Reporting

Particulars	Outside India		Within India		Unallocable Expenses		Total	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
<b>Segment Revenue</b>								
External Turnover/Revenue	420765180	480832736	914523230	758518590	0	0	1335288410	1239351326
GROSS TURNOVER	420765180	480832736	914523230	758518590	0	0	1335288410	1239351326
Less : Excise Duty <small>Service Tax Recovered</small>	2442796	7375000	86731598	77919898	0	0	89174394	85294898
NET TURNOVER	418322384	473457736	827791632	680598692	0	0	1246114016	1154056428
Segment Result	43704922	43232381	86479805	62214256	0	0	130184727	105493535
Less : Unallocable Expenses					30369332	24404004	30369332	24404004
Add : Other Income					9691762	2417003	9691762	2417003
Profit before Tax							109507158	83506534
Current Tax							36970058.01	31234857.45
Deferred Tax							242531.74	(2571097.46)
Profit after Tax							72294568	54842773
Segment Assets	85085025.00	35278148.00	158270510.88	95684016.00	861177014.12	740039715.22	1104532550	871001879
Segment Liability	40264966.05	16447910.00	213705958.94	128969638.39	390005643.25	320379124.56	643976568.24	465796672.95

### Note -32 : Details Of Specified Bank Notes (sbn) Held And Transacted During

THE PERIOD 08/11/2016 TO 30/12/2016 IS AS UNDER:

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	407000	868395	1275395
(+) Permitted Receipts	0	1089342	1089342
(-) Permitted Payments	0	946737	946737
(-) Amount deposited in Banks	407000	0	407000
Closing cash in hand on 30.12.2016	0	1011000	1011000

**Note 33. Quantitative Information In Respect Of Opening Stock, Purchase, Sales, And Closing Stock**

Particulars	No.	31.03.2017 (₹)	No.	31.03.2016 (₹)
<b>A. Opening Stock</b>				
1. Raw material & components				
Indigeneous		51275072		93585925
Imported		23638657		10863000
2. Testing Material		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>
<b>B. Purchases</b>				
1 Raw-Material & components				
Imported		159593372		136109334
Indigeneous		716213199		597604576
2 Trading Purchase (Imported)		-		14161650
		<b>875806571</b>		<b>747875560</b>
<b>C. Sale by Class of Goods</b>				
1. Thermoplastic	Domestic	391229124		335388902
Extrusion Plants	Export	332989533		346915033
2. Post Extrusion	Domestic	332383120		237460210
Equipments	Export	38422391		84772265
3. Miscellaneous	Domestic	172590847		155054037
Parts & Equipments	Export	34141570		24393315
4. Iron Waste / Scrap	Domestic	1678741		842254
5. Service Charges	Domestic	3681345		11829028
	Export	6117193		944630
6. Jobwork Income	Domestic	8500		260150
7. Trading Finished Goods	Export	-		20995070
		<b>1313242365</b>		<b>1218854894</b>
<b>D. Closing Stock</b>				
1. Raw material & components				
Indigeneous		96993282		51275072
Imported		47288993		23638657
2. Testing Material		2166139		1500000
3. Consumable Stores		4996611		2200000
4. Scrap		143984		1000000
5. Stock in Process		120197440		67225498
6. Finished Goods		12073420		13873420
		<b>283859870</b>		<b>160712648</b>

As per our report of even date

For and on behalf of the Board

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

Proprietor  
Membership No.:- 036292

**(R. N. Doshi)**  
Chairman / Managing Director

**(K. C. Doshi)**  
Director

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

**(Vijay Jadeja)**  
Company Secretary

Date : 8th May, 2017  
Place : Veraval (Shapar), Rajkot

## TRIBUTEX

The company's corporate social responsibility (CSR) strategy is inspired by the philanthropic conviction of the Founder –Late Shri Chandrakant Doshi.

Rajoo has encompassed many initiatives to conserve and sustain the environment, to encourage continuous socio - economic development of the community and to improve the quality of life of the underprivileged people living in the neighbouring areas of its location.

## CSR

5th January, 2017 - The day started with prayers and floral offerings to Shri C. N. Doshi by the Rajoo Family.

Subsequent to expressing admiration to the kindness, dedication, honesty, vision, benevolence and other fine traits of the late Founder &Mentor Shri C. N. Doshi, the company distributed food, milk, old clothes, blankets, meals to the underprivileged people and patients of the Civil Hospital, Rajkot.



Rajoo Family Distributing Food At Civil Hospital Rajkot



Rajoo Family Distributing Milk Underprivileged People

## Rajkot Marathon 2017 – Smart Run for Rajkot

Rajkot, the commercial capital of Saurashtra region, had organized its first full marathon on February 5, 2017 jointly with Rajkot Municipal Corporation (RMC) and Rajkot City Police.

Thousands of citizens participated in the grand event. The marathon aimed to create awareness about cleanliness and traffic among citizens in Rajkot. The event was sponsored by the Rajoo Group. The company played the role of a catalyst to elicit positive change in the society. The attempt was to motivate people to act out of their own convictions, and support the efforts in building a smart City.



Rajkot Marathon - 2017  
Sponsored by the Rajoo Group

### Sustainable environment

Rajoo always strives to ensure that industry meets the legal requirements of pollution control. We also aim to make sustainability the next level of environmental protection by drawing on advances in science and technology to protect human health and the environment, and promoting innovative green business practices.

Rajoo's Pentafoil - Five layer All-PE blown film line indigenously designed and built, with latest advancements in technology is truly eco-friendly in a dual way – one from the environmental perspective (by getting more out of less by down gauging and lower energy consumption) and the other from the economics perspective (better performance with cheaper raw materials). Operating at 600.4 kg/hour, TUV certified during an on-site visit, that the specific electricity consumption under standard conditions for the 5 layer co-extruded blown film line PENTAFOIL-APERECF- 260-90/2400 IBC-A was 0.3001 KW/kg of blown film (producing 40 micron thickness, 2000 mm width)



Pentafoil - Five layer

### Student development-Internship

Rajoo is committed to helping students to gain exposure to real – world problems and issues they experience through practical work assignments. It helps students to cultivate adaptability and creativity in a dynamic world.

Every year, more than 50 students get an opportunity to join our internship programme, which enables them to gain practical knowledge of what they have learned and get invaluable on-the-job experience. This encourages them to explore the career choices that lie ahead of them.



Industrial visit by Atmiya College Students

## RAJOO ENGINEERS LIMITED

Regd. Office: Junagadh Road, Manavadar-362 630, Dist. Junagadh  
Plant location: Suvey No 210, Plot No 1, Industrial Area, Veraval (Shapar), Dist. Rajkot-360 024  
Phone: +91-97129-62704 / 52701/ 32706, Email: rel@rajoo.com, Web: www.rajoo.com  
CIN: L27100GJ1986PLC009212

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s) :

Registered Address :

E.Mail Id :

Folio No./Client Id :

DP ID :

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 _____	

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on the 18th September, 2017 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:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

ORDINARY BUSINESS		TICK APPROPRIATELY
1	Adoption of Financial Statement for the year ended 31st March, 2017.	
2	Declaration of dividend on Equity Shares for the F.Y. 2016-2017.	
3	Appointment of Director in place of Sunil Jain (DIN: 00043541) who is liable to retire by rotation and, being eligible, offers himself for reappointment.	
4	Appointment of Director in place of Utsav Doshi (DIN: 00174486) who is liable to retire by rotation and, being eligible, offer himself for reappointment.	
5	Appointment of M/s. N. R. Dhaduk & Co., Chartered Accountants, Rajkot as Statutory Auditors and fixing their remuneration.	
SPECIAL BUSINESS		
6	Ratification of the remuneration of M/s. Shailesh Thaker & Associates, Cost Auditors of the Company.	
7	Increase in the remuneration payable to Mr. R. N. Doshi, Chairman and Managing Director of the Company.	
8	Increase in the remuneration payable to Mr. Sunil Jain, Whole Time Director of the Company.	
9	Increase in the remuneration payable to Ms. Khushboo Chandrakant Doshi, Whole Time Director of the Company.	
10	Appointment of Utsav Kishorbhaj Doshi as Whole Time Director of the Company.	
11	Amendment of incidental object clause of the MOA	
12	Deletion of the other object of the MOA	

Signed this \_\_\_ day of \_\_\_ 2017

Signature of shareholder \_\_\_\_\_ Signature of Proxyholder \_\_\_\_\_

Signature of the proxy holder(s)

Affix Re. 1  
Revenue Stamp

Note :

1. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

\*\*2. This is only optional. Please put a 'V' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

3. Appointing proxy does not prevent a member from attending in person if he so wishes.

4. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

**ATTENDANCE SLIP**  
**(To be presented at the entrance)**

**30TH ANNUAL GENERAL MEETING ON MONDAY, SEPTEMBER 18, 2017 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.

