

## 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®**  
excellence in extrusion

01<sup>st</sup> November, 2018

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 2017-18**

Please find enclosed herewith Annual Report for the Financial Year 2017-18 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly approved and adopted by the members as per the provisions of the Companies Act, 2013.

Please take on your record and oblige.

Thanking you,

Yours faithfully,

For, **RAJOO ENGINEERS LIMITED,**

*Vijay Jadeja*  
(Vijay Jadeja)  
Company Secretary



**RAJOO**

excellence in extrusion



EMBRACE CHANGE TO  
**GROW**

A N N U A L R E P O R T 2017-2018

# Rajoo Engineers Limited

## ANNUAL REPORT 2017 - 2018

### **31<sup>st</sup> ANNUAL GENERAL MEETING**

Date : 25<sup>th</sup> September, 2018

Day : Tuesday

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



#### 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**

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## 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 35 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 35 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 is a second generation entrepreneur, with over 11 years of experience in the area of HR, Business Development, Customer Care and Finance. Khushboo 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.

Sales and Marketing is her passion and has been responsible for establishing brand "Rajoo" in the industry- both in the country and globally. A firm believer in Woman Empowerment, Rajoo Engineers is one of the first companies in Saurashtra Region of Gujarat to employ women in the engineering functions.

She has won many recognitions in the industry. Phulchhab newspaper bestowed the "Nari Gaurav Award" in recognition of her outstanding contribution to the business and recently was felicitated with the Plasticon Award from Plastindia as the "Best Performing Female Entrepreneur".



### **Utsav Doshi** - Whole Time Director

Utsav Doshi, a second generation entrepreneur, joined Rajoo Engineers in 2011 as an Engineer – Vendor 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.



“With a continued emphasis on timely delivery, quality control, innovation, empathic customer care and value enhancement of the entire ecosystem, the future looks promising for our Company”



**R N Doshi**  
Chairman & Managing Director

## A letter to the shareholder

I am pleased to inform that your Company had a very successful year and continues to make significantly strides towards achieving a leadership position in the global plastic extrusion machinery. In view of the positive changes transpiring in the industry, I am optimistic of Rajoo's ability to sustain growth and emerge stronger.

The overall macroeconomic scenario has strengthened with policy support, providing structural strength and imparting efficiency. Interestingly, multilateral institutions like the IMF and the World Bank have endorsed India as a 'bright spot' in the global economic landscape, amid reforms with far-reaching positive outcomes. The Government has implemented several radical reforms like GST, 100 percent FDI in food processing sector, simplifying regulations, export benefits, etc.

According to Smithers Pira, globally the packaging industry is expected to grow at an annual average rate of 3.4 percent during 2015-2020 to reach USD 248 Billion. Asia is expected to lead the demand with its market share progressing from 42 percent in 2015 to nearly 45 percent by 2020, implying an Asian market of USD 111 billion. The food sector within the FMCG is the biggest consumer of packaging with a significant share of over 70 percent.

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 has already surpassed 20 million tons which was projected to be reached by 2020. This growth will not only be fueled by policy relaxations but also by rising urbanization of a large, youthful population, leading to greater consumer spending for items that require plastics from packaged goods to mobile phones and automobiles. I am confident that our Company will indeed benefit substantially being in the plastics extrusion machinery segment.

I am pleased to share that your Company concluded the Financial Year 2017-18 with unprecedented success in this challenging global environment. Despite the difficult global macroeconomic environment, we delivered a strong operating performance with continued focus on innovation through R & D that has enabled your Company to be in the top tier in our industry. It gives me immense pleasure to report that your Company has achieved a landmark turnover of Rs. 147 Cr (USD 22 million) during the current financial year of 2017-2018. The revenue for the full year has increased by over 46% on account of sales of value added products for the flexible packaging market. This coupled with a growing order book and increase in operating efficiencies, the EBITDA and PAT has grown by over 66% and 110% to Rs. 22 cr (USD 3 million) and 12 cr (USD 1.8 million) respectively.

Your Company also expects to derive greater operating leverage out of its recent investments in 5 axis machining centers for increased precision and repeatability in machine components resulting in maximizing shareholders' wealth. For the next few years we expect to grow at a healthy rate but not at the cost of burdening our balance sheet or compromising on our margins. Your Company is among the leading players in manufacturing of plastic extrusion machinery and has developed the technical know-how and required skill sets to emerge as one of the best in the industry. We are moving towards customized extrusion machinery which will improve the efficiency, enhance margins and meet the requirement of our customers and competing with established brands world-wide. Also, In the forthcoming years, intense efforts will be undertaken in CIS countries and South American markets to increase market share.

We are continuously innovating, spending on our R&D, focusing on technological tie-ups across the globe to compete with the best in the world. We strive to be a one stop solution of all plastic extrusion activities across various industry segments. The capital investments made by our Company for machine tools has been instrumental in augmenting the in-house capacity and improving the quality and enhancing the flexibility to develop new designs and technology. This has increased clients' trust in us, leading to repeat orders.

On our part, we will continue to maintain our focus on increasing our operational efficiencies, utilizing positive operating cash flows to drive volumes and strengthen our Balance Sheet. In our quest to make further inroads in countries with higher potential in the plastics extrusion machinery segment, our Company focused on new regions with great success. It is our vision "to become one of the most trusted and passionate solution providers for the plastic extrusion machinery world-wide in the best interests of all the stake holders pursuing ethical business practices,"

With a continued emphasis on timely delivery, quality control, innovation, empathic customer care and value enhancement of the entire ecosystem, the future looks promising for your Company. Our success so far has been driven by our most important asset – our team! I would like to take this opportunity to thank each and every member of the Rajoo family. I would also like to thank our Clients, Suppliers & Vendors, Creditors, Banks, Financial Institutions and other Stakeholders,



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.

## Vision

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.

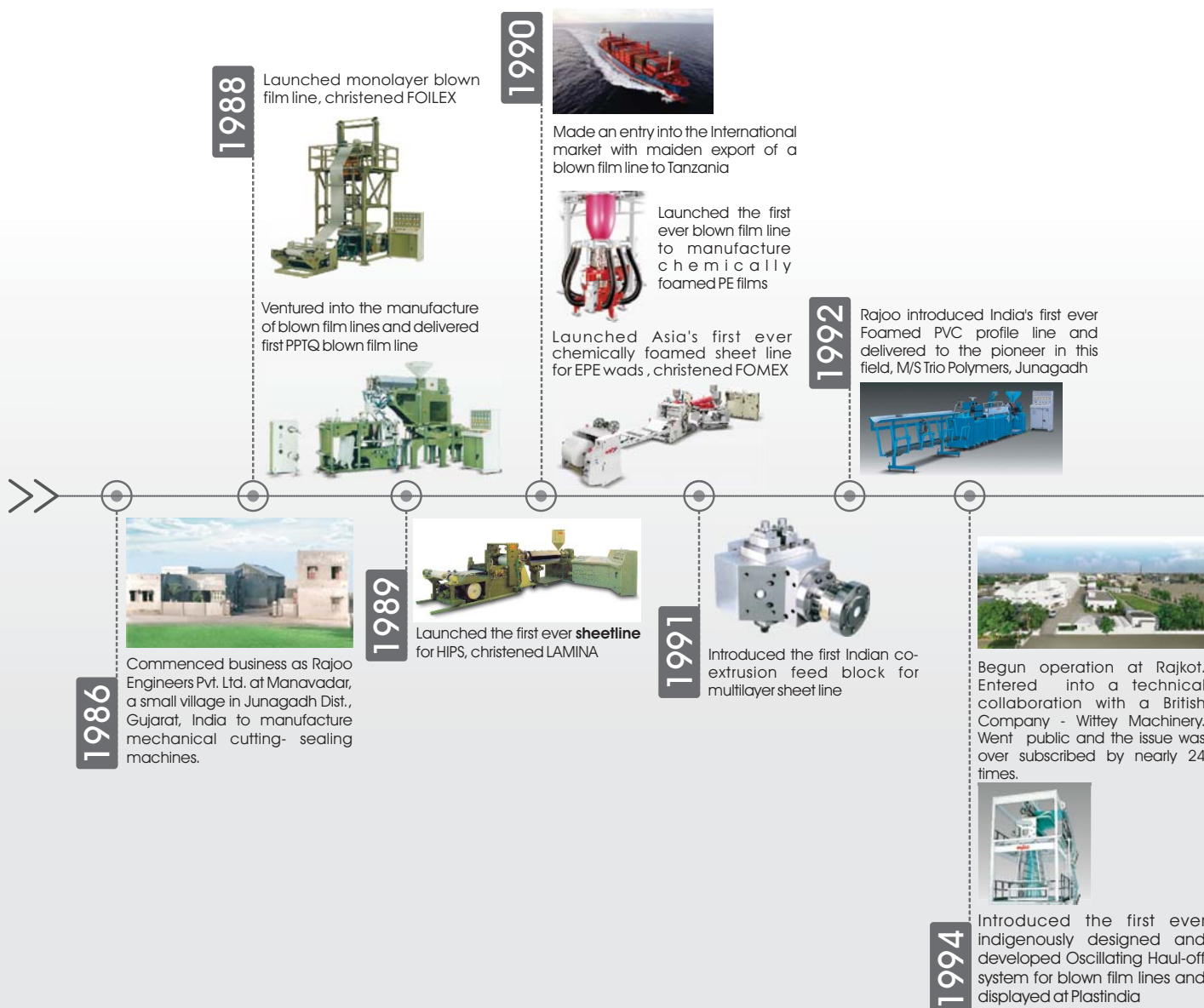
Plastics, a material of choice for over centuries has made deep inroads into all walks of human life, be it food packaging, housing, clothing, automobiles, agriculture, building and construction and a variety of other domains. We strive to contribute to the development of plastics through extrusion. 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.



## 32 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

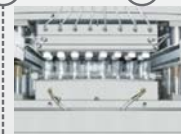


Launched the first ever **sheet line** for PET at Plastindia



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



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 (INCOSSE)@ 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 included (Unitilt) polishing roll stack assembly

2008



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

2018



Rajoo Engineers Limited is felicitated as one of

The Best Plastics & Polymers Brands By The Economic Times Polymers on 7th March, 2018 in Mumbai.

A tribute to the founder - Shree Chandrakant N. Doshi.

Splendid dedication of Rajoo employees. Thanks to all the stakeholders for their unstinted support.



Khushboo C. Doshi was felicitated with the Plasticon Award as a "Best Performing Female Entrepreneur" on 2nd Feb.2018 by Plast India Foundation.

Our growth is evidence of your trust

2012



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

2013



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



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 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



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



CNBC BAJAR & AKILA recognizes Rajoo Engineers for "The Saurashtra Ratna Award" in the category of "Struggle to Success to Story" The Award is bestowed on 8th April, 2017 by Shree.Vijay Rupani, Hon.Chief Minister of Gujarat



On 1st March, 2017, Citation presented in recognition of the contribution to technology innovation in the category of Innovation of Polymer Processing Machinery & Equipments for the Innovation in "Woodplex - WPC Profile & Board Line"



As Runner Up for 7th National Award for Technology Innovation in Petrochemicals & Down Stream plastics Processing Industry (2016-17)



## Exposition

### Plastindia-2018

Innovation continues to be a forte at Rajoo. And this time, by employing the latest in digital technology to impart a never before experience to the visitors -- witnessing an operating machine through Virtual Reality (VR) & Augmented Reality (AR). The entire product portfolio was exposed in an impressive digital form- much more interactive and informative.



Visitors witnessing Live Machine Experience through VR



Rajoo's Experience Zone at Plast India-2018



Shri Vijay Rupani - Honourable  
CM-Gujarat at Rajoo's Stand



Rajoo's Experience Zone at Plast India-2018

## Moments of Honour

### Plasticon Award

On 7th February, 2018, Ms. Khushboo C. Doshi (Executive Director) was honoured as the Best Performing Female Entrepreneur at the Plasticon Awards ceremony. It is the most coveted awards in the Indian Plastics Industry today.



Ms. Khushboo C. Doshi - Executive Director,  
Rajoo Engineers Limited receiving The Plasticon Award

## Moments of corporate honour

### The Best Plastics & Polymers Brand Award

Your company has received many awards over the years, but the best recognition of its contribution in the industry is when we are accepted as the most trusted and best brand of India.

Rajoo Engineers Limited was felicitated as one of The Best Plastics & Polymers Brands By The Economic Times Polymers on 7th March, 2018 in Mumbai.

A tribute to the founder - Shree Chandrakant N. Doshi. Splendid dedication of Rajoo employees. Thanks to all the stakeholders for their unstinted support.



Mr. Sunil Jain - President Rajoo Engineers Ltd. receiving the award from  
Shri Madhav Bhandari, Spokesperson, BJP, Maharashtra

## Moments of corporate honour

### DSIR Certification

The Company received the 'DSIR' (Government of India) certification for its in-house R&D center named as 'Rajoo Innovation Centre'

Rajoo Engineers' R&D center is dedicated to its customers with the objective of offering total and customized solutions to their clients in the field of packaging.



DSIR Certificate



## The Saurashtra Ratna Award

CNBC BAJAR & AKILA recognized Rajoo Engineers for "The Saurashtra Ratna Award" in the category of "Struggle to Success to Story". The Award was bestowed on 8th April, 2017 by Shree Vijay Rupani, Hon. Chief Minister of Gujarat



The Saurashtra Ratna Award

## Moments of corporate honour

### 7th National Award for Technology Innovation

Rajoo Engineers was recognized in the category of Innovation of Polymer Processing Machinery & Equipments for the Innovation in "Woodplex - WPC Profile & Board Line " as the Runner Up for the 7th National Award for Technology Innovation by the Department of Chemicals & Petrochemicals, Govt. of India



Citation Received from the department of Chemicals & Petro chemicals

## Moments of corporate honour

### India's Best Company of The Year Awards 2017

On 10th March, 2018 Rajoo Engineers was recognized as INDIA'S BEST COMPANY OF THE YEAR 2017 (As per the Companies Research Report 2017 by Media Research Group, MRG) by the IBC info Media.

INDIA'S BEST COMPANY OF THE YEAR AWARDS is a unique recognition of the success and genuinity of the fastest growing companies across India and the unique brains behind them.



Mr. Sunil Jain, President - Rajoo Engineers  
Receiving Award from Mr. Hemant Kaushik CEO of IBC info Media Pvt. Ltd

## RAJOO RAISES THE BAR OF WORKMANSHIP PERFORMANCE & QUALITY WITH 'SHREE YANTRALAYA'

The Company has added four new, high technologically advanced 5 axis machine tools from leading German manufacturers. These machine tools employ precise machining technology to produce extremely high-quality components. The digitally designed complex components are seamlessly transposed to these machine tools, eliminating the need for human intervention.

The four New 5 axis machines from DMG Mori, Germany & Saporiti, Italy have raised the bar of precision and quality in manufacturing with increased capacity. Deployment of these latest machining technologies and techniques has empowered the Company to only further the customer satisfaction to greater heights.

We endeavour to grow by moving to complete in-house manufacturing of critical components, with enhanced precision, adding to our product offerings and increasing our penetration in the key markets of India, Latin America, Asia Pacific & Middle East.



## 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  
Whole Time 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.  
Yes Bank Ltd.

### STATUTORY AUDITORS:

Pankaj K. Shah , Associates  
Chartered Accountants

### REGISTERED OFFICE:

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

### WORKS:

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

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

(Rs. In Lacs)

Particular	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
<b>OPERATING RESULTS</b>						
Revenue From Operations & Other Income	14732.93	12115.34	10701.79	11719.27	10145.83	9093.23
Profit before depreciation & Interest	2193.62	1320.49	1000.87	1079.46	783.22	551.21
Profit before tax (PBT)	1816.68	980.90	700.75	774.04	515.30	253.81
Profit after tax (PAT)	1205.94	626.64	457.61	523.96	345.64	169.33
PAT as % of Sales	8.19%	5.17%	4.28%	4.48%	3.42%	1.86%
Retained earnings	1028.32	626.64	283.00	329.35	209.85	74.28
Earning per share (EPS) Rs.	2.03	1.10	0.79	0.90	0.63	0.46
Dividend % p.a.	25%	25%	25%	25%	20%	14%
<b>FINANCIAL SUMMARY</b>						
<b>Assets</b>						
Non- Current Assets						
(a) Fixed Assets (Net)	4917.80	2995.43	2462.98	2168.10	2023.22	1672.97
(b) Non- Current Investment	200.25	198.14	198.14	198.14	198.14	51.14
(c) Long Term Loans & Advances	37.02	34.05	111.44	21.60	18.52	12.71
(d) Other Non - Current Assets	66.03	6.52	13.03	19.55	26.06	4.08
<b>Current Assets</b>	9655.88	7240.53	4993.94	4957.34	5168.74	4475.03
<b>Total</b>	<b>14876.98</b>	<b>10474.67</b>	<b>7779.54</b>	<b>7364.73</b>	<b>7434.69</b>	<b>6215.93</b>
<b>Equity and Liabilities</b>						
Shareholders Fund						
(a) Share Capital	615.31	580.31	580.31	580.31	580.31	367.20
(b) Reserves & Surplus	5399.96	3565.58	3099.18	2816.18	2486.83	2250.73
Total Shareholders Funds	6015.27	4145.88	3679.49	3396.49	3067.14	2617.93
Non Current Liabilities	785.59	293.79	289.20	278.20	287.59	851.82
Current Liabilities	8076.13	6034.99	3810.86	3690.04	4079.95	2746.18
<b>Total</b>	<b>14876.98</b>	<b>10474.67</b>	<b>7779.54</b>	<b>7364.73</b>	<b>7434.69</b>	<b>6215.93</b>
Current Ratio	1.20	1.20	1.31	1.34	1.27	1.63
Debts Equity	1.47	1.53	1.11	1.17	1.42	1.37
<b>OTHERS</b>						
Book Value per Share (Rs.)	9.78	1.74	6.34	5.85	5.29	7.13
Gross Fixed Assets	7188.44	5053.43	4280.14	3783.41	3359.08	2713.35

Financial Highlights

## AGM Notice

Notice is hereby given that thirty first Annual General Meeting of the Members of the Company will be held on Tuesday, 25th September, 2018 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, 2018, together with the Reports of the Board of Directors and Auditors Report thereon; and
2. To declare a Final Dividend of Rs.0.25 per equity share for the Financial Year 2017-18.
3. To appoint Director in place of Khushboo Chandrakant Doshi (DIN:00025581) who is liable to retire by rotation and, being eligible, offers herself for reappointment.
4. To appoint Director in place of Sunil Jain (DIN:00043541) who is liable to retire by rotation and, being eligible, offers himself for reappointment.

### SPECIAL BUSINESS:

5. Appointment of Statutory Auditor for next 5 year:

To appoint M/s. Pankaj K. Shah Associates, 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** subject to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Pankaj K. Shah Associates, Chartered Accountants, Ahmedabad (Firm Registration No. 107352W), be and are hereby appointed as Statutory Auditors of the Company to hold the office from the conclusion of 31st Annual General Meeting, for a single tenure of 5 (five) years, subject to the ratifications by the members at every Annual General Meeting of the said tenure, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company."

**"RESOLVED FURTHER THAT** any of the Director or Company Secretary of the Company, be and are hereby authorized to do such act, deeds and things and to file necessary e-forms with the concerned Registrar of Companies, to give effect to the aforementioned resolution."

6. To ratify the appointment of Cost Auditor for the Financial Year 2018-2019 by passing the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 (3) and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. Shailesh Thaker & Associates, Cost Accountants (Firm Registration No. 101454 ), appointed by the Board of Directors as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending March, 2019, amounting Rs. 40,000/- (Rupees Forty Thousand Only) plus applicable tax and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby approved."

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, 2018 for the period of three years, on following terms and conditions:

**Salary**

Rs. 6,00,000/- per month including all allowances and benefits such as medical allowance, housing allowance, transport allowance, food coupon, uniform allowance, special allowance, and conveyance allowance and leave travel allowance.

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

- i) Medical reimbursement of Self and family members of the actual amount incurred.
- ii) Contribution towards Provident fund up to 12% of basic salary or such other percentage as may be prescribed under the rules of the respective funds.
- iii) Contribution towards Gratuity fund and benefits payable as per rules.
- iv) Use of Company Car along with facility of driver and reimbursement of maintenance expenses of car.
- v) Encasements 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 Ms. Khushboo Chandrakant Doshi, Whole Time Director of the Company w.e.f. 1st July, 2018 for the period of three years, on following terms and conditions:



#### Salary

Rs. 3,15,000/- 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) Encasements 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"

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 Mr. Utsav K. Doshi, Whole Time Director of the Company w.e.f. 1st July, 2018 for the period of three years, on following terms and conditions:

#### Salary

Rs. 2,67,000/- per month including all allowances and benefits such as medical allowance, housing allowance, transport allowance, food coupon, uniform allowance, special allowance, conveyance allowance and leave travel allowance.

Further, Mr. Utsav K. 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) Encasements 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 Mr. Utsav K. 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"

- 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) Encasements 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 Mr. Utsav K. 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"

Date: 27/05/2018  
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. Information regarding appointment/Re-appointment of Directors/Auditors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty Members holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Members holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. If a Proxy is appointed for more than fifty Members, the Proxy shall choose any fifty Members and confirm the same to the Company not later than 48 hours before the commencement of the meeting. In case, the Proxy fails to do so, only the first fifty proxies received by the Company shall be considered as valid. The instrument of Proxy, in order to be effective, should be deposited, either in person or through post, at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / letter of authority, as applicable.
3. Corporate Members intending to send their authorized representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 15th September, 2018 to Tuesday, 25th September, 2018 (both days inclusive).
5. The Notice of 31st AGM and the Annual Report 2017-18 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.
6. Members holding shares in the physical mode are requested to notify the immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository participants.
7. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders holding shares in the physical form. The shareholders, who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination form by quoting their folio number.
8. The balance lying in the unpaid dividend account of the Company in respect of dividend declared on for the financial year 2010-11 will be transferred to the Investor Education and protection Fund of the Central Government by 20th August, 2018. Members who have not encased their dividend warrants pertaining to the said year may approach the Company or its share transfer agent for obtaining payments thereof by 20th August, 2018.
9. The route map showing directions to reach the venue of the 31st AGM is annexed.
10. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not Registered their e-mail addresses, physical copies are being sent by the permitted mode.

## 11. 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 31st 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 22nd September, 2018 10.00 a.m and ends on 24th September, 2018, 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on 18th September, 2018 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii) Click on "Shareholders" tab.
- iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user then follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	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.

For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for Rajoo Engineers Limited on which you choose to vote.

(xi) 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.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

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.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take out print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) 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.

(xvi) Shareholders can also cast their vote using CDSL's Mobile app m-Voting Available for Android Based Mobile. The M-Voting App Can Be Downloaded From Google Play Store, Apple and Windows phone. Please follow The instructions as prompted by the mobile app while voting on your mobile.

Note for Non – Individual Shareholders and Custodians

(xviii) 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.

(xix) 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.



(xxi) 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).

(xxii) Paras Savjani, Partner of Dodiya Mehta & Co., Practising Chartered Accountant (Membership No. 126601) 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 EGM, 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 :	5th Floor, 506 to 508, Amarnath Business, Centre – 1 ( ABC-1), Beside Gala Business, Centre, Nr. St. Xavier's College Corner, Off C G Road, Navrangpura, Ahmedabad-380009 Tel: +91-79-26465179
E- Voting Agency :	Central Depository Services (India) Limited Email: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> Phone: 022-22723333/8588
Scrutinizer :	Mr. Paras Savjani Partner of Dodiya Mehta & Co, Practicing Chartered Accountants, Rajkot. Email: <a href="mailto:paras.savjani@gmail.com">paras.savjani@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.

**EXPLANATORY STATEMENT AS PER SECTION 102 OF THE COMPANIES ACT, 2013 AND /OR REGULATION 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**Item No.5**

A Letter Received from M/s. N. R. Dhaduk & Co., Chartered Accountants, Statutory Auditor of the Company was received intimating their inability to continue as Statutory Auditor of the Company and conduct the Audit for the Financial Year 2017-18 due to health issue of Mr. Nirav R. Dhaduk Proprietor of M/s. N. R. Dhaduk & Co., Chartered Accountants, Rajkot w.e.f 23/04/2018.

Board of Directors at their meeting held on 30th April, 2018, on the recommendation of the Audit Committee appointed M/s. Pankaj K Shah Associates, Chartered Accountants, Ahmedabad having Firm Registration No. 107352(W) to fill the casual vacancy created due to resignation of M/s. N. R. Dhaduk & Co., Chartered Accountants subject to the approval of members at the Extra ordinary General Meeting.

Extra ordinary General Meeting was held on 29th July, 2018 were members approved the Appointment of M/s. Pankaj K. Shah Associates, Chartered Accountants as Statutory Auditors of the Company to hold the office from 30th April, 2018 until the conclusion of 31st Annual General Meeting of the Company.

Further, the Company has proposed their appointment in the item number 5 of the notice, for the period of 5 (five) years subject to the ratification by the members at every Annual General Meeting.

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

The Board of Directors recommends the resolution for your approval.

**Item No.6**

The Board, on recommendation of the Audit Committee has approved the appointment and remuneration of M/s. Shailesh Thaker & Associates, Cost Accountant, Ahmedabad as Cost Auditors of the Company to conduct the audit of the cost records of the company for the Financial Year 2018- 19 at a fee of Rs. 40,000/- plus applicable taxes and reimbursement of out of pocket expenses, as remuneration for cost audit services for the F.Y. 2018-19.

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

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

The Board of Directors recommends the resolution for your approval.

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

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

Shri R.N.Doshi is a talent strategist , Executive coach, veteran entrepreneur. He is the co-founder of this company. He has more than 35 years of experience in plastic processing, machinery manufacturing, engineering and product innovation and development. He is a profound innovator. This foundational capacity is the underpinning of his smart approach to resolve complex business challenges. 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.

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

Khushboo Chandrakant Doshi is a second generation entrepreneur, with over 11 years of experience in the area of HR, Business Development, Customer Care and Finance.

Khushboo 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.

Sales and Marketing is her passion and has been responsible for establishing brand "Rajoo" in the industry- both in the country and globally. A firm believer in Woman Empowerment, Rajoo Engineers is one of the first companies in Saurashtra Region of Gujarat to employ women in the engineering functions.

She has won many recognitions in the industry. Phulchhab newspaper bestowed the "Nari Gaurav Award" in recognition of her outstanding contribution to the business and recently was felicitated with the Plasticon Award from Plastindia as the "Best Performing Female Entrepreneur".

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 27th May, 2018 have approved the revision in remuneration payable to Ms. Khushboo Chandrakant Doshi w.e.f. July 1, 2018.

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 1, 2018, 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.

**Increase in remuneration of Mr. Utsav K. Doshi, Whole Time Director of the Company:**

Utsav Doshi, a second generation entrepreneur, joined Rajoo Engineers Limited in 2011 as Head of Vendor Development. He is Engineer by education and holds a Bachelor's Degree in Mechanical Engineering with a Masters in Polymer technology from HTW Aalen University, Germany.

Utsav K. Doshi has Functional expertise in Design and Operations and responsible for entire manufacturing activity at REL. As Director of the Company, Mr. Utsav 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 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 27th May, 2018 have approved the revision in remuneration payable to Mr. Utsav Doshi w.e.f. July 1, 2018.

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. Utsav Doshi w.e.f. July 1, 2018, The Board of Directors of the Company recommends the resolution for approval of the Members.

Except Mr. Utsav Kishorabhai 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 2016-17 and 2017-18 are provided in the Annual Report 2018 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 technical collaboration with Commodore LLC., USA

The Company has no subsidiaries as on 31.03.2018

## II Information about the appointees

	<b>R. N. Doshi</b>	<b>Khushboo Doshi</b>	<b>Utsav Doshi</b>
<b>Background details</b>	35 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.	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.
<b>Job Profile and his/her suitability</b>	Shri R.N.Doshi is a talent strategist Executive coach, veteran entrepreneur. He has 35 years of experience in plastic processing, machinery manufacturing, engineering and product innovation and development.. He is the co-founder of this company. He is a profound innovator. This foundational capacity is the underpinning of his smart approach to resolve complex business challenges. 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.	Khushboo Chandrakant Doshi is a second generation entrepreneur, with over 11 years of experience in the area of HR, Business Development, Customer Care and Finance. Khushboo 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. Sales and Marketing is her passion and has been responsible for establishing brand "Rajoo" in the industry- both in the country and globally.	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 Rajoo.
<b>Past Remuneration</b>	Detailed information of appointees are provided below in head - Details of Directors seeking reappointment and Directors whose remuneration is proposed to be increased.  Remuneration drawn by R. N. Doshi, Khushboo Chandrakant Doshi and Utsav Doshi during the Financial Year ended 31st March, 2018 has been mentioned in the Report of Board of Directors on Corporate Governance.		
<b>Recognition or awards Remuneration</b>	The Company has received various awards and recognition under leadership of Board.		



**Remuneration proposed**

As mentioned in the resolution.

**Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.**

The remuneration is as per Section 197 & 198 of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of MD/WTD levels of similar sized Plastic Extrusion machine manufacturing Companies in India.

The profile of R. N. Doshi, Khushboo Chandrakant Doshi and Utsav Doshi, their responsibilities, complex business operations, industry benchmark and size of the Company justify the payment of said remuneration. The remuneration proposed to be paid to R. N. Doshi, Khushboo Chandrakant Doshi and Utsav Doshi is purely based on merit.

**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, Khushboo Chandrakant Doshi and Utsav Doshi do 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**

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

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

**The Company is profit making Company.**

Control of operating expenses and overheads across the organization is being exercised.

The company has completely renewed its production and quality departments.

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, economy in operations and strengthening core competencies.

In addition to steps proposed to be taken for improvement as detailed hereinabove, key focus areas would be profit maximization, conservation of cash, operational efficiencies, cost and working capital containment. While it is difficult to give precise figures, the above initiatives are expected to improve further the productivity and profitability.

**IV. Disclosure:**

**As required, the information is provided under Corporate Governance Section of Annual Report 2018.**

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

Date: 27/05/2018

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 31 Years experience in the field of flexible packaging and international marketing.
Directorship held in other Indian Companies (excluding Directorship in Rajoo Engineers Ltd.	- 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.	17150

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	- Avantgarde Design Studio Pvt. Ltd. - Rajoo Bausano Extrusion Private Limited
Membership / Chairmanship / Committees Indian Companies (excluding Membership / Chairmanship of any Committee / 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 / Committees Indian Companies (excluding Membership / Chairmanship of any Committee / Board of Rajoo Engineers Ltd.)	Nil
Number of Shares held in the Company.	2919372

## DIRECTORS' REPORT

To,

The Members,

Your Directors are pleased to present the 31st Annual Report along with the audited financial statements of your Company for the financial year ended on 31st March, 2018.

### FINANCIAL PERFORMANCE SUMMARY:

The summarized financial highlights is depicted below:

	Standalone		Consolidated		( ₹ In Lakhs)
Particulars	2017-18	2016-17	2017-18	2016-17	
<b>OPERATING RESULTS</b>					
Sales & other income	14732.93	12115.34	16394.26	13452.11	
Profit before interest & depreciation Less :	2193.62	1320.49	2418.53	1449.63	
- Depreciation	278.09	247.57	280.54	253.77	
- Interest	98.85	92.02	99.72	93.26	
<b>Net profit before taxation Less :</b>	<b>1816.68</b>	<b>980.90</b>	<b>2038.27</b>	<b>1102.60</b>	
- Taxation	410.77	330.73	468.36	369.82	
- Deferred tax	199.98	23.53	200.80	23.01	
<b>Net profit after taxation</b>	<b>1205.94</b>	<b>626.64</b>	<b>1369.11</b>	<b>709.78</b>	
Add : Profit & loss account balance brought forward	2787.91	2161.27	3026.47	2316.69	
Add : Prior Year's Adjustment (Dividend Paid of Last Year )	(177.62)	0.00	(236.59)	0.00	
<b>Amount available for appropriation</b>	<b>3816.23</b>	<b>2787.91</b>	<b>4158.99</b>	<b>3026.47</b>	
Proposed Dividend	0.00	145.08	0.00	206.55	
Dividend tax	0.00	29.53	0.00	30.04	
Dividend tax Transfer to General Reserve	0.00	0.00	0.00	0.00	
Depreciation Adjustment	0.00	0.00	0.00	0.00	
<b>Balance carried to Balance sheet</b>	<b>3816.23</b>	<b>2599.05</b>	<b>4158.99</b>	<b>2789.88</b>	

#### Note:

The financial result of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) w.e.f. 1st April, 2017. Consequently, the results for the previous period have also been restated as per IND AS

There are no material changes and commitments affecting the financial position of the company between the end of the financial year and the date of this report.

### PERFORMANCE OF YOUR COMPANY

- Revenue from operations was Rs. 146.51 crore in FY18 as against Rs. 120.30 crore in FY17, YoY growth of 21.79%
- EBITDA (excluding other income) stood at Rs. 21.93 crore in FY18 as against Rs. 12.37 crore in FY17, YoY growth of 77.28%.
- Profit After Tax was at Rs. 12.06 crore in FY18 as against Rs. 6.27 crore in FY17, YoY growth of 92.34%
- EPS grew by 87.96% to Rs. 2.03 in FY18 from Rs. 1.08 in FY17

## 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. 185.05 lakhs including dividend distribution tax.

## SHARE CAPITAL

During the year under review, the Company has issued and allotted 35,00,000 Convertible Warrants (convertible in to equivalent number of Equity Shares of Re. 1/- each, within 18 months from the date of allotment, in one or more tranches) at issue price of Rs. 19.10/- per Warrant (including Rs. 18.10 as Security Premium) on Preferential allotment basis to the Promoters and Individuals other than Promoters.

The purpose of the funds so received by this preferential issue is to meet its working capital requirements for its existing as well as new growth opportunities as explained in the EGM Notice sent to the members for their approval.

The conversion of the warrants so issued & allotment of equity Shares took place in 2 tranches as under:

Sr. No.	Date of Conversion	No. of Securities
1	21st August, 2017	10,00,000 Equity Shares of Re. 1/-
2	18th December, 2017	25,00,000 Equity Shares of Re. 1/-

Accordingly, consequent upon the conversion, the paid-up equity share capital of the Company stands at Rs. 6,15,30,750/- divided in to 6,15,30,750 Equity Shares of Re. 1/- each.

## 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.

## 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 2017-18 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, company does not have become or ceased to be Company's subsidiaries, joint ventures or associate companies.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 Ms. Khushboo Chandrakant Doshi and Mr. Sunil Jain retire by rotation and being eligible has offered themselves for re-appointment. Brief particulars of Ms. Khushboo Chandrakant Doshi and Mr. Sunil Jain and their expertise in various functional areas is given in the Notice convening 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 Mr. Utsav K. Doshi is appointed as Whole Time Director of the Company for five years commencing from 01.07.2017.

#### **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, 2018, 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;
- (vi) 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 2017-18.

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

Twenty One 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.



#### **INDEPENDENT DIRECTORS' MEETING AND FAMILIARISATION PROGRAMME**

The Independent Directors met on 23rd March, 2018 without attendance of Non-Independent Directors and members of the Management. The independent Directors reviewed the performance of non-independent directors and the Board as a whole; the performance of the Chairperson of the Company, taking in to account the views of the Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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

#### **BOARD EVALUATION**

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.

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

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178 (3) of the Companies Act, 2013 is made available on the Company's website [www.rajoo.com](http://www.rajoo.com)

#### **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.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company has constituted a CSR Committee and has framed a CSR Policy. The brief details of CSR Committee are provided in Corporate Governance Report. 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>.

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

Separate report on Corporate Governance compliance and Management and Discussion and Analysis as stipulated by the SEBI Listing Regulations forms part of this Annual Report along with Compliance Certificate from Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated.

In compliance with Corporate Governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Business Conduct and ethics for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

#### **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 ADEQUACY**

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

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.

#### **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

#### **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 IV in the prescribed Form MGT-9, which forms part of this report.

#### **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. Your Company had not entered in to any transactions with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013. 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.

#### **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

## **INSURANCE**

Your Company has taken appropriate insurance for all the assets against foreseeable perils.

## **AUDITORS & AUDITORS REPORT**

Board of Directors at their meeting held on 30th April, 2018, on the recommendation of the Audit Committee appointed M/s. Pankaj K Shah Associates, Chartered Accountants, Ahmedabad having Firm Registration No. 107352(W) to fill the casual vacancy created due to resignation of M/s. N. R. Dhaduk & Co., Chartered Accountants subject to the approval of members at the Extra ordinary General Meeting. Extra ordinary General Meeting was held on 29th July, 2018 where members approved the Appointment of M/s. Pankaj K. Shah Associates, Chartered Accountants as Statutory Auditors of the Company to hold the office from 30th April, 2018 until the conclusion of 31st Annual General Meeting of the Company. Further, the Company has proposed their appointment in the item number 5 of the notice, for the period of 5 (five) years subject to the ratification by the members at every Annual General Meeting.

## **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company has M/s. Maulik Sheth & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the year ended March 31, 2018. The Secretarial Audit Report is annexed as Annexure – V. there were no qualifications, reservations or adverse remarks given by Secretarial Auditor of the Company.

## **COST AUDIT REPORT**

Your Company has appointed M/s. Shailesh Thaker & Associates, Practicing Cost Accountants to conduct audit of the cost records of the Company for the year ended 31st March, 2019. The Cost Audit Report for the year 2016-17 was filed before the due date with the Ministry of Corporate Affairs.

## **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 III and forms a part of this report.

## **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.

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

### **1. 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.

Your Company has installed energy efficient LED Lights in factory building, Administrative offices, street lights, siding locations.

(b) Steps taken by the Company for utilizing alternate sources of Energy:

As part of its long term sustainability plan, the Company has initiated various steps towards utilizing alternate source/renewable source of energy:

- The company has installed and commissioned 304.64 KW (DC) capacity Solar Power Plant on 11-05-2018 in the state of Gujarat at Village HADAMTADA, Taluka Kotda-Sangani, District Rajkot.
- All efforts are made to use more natural lights in offices/Factory/stores premises to optimize the consumption of energy.

(c) The capital investment on energy conservation equipment:

During the year, the Company has invested as capital investment on energy conservation equipment by installing Solar Power Plant.

## 2. Technology absorption

(a) Efforts made in the technology absorption :

- During the year under review your company has implemented ERP System/SAP – S4 HANA.
- The Company has added new, high technologically advanced 5 axis machine tools from leading German manufacturers These machine tools employ precise machining technology to produce extremely high-quality components. The digitally designed complex components are seamlessly transposed to these machine tools, eliminating the need for human intervention.
- The four New 5 axis machines from Germany & Italy have raised the bar of precision and quality in manufacturing with increased capacity. Deployment of these latest machining technologies and techniques has empowered the Company to only further the customer satisfaction to greater heights.
- The Company has technical collaboration with Commodore LLC., USA, Bausano & Figli, Italy and MEAF Machines B.V. of Netherlands are strategic partners.
- CCTV installation at various locations in plant and office premises and monitoring through central security control room.

(b) Benefits derived like product improvement, cost reduction, product development or import substitution:

Due to integrated facility and infusion of new technology, the Company is in position to offer most energy efficient products to consumers.

## 3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

No Technology was imported for conservation of energy.

## 4. Expenditure on R & D:

(₹ In Lacs)

Particulars	F.Y. 2017-18	F.Y. 2016-17
Capital Expenditure	3.51	69.25
Revenue Expenditure	38.73	139.07
<b>Total:</b>	<b>42.24</b>	<b>208.32</b>

**5. Foreign Exchange Earnings and Outgo:**

(₹ In Lacs)

Particulars	F.Y. 2017-18	F.Y. 2016-17
Foreign Exchange earned	5809.28	4150.02
Foreign Exchange used	2772.56	1312.08

**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: 27/05/2018  
Directors  
Place: Veraval (Shapar), Rajkot

For and on behalf of the Board of

**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, 2018
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	109950925
6	Profit/Loss for the year	33300123
	i. Considered in Consolidation	33300123
	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, 2018.

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>The Company has framed CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare &amp; sustainable development of the society.</p> <p>The Company carried has identified Education, Community health and environmental sustainability as the core sector for CSR Activities.</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: Rs. 8,16,30,748/-
4	Prescribed CSR expenditure (Two Percent of the amount in item no. 3 above)	Rs. 16,32,614/-
5	Details of CSR Spent during the financial year:	<p>Amount budgeted for the year 2017-18 : Rs. 16,00,000/-</p> <p>Amount spent upto 31.03.2018 : Rs. 16,27,706/-</p> <p>Amount Unspent if any : Rs. 4908/-</p> <p>Amount unspent shall be spent in upcoming Financial Year.</p>

**Manner in which the amount was spent during the Financial Year ended on 31.03.2018**

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 Shree Sagar Education and Charitable Trust, Rajkot, Donation to Vivekananda Rock Memorial & Vivekananda Kendra, Gujarat Prant, Ahmedabad.	Promoting Education	Veraval Shapar Rajkot Manavadar	787872	787872	787872	Direct
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 and Eradicating Malnutritions	Veraval Shapar Rajkot Manavadar	508723	508723	508723	Direct
3	Donation to Shivaji Sangh (Trikon Bagh ka Raja – Ganapati Festival)	Protection of art and culture	Rajkot	15000	15000	15000	Direct
4	Donation to Akhil Mukbadhir Viklang Mandal - Junagadh	Enhancement Project for differently abled people	Junagadh	5000	5000	5000	Direct
5	Contribution to Chief Minister Relief Fund	Disaster Relief	Rajkot	200000	200000	200000	Direct
6	Donation to Shaheed Sainik Parivar Sahay Trust, Bhavnagar	Measures for benefit of armed forces veterans, war widows and their dependents	Bhavnagar	111111	111111	111111	Direct
<b>Total:</b>				<b>1627706</b>	<b>1627706</b>	<b>1627706</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**
**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 Ms. Utsav K. Doshi	33.24 28.91 17.34 13.88
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	15.00% 53.84% 20.00% 20.00% 5.00% 16.89%
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:	(6.68%)	
4	The number of permanent employees on the rolls of Company as on 31st March, 2018:	342	
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, 2018 and partly on the individual employee's performance.	
7	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:	<b>31.03.2018</b>	<b>31.03.2017</b>
		Market Capitalization: (Rs. in Lacks)	28796.39 9371.96
		PE ratio	23.10 12.52
No public offer has been made since			
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 26.28 % whereas the increase in the managerial remuneration was 25.48%. The average increases every year is an outcome of Company's market competitiveness as against its peer group companies. In keeping with our reward philosophy and benchmarking results, the increases this year reflect the market practice.	

9	The key parameters for any variable component of remuneration availed by the directors:	None
10	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:	None
11	Affirmation that the remuneration is as per the remuneration policy of the Company:	Remuneration paid during the year ended March 31, 2018 is as per the Remuneration Policy of the Company.
12	Particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:	There are no employees in the Company drawing remuneration more than Rs. 5 lacs per month or Rs. 60 lacs per annum.

#### ANNEXURE IV

Form No. MGT-9  
**EXTRACT OF ANNUAL RETURN**

**as on financial year ended on 31.03.2018**

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

#### I) REGISTRATION & OTHER DETAILS:

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-101,247 Park ,L.B.S. Marg, Vikhroli (West) Mumbai - 400 083 Tel No : +91 22 49186270 Fax : +91 22 49186060 E-mail id : rnt.helpdesk@linkintime.co.in Website : www.linkintime.co.in

#### II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated.

Sr. No.	Name & Description of main Products / services	NIC code of the Products / services	% to total turnover of the company
1	Thermoplastic Extrusion Plants	2829	73.47%
2	Post Extrusion Equipments	2829	14.22%
3	Miscellaneous Parts and Equipments	2829	11.46%

#### 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 (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% 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	40487440	0	40487440	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	40487440	0	40487440	65.80	-0.66
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	40487440	0	38567440	65.80	-0.66
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) Foreign Venture Capital funds	0	0	0	0.00	50769	0	0	0.8	0.08
Sub Total : (B) (1)	0	3000	3000	0.01	50769	3000	50769	0.09	0.08

Continue...

## 2.Non Institutions

a) Bodies Corporate									
- Indian	677146	11010	688156	1.19	884905	11010	895915	1.46	0.27
- Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									0.00
i) Individual shareholders holding nominal share capital up to Rs. 1 lac	12580467	2796160	15376627	26.50	13871943	659866	14531809	23.62	-2.88
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lac	1858927	0	1858927	3.20	3537279	0	3537279	5.75	2.55
c) Others (Specify)	633092	0	633092	1.08	1117964	0	1117964	1.82	0.74
- Clearing members	538552	0	538552	0.93	505694	0	505694	0.81	(0.12)
- Foreign National NRI (REPAT)	325706	0	325706	0.56	217639	0	217639	0.35	-0.21
- Foreign National NRI ( NON REPAT)	39250	0	39250	0.07	183241	0	183241	0.30	0.23
<b>Sub Total : (B) (2)</b>	<b>16653140</b>	<b>2807170</b>	<b>19460310</b>	<b>33.53</b>	<b>20318665</b>	<b>670876</b>	<b>2098541</b>	<b>34.11</b>	<b>0.58</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>16653140</b>	<b>2810170</b>	<b>19463310</b>	<b>33.54</b>	<b>20369434</b>	<b>6703876</b>	<b>21043310</b>	<b>34.20</b>	<b>0.66</b>
<b>C. Share held by Custodian for GDRs &amp; ADRs</b>	<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>
<b>Grand Total (A+B+C)</b>	<b>55220580</b>	<b>2810170</b>	<b>58030750</b>	<b>100.00</b>	<b>60856874</b>	<b>673876</b>	<b>61530750</b>	<b>100.00</b>	<b>0.00</b>

## (ii) Share Holding Of Promoters

Sr. No.	Particulars	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% change in share holding during the year
		Shareholding at the of beginning of the year	No. of shares	% 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	4.78	0.00	0.29
2	NITA KISHOR DOSHI	3884600	6.69	0.00	3884600	6.31	0.00	0.38
3	KHUSHBOO C. DOSHI	4867042	8.39	0.00	4867042	7.91	0.00	0.48
4	KISHOR NANALAL DOSHI	1443000	2.49	0.00	1443000	2.35	0.00	0.14
5	RITA RAJESH DOSHI	4513440	7.78	0.00	4513440	7.34	0.00	0.44
6	DEVYANI C. DOSHI	5862560	10.10	0.00	5862560	9.53	0.00	0.57
7	UTSAV KISHORKUMAR DOSHI	2299372	3.96	0.00	2919372	4.74	0.00	0.78
8	RAJESH NANALAL DOSHI - HUF	660000	1.14	0.00	660000	1.07	0.00	0.07
9	KRUTI RAJESHBHAI DOSHI	3144132	5.42	0.00	3144132	5.11	0.00	0.31
10	PALLAV KISHORBHAI DOSHI	4826609	8.32	0.00	4826609	7.84	0.00	0.48
11	CHANDRAKANT N DOSHI - HUF	460000	0.79	0.00	460000	0.75	0.00	0.04
12	KISHOR N. DOSHI - HUF	324000	0.56	0.00	324000	0.53	0.00	0.03
13	KARISHMA R. DOSHI	2433395	4.19	0.00	2933395	4.77	0.00	0.58
14	UTKARSH R. DOSHI	909090	1.57	0.00	1709090	2.78	0.00	1.21
<b>Total</b>		<b>38567440</b>	<b>66.47</b>	<b>0.00</b>	<b>40487440</b>	<b>65.81</b>	<b>0.00</b>	<b>0.66</b>

Note:1

During the Financial Year 2017-18 the Company has issued and allotted 35,00,000 Convertible Warrants on Preferential Basis. Shareholding of Utsav Doshi, Karishma Doshi and Utkarsh Doshi have changed as detailed under point (iii). The percentage shareholding of other promoters have changed due to increase in the Paid-up share capital of the Company during the year subsequent to conversion of 35,00,000 warrants in to 35,00,000 Equity Shares of the Company.

## (iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sr. No.	Particulars	Shareholding at the of 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	At the begning of the Year	38567440	66.47	38567440	66.47
	December 18, 2017 - Allotment of Equity Shares made to Following Promoters of the Company on Conversion of Warrants in to				
	Utsav K. Doshi	620000	1.00	39187440	63.69
	Karishma R. Doshi	500000	0.81	39687440	64.50
	Utkarsh R. Doshi	800000	1.30	40487440	65.80
<b>At the end of the Year</b>				<b>40487440</b>	<b>65.80</b>

Note:1

During the Financial Year 2017-18 the Company has issued and allotted 35,00,000 Convertible Warrants on Preferential Basis. Shareholding of Utsav Doshi, Karishma Doshi and Utkarsh Doshi have changed as detailed under point (iii). The percentage shareholding of other promoters have changed due to increase in the Paid-up share capital of the Company during the year subsequent to conversion of 35,00,000 warrants in to 35,00,000 Equity Shares of the Company.

(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 beginning of the Year	510000	0.88	510000	0.88
	Bought during the Year				
	Sold during the Year				
	At the end of the Year	510000	0.88	510000	0.88
2	<b>VAISHALI YATIN SHAH</b>				
	At the beginning of the Year	0.00	0.00	0.00	0.83
	Bought during the Year	503985	0.82	0.00	0.00
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	503985	0.82	503985	0.82
3	<b>HARDIK MANOJ SHAH</b>				
	At the beginning of the Year	0.00	0.00	0.00	0.00
	Bought during the Year	500000	0.81	0.00	0.00
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	500000	0.81	500000	0.81
4	<b>SANGEETA PAREEKH</b>				
	At the beginning of the Year	0.00	0.00	0.00	0.00
	Bought during the Year	200000	0.32	0.00	0.00
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	200000	0.32	200000	0.32
5	<b>BHASKAR N OZA</b>				
	At the beginning 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	0.27	164390	0.27



6	<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	0.26	160000	0.26
7	<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	0.24	150000	0.24
8	<b>S RAVINDRA KAMATH</b>				
	At the begning of the Year	0.00	0.00	0.00	0.00
	Bought during the Year	131000	0.21	131000	0.21
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	131000	0.21	131000	0.21
9	<b>PIYUSH CHHAGANLAL DOSHI</b>				
	At the begning of the Year	106500	0.18	106500	0.18
	Bought during the Year	22000	0.03	128500	0.21
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	128500	0.21	128500	0.21
10	<b>PARESH CHHAGANLAL DOSHI</b>				
	At the begning of the Year	106000	0.18	106000	0.18
	Bought during the Year	22000	0.03	128000	0.21
	Sold during the Year	0.00	0.00	0.00	0.00
	At the end of the Year	128000	0.21	128000	0.21

(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	4.78
2	SUNIL B. JAIN (Whole Time Director)	17150	0.03	17150	0.03
3	KHUSHBOO C. DOSHI (Whole Time Director)	4867042	8.39	4867042	7.91
4	UTSAV K. DOSHI				
	Opening Balance	2299372	3.96	0.00	0.00
	Transactions during the year	620000	1.00	2919372	4.74
	Closing Balance	2919372	4.74	2919372	4.74
5	RAMESH A SHAH (Independent Director)				
	Opening Balance	1000	0.00	0.00	0.00
	Transactions during the year	1000	0.00	0.00	0.00
	Closing Balance	0.00	0.00	0.00	0.00
6	KIRIT R. VACHHANI (Independent Director)				
	Opening Balance	7000	0.01	0.00	0.00
	Transactions during the year	500	0.00	6500	0.01
	Closing Balance	6500	0.01	6500	0.01
7	RAJENDRA VAJA (Independent Director)	0.00	0.00	0.00	0.00
8	LAXMAN R. AJAGIYA (Independent Director)				
	Opening Balance	11000	0.02	0.00	0.00
	Transactions during the year	3000	0.00	8000	0.01
	Closing Balance	8000	0.01	8000	0.01
9	J.T. JHALAVADIA (Chief Financial officer)				
	Opening Balance	2500	0.00	0.00	0.00
	Transactions during the year	20000	0.03	22500	0.04
	Closing Balance	22500	0.04	22500	0.04
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>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	66434566	1449581	0	67884147
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>66434566</b>	<b>1449581</b>	<b>0</b>	<b>67884147</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	6955777233	<b>2874691</b>	0	6958651924
Reduction	6873389071	2285134	0	6875674205
<b>Net Change</b>	<b>82388162</b>	<b>589557</b>	<b>0</b>	<b>82977719</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	148822728	2039138	0	150861866
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>148822728</b>	<b>2039138</b>	<b>0</b>	<b>150861866</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/WT/Manager				Total Amount
1	Gross salary	Mr. R. N. Doshi	Mr. Sunil Jain	Ms. Khushboo Doshi	Mr. Utsav Doshi	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	6486462	5914788	3373495	2706389	18481134
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	195113	0		0	195113
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0	0
2	Stock option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission as % of profit	0	0	0	0	0
5	Others, please specify	0	0	0	0	0
	<b>Total (A)</b>	<b>6681575</b>	<b>5914788</b>	<b>3373495</b>	<b>2706389</b>	<b>18676247</b>
	<b>Ceiling as per the Act</b>					

## B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the MD/WT/Manager				Total Amount
1	Independent Directors	Ramesh Shah	Rajendra Vaja	Kirit Vachhani	Laxman Ajagiya	
	(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 (1)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</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>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Managerial Remuneration</b>					<b>18676247</b>
	<b>Overall Ceiling as per the Act</b>					<b>0.00</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.	383157	785358	1168515
	(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>383157</b>	<b>785358</b>	<b>1168515</b>

## VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences during the year ended March 31, 2018.



**Annexure -V**

MAULIK SHETH & ASSOCIATES  
PRACTISING COMPANY SECRETARY

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

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 31.03.2018**  
**[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 31.03.2018 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 31/03/2018 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 2009-10 (Unpaid Dividend A/C No. 910020035891897) with balance of Rs. 6,45,258/- 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;

SECRETARIAL AUDIT REPORT

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(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (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 Regulations, 2009; (Not applicable to the Company during the audit period).
- (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:

- (a) The Air (Prevention and Control of Pollution) Act, 1981
- (b) The Environment (Protection) Act, 1986
- (c) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- (d) Employees' State Insurance Act, 1948
- (e) Equal Remuneration Act, 1976
- (f) The Factories Act, 1948
- (g) The Industrial Employment (Standing Orders) Act, 1946
- (h) The Minimum Wages Act, 1948
- (i) The Payment of Wages Act, 1936
- (j) 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

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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 Director sand 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 filed with the Registrar of Companies (ROC) with in 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.

I further report that during the audit period the company has:

Passed the Special Resolution to issue 3500000 Convertible Warrants to Promoters and/or Promoter Group and other individual investors on Preferential basis.

PLACE: RAJKOT  
DATE :27.05.2018

FOR, MAULIKSHETH & 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, 2018 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 their 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 :27.05.2018

FOR, MAULIKSHETH & ASSOCIATES  
**MAULIK SHETH**  
PROPRITER  
CP NO. 11441

## MANAGEMENT DISCUSSION AND ANALYSIS

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and other may constitute "forward-looking statements" with in meaning of applicable securities laws and regulations. Actual results may differ from those expressed or implied. Several factors that could significantly impact Company's operations include economic conditions in the domestic and overseas markets, changes in the Government regulations, tax laws and other statutes and such incidental factors over which the Company does not have any direct control.

The Company undertakes no obligation to publicly updated or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The Company has adopted Ind AS with effect from 1st April, 2017 in accordance with notification issued by the Ministry.

The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statements and the notes to these statements included in the annual report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "Rajoo" are to Rajoo Engineers Ltd.

### ECONOMIC OVERVIEW

#### Global Industry

The global plastics packaging film and sheet manufacturing market is currently in a very crucial phase of transformation. There is mounting pressure to reduce costs, reduce energy consumption, reduce wastage levels, improve quality and satisfy customers as it has been moving from a provider-driven model to a consumer-driven model. At the same time, emerging markets, rapid urbanization, rising population & income levels combined with growing consumption of processed foods, agricultural and pharmaceutical products is driving the demand for plastics packaging film and sheet products. Spend on infrastructure also is demand driver. These factors are, in turn, generating demand for plastics packaging film and sheet to meet high expectations. According to BCC research, the plastics packaging film and sheet manufacturing market will grow from \$97.9 billion in 2016 to \$123.7 billion by 2020 with a compound annual growth rate (CAGR) of 6.0% for the period of 2016-2020. Asia Pacific market is expected to grow from \$42.4 billion in 2016 to \$58.7 billion by 2020 with a CAGR of 8.5%. North America market is expected to grow from \$22.1 billion in 2016 to \$25.9 billion by 2020 with a CAGR of 4.0%. Asia Pacific plastics market is projected to account for a share of around 45% of the global plastics market by 2025.

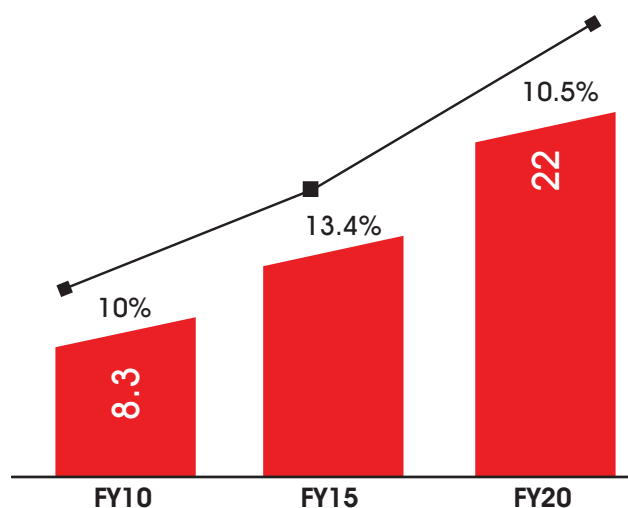
#### Indian Plastics Industry

The Indian plastics industry comprises of around 55,000 plastic processing units, spread over both the organized and unorganized sectors, employing over 4 million people right from polymer manufacturing unit to plastic processing units. The entire chain in the plastic industry can be classified into two parts namely "Upstream" segment, which includes manufacturing of polymers (raw material) and "Downstream" segment that includes conversion of polymers into plastic articles. While the upstream polymer manufacturers have consolidated over the years to remain globally competitive, the downstream plastic processing segment is still highly fragmented and consists of micro, small and medium units. The micro, small and medium plastic processing units (~75-80% of the total plastic processing units) contribute just about 25% of polymer consumption. The industry also consumes recycled plastic, which constitutes about 30% of the total consumption. In India, a variety of plastic raw materials are produced to meet requirements of different sectors, which are categorized into Commodity, Engineering and Specialty plastics. Commodity plastics comprise of Polyethylene, Polypropylene, Polyvinyl Chloride and Polystyrene while engineering polymers exhibit superior mechanical and thermal properties, and include styrene derivatives (PS/EPS & SAN/ABS), polycarbonate, poly methyl methacrylate, etc.

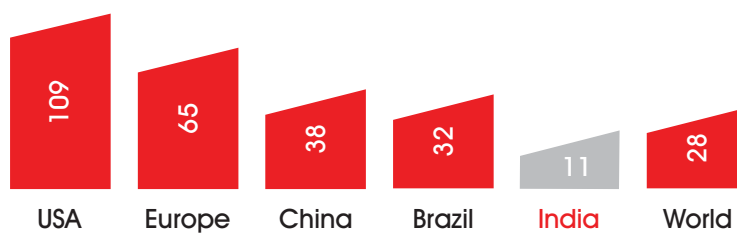
As per Federation of Indian Chambers of Commerce and Industry (FICCI), the plastic processing industry has grown at a CAGR of 11% from Rs 350 bn. in FY05 to Rs 1000 bn. in FY15, in value terms. In volume terms, the plastics processing industry grew at a CAGR of 10% from 8.3 million metric tons per annum (MMTPA) in FY10 to 13.4 MMTPA in FY15. Going ahead, it expects industry to grow at a CAGR of ~ 10.5% from FY15 to FY20 to reach 22 MMTPA or more.

**Figure 3 : Plastic Processing In India (MMTPA)**

Plastics are gradually becoming the material of choice for extensive usage due to their unique and diverse set of properties. With the government policies and initiatives stressing on manufacturing in the country, competitive rivalry in the sector is bound to grow considerably. However, due to low penetration levels of plastic products with current per capita consumption of plastics in the U.S. at 109 kg and in China at 38 kg, India at 11 kg has a long way to go. The low consumption level indicates an enormous growth potential for the plastics sector. Due to increasing domestic consumption and high potential, India is emerging as one of the focus destinations for plastics and downstream players worldwide.

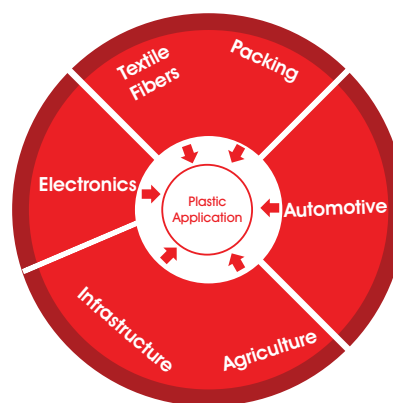


**Figure 4 : Per Capita plastic products consumption ( Kg/ person )**



**Figure 1 : Application Plastic Possessing Industry**

Plastics: Break-up by Manufacturing processes	
Extrusion	65%
Injection Moulding	30%
Blow Moulding	4%
Rotomoulding	1%



Source: FICCI, <http://ficci.in/spdocument/20872/report-Plastic-Infrastructure-2017-ficci.pdf>

#### Strong & Diverse Product Portfolio

- FOILEX – Monolayer Blown Film Lines
- AQUAFLEX - Downward Extrusion Blown Film Lines
- LABEX - Lab Equipment
- MULTIFOIL- Multilayer Blown Film Lines
- Pentafoil- Five Layer Blown Film Lines
- Heptafoil- Seven Layer Blown Film Lines
- LAMINA - Mono & multilayer sheet lines( for PP, PS and RPet)
- DISPOCON - Thermoforming & PS Foam Vacuum Forming Machines

#### Strategic Partnerships

- **Commodore LLC., USA** : Technical collaboration with leading world player Commodore LLC., USA since 2007 and is the first Indian Company to introduce XPS foamed sheet lines and Thermo formers in India
- **MEAF Machines B.V., Netherlands** : Technical collaboration with MEAF Machines B.V. of Netherlands, globally acclaimed Company in business of sheet extrusion with inline / offline thermoforming equipment and thermo forming machinery since 1947
- **Bausano & Figli, Italy** : Joint Venture with Bausano & Figli, Italy for plastic pipe manufacturing machines, granulation machines and WPC (Wood Plastic Composite) extrusion machines in India.
- **Wonderpack, India** : Merger of Wonderpack with Rajoo. A unified approach for benefit of thermoforming industry

## FINANCIAL OVERVIEW

### The consolidated performance of the Company for the financial year ended March 31st, 2018, is as follows:

Total revenue from operations at Rs. 146.51 crore for the year ended March 31, 2018, as against Rs. 120.30 crore for the corresponding previous period, an increase of 21.79%, mainly on growth in value added products for the flexible packaging market

The EBITDA (earnings before interest, depreciation and tax, excluding other income) was Rs. 21.11 crore for the year ended March 31, 2018, as against Rs. 12.35 crore for the corresponding previous period, an increase of 70.97%.

EBITDA margins increased by 332 basis points to 14.41% in FY18 from 11.09% in FY17 mainly on account of focus on technological innovation and increase in operational efficiencies.

Profit After Tax was at Rs. 11.89 crore in FY18 as against Rs. 6.27 crore in FY17, YoY growth of 89.48%

PAT margins increased by 248 basis points to 8.11% in FY18 from 5.63% in FY17

EPS grew by 87.96% to Rs. 2.03 in FY18 from Rs. 1.08 in FY17

The Board of Directors has recommended, subject to the shareholders' approval, a final dividend at 25% i.e. Rs. 0.25 per equity share for the financial year ended March 31, 2018

## RESOURCES AND LIQUIDITY

As on March 31, 2018, the consolidated networth stood at Rs. 60.15 crore and the consolidated debt was at Rs. 13.97 crore. The cash and cash equivalents at the end of March 31, 2018 were Rs. 13.68 crore. The net debt to equity ratio of the Company stood at 0.01 as on March 31, 2018.

### Segment-wise Business Performance

The 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.

## ACHIEVEMENTS IN BUSINESSES DURING THE YEAR:

Rajoo raised the bar of workmanship performance and quality by adding four new 5 axis machining centers which are technologically advanced machine tools that employ precise machining technology to produce extremely high-quality components with precision and repeatability. The digitally designed complex components are seamlessly transposed to these machine tools, eliminating the need for human intervention and related errors.

The Company launched Twin-screw sheet extrusion system with focus on using PET bottle flakes for producing rPET sheet for a host of established and proven packaging applications. The concept of using rPet bottle flakes for semi rigid packaging is also in line with the objective of Swatchh Bharat Abhiyan and sustainability.

The Company unveiled Extrusion Coating and Lamination machine as post extrusion process to substitute conventional adhesive lamination process for producing laminates for various packaging applications.

The Company was recognized by DSIR for its continuous Research & Development activities for bringing world class technology at affordable price levels.

The Company has successfully implemented SAMVIDHA (SAP ERP) & SHRESTHA (5S) to improve operational efficiencies.

## **RISKS AND CONCERNS –review and approve this section**

Like every business, the company faces risks, both internal and external, in the undertaking of its day-to-day operations and in pursuit of its longer-term objectives. A detailed policy drawn up and dedicated risk workshops are conducted for each business vertical and key support functions wherein risks are identified, assessed, analyzed and accepted / mitigated to an acceptable level within the risk appetite of the organization. The risk registers are also reviewed from time to time.

The Company faces the following Risks and Concerns:

### **Credit Risk**

To manage its credit exposure, Rajoo has determined a credit policy with credit limit requests and approval procedures. Company does its own research of client's financial health and project prospects before bidding for a project. Timely and rigorous process is followed up with clients for payments as per schedule

### **Interest Rate Risk**

The Company has judiciously managed the debt-equity ratio. It has been using a mix of loans and internal cash accruals. The Company has well managed the working capital to reduce the overall interest cost.

### **Competition Risk**

This risk arises from more players wanting a share in the same pie. Like in most other industries, opportunity brings with itself competition. We face different levels of competition in each segment, from domestic as well as multinational companies. The Company has created strong differentiators in project execution, competitive pricing, quality and delivery which make it resilient to competition. Furthermore, the Company continues to invest in technology and its people to remain ahead of the curve. A strong, stable client base consisting of large and mid-sized corporations further helps to insulate the Company from this risk. We counter this risk with the quality of our infrastructure, our customer-centric approach and our ability to innovate customer specific solutions, focusing on pricing and aggressive marketing strategy, disciplined project executions, coupled with prudent financial and human resources management and better control over costs. Thus, we do not expect to be significantly affected by this risk.

### **Input Cost Risk**

Our profitability and cost effectiveness may be affected due to change in the prices of raw materials, foreign exchange rates, power and other input costs. Some of the risks that are potentially significant in nature and need careful monitoring are Raw Materials prices, availability of Power etc.

### **Liability Risk**

This risk refers to our liability arising from any damage to cargo, equipment, life and third parties which may adversely affect our business. The Company attempts to mitigate this risk through contractual obligations and insurance policies.

OPPORTUNITIES

**Low penetration level to drive the growth for Plastic Industry**

India's plastic product consumption stood at 11kg/person as compared to global average of 27kg/person and 45kg/person in China.

While the packaging industry in India has seen strong penetration level (~43%) of plastic as compared to global levels (~35%), agriculture (2% vs 8% global average) and infrastructure (21% vs 25% global average) is yet to meet the global average.

The current low per capita consumption level of plastic products in India as compared to global average indicates huge untapped opportunity over the long term for majority of plastic players.

**High Government Focus**

Foreign Direct Investment in the downstream sector specially in Plastics Technology Parks and SEZ with tax benefits.

Government is committed to spend USD 1 trillion over a period of 5 years to improve the ageing infrastructure like Power, Telecom, Roads, Irrigation, Railways, Oil & Gas and others. This will boost the demand for plastics products like pipes, wires, packaging etc.

**Technological Tie-ups**

With many technological tie-ups and extensive R&D there's huge scope for World-class higher capacity machines with low energy consumption levels.

Enhanced design capabilities, moulds, tools and dies and technological know-how.

Development of new products and applications.

Efficient plastic recycling technologies (h) Technology Consultancy and Technology Transfer

**Export Opportunities**

With government support and new technological advancements there is huge scope for exports in the ever-increasing demand of plastic industry globally.

Global manufacturing and management practices with an eye for quality and design.

Growth of food processing around the world will create huge demand for packaging.



#### THREATS

- Competition from local and multinational players
- Execution risk
- Regulatory changes
- Input Cost risk
- Attraction and retention of human capital
- Technological Advancements

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 a health hazards – for humans and animals
- Maybe harmful to the soil
- Could cause acid rain
- Is not environment friendly
- Has high carbon foot print

#### INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has put in place strong internal control systems and best in class processes commensurate with its size and scale of operations. A well established multi disciplinary Management Audit & Assurance Services consists of professional qualified Accountants, engineers and SAP experienced executives which carries out extensive internal audits throughout the year, cutting across all functional areas and submits its reports to the Management and Audit Committee about risk management, compliance with internal control and efficiency and effectiveness of operations.

The Audit Committee of the Board of Directors regularly reviews the adequacy and effectiveness of various components of internal control system, including internal audit effectiveness and monitor implementation of internal audit recommendations.

#### HUMAN RESOURCES

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, overall corporate goals and departmental objectives and continuously improve performance to realize the full potential of our personnel. As on March 31, 2018, Company is giving direct employment to 342 employees. Industrial relations are cordial and satisfactory.

#### OUTLOOK

The global plastics market is expected to reach 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 and recyclable 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. As per FICCI report, the Indian plastic processing industry is expected to grow at a CAGR of ~10.5% from FY15 to FY20 to reach 22 MMTPA. This is likely to be on the back of low per capita consumption of plastic products in India, which is likely to improve as the use of plastic increases in agriculture sector and allied activities in order to improve productivity. Moreover, demand for plastics is also likely to get boost from the increased focus of the government in infrastructure sector and various reform announcements in housing sector. In addition, the implementation of GST is likely to be positive for the sector as it may improve the market share of organized players.

The 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. 2018-19. As a result of the technical collaboration with technologically advanced companies all over the world, your company will continue to endeavor to be the most advanced company in the sector. 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'. The company continues its focus on marketing activities and strengthening its agent network by participating in various exhibitions and trade-fairs

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

The principles of Corporate Governance are based on integrity, fairness, equity, transparency, accountability and focus on the sustainable success of the Company over the long-term. At Rajoo, we feel proud to belong to a Company whose visionary founder Mr. Chandrakant Doshi, laid the foundation stone for good governance long back and made it an integral principle of the business.

We are firm in the belief that Corporate Governance means commitment for achievement of value based growth and meeting the commitment within the predefined time frame without compromising with ethical standards, set paradigms, transparency in transactions and fixing of accountability. The Company is in compliance with the conditions of Corporate Governance as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable.

## 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:

Twenty One board meetings were held during the year on : 10th April, 2017, 8th May, 2017, 10th May, 2017, 25th May, 2017, 10th June, 2017, 20th June, 2017, 1st July, 2017, 20th July, 2017, 11th August, 2017, 21st August, 2017, 14th September, 2017, 23rd October, 2017, 30th October, 2017, 10th November, 2017, 18th December, 2017, 23rd December, 2017, 21st January, 2018, 9th February, 2018 and 13th March, 2018, 24th March, 2018 and 31st March, 2018. 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 18, 2017	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	21	21	Yes	01	-	-
Ms. Khushboo Doshi	Executive Director	21	21	Yes	-	-	-
Mr. Sunil Jain	Executive Director	21	03	Yes	-	-	-
Mr. Utsav K. Doshi	Executive Director	21	21	Yes	-	-	-
Mr. Ramesh Shah	Independent Director	21	04	Yes	-	-	-
Mr. Rajendra Vaja	Independent Director	21	09	Yes	-	-	-
Mr. Kirit Vachhani	Independent Director	21	21	Yes	-	-	-
Mr. Laxman Rudabhai Ajagiya	Independent Director	21	05	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 23rd March, 2018 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.

#### **Familiarization 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 2017-18. 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)

Continue >>

## COMMITTEES OF THE BOARD:

There are five Board Committees as on 31st March, 2018 are as follows:

Name of the Committee	Extract of Terms of Reference	Category and Composition		Other Details
		Name	Category	
<b>Audit Committee</b>	<p>Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.</p> <p>- Oversight of financial reporting process.</p> <p>- Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the board for approval.</p> <p>- Evaluation of internal financial controls and risk management systems.</p> <p>- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.</p> <p>- Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.</p> <p>- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;</p> <p>- Reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;</p> <p>- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;</p>	Kirit Vachhani (Chairman)	Independent, Non-Executive	<p>- 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.</p> <p>- The meetings of Audit Committee are also invites as special invitees, Chief Financial Officer and Internal Auditor. The Company Secretary acts as the Secretary to the audit committee.</p> <p>- Quarterly Reports are sent to the members of the Committee on matters relating to the Insider Trading Code.</p> <p>- The minutes of each Audit Committee meeting are placed in the next meeting of the Board.</p> <p>- The previous AGM of the Company was held on 18th September, 2017 and was attended by Mr. Kirit Vachhani, Chairman of the Audit Committee.</p> <p><b>Number of Meetings Held and Attendance:</b></p> <p>Four audit committee meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. All the members have attended all the meetings of Audit Committee.</p>
		Rajendra Vaja	Independent, Non-Executive	
		Ramesh Shah	Independent, Non-Executive	
		Laxman Ajagiya	Independent, Non-Executive	

Continue >>

Name of the Committee	Extract of Terms of Reference	Category and Composition		Other Details
		Name	Category	
<b>Stakeholders' Relationship Committee</b>	<p>Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.</p> <p>- Consider and resolve the grievances of security holders.</p> <p>- Consider and approve issue of share certificates, transfer and transmission of securities, etc.</p> <p>- Evaluating performance and service standards of Registrar and Share Transfer Agent of the Company.</p> <p>- Recommend methods to upgrade the standard of services to investor.</p>	Ramesh Shah (Chairman)	Independent, Non-Executive	<p>-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.</p> <p>- A total of 21 correspondences were received from investors during 2017-18, of which 5 cases were reported as complaints, same have been subsequently replied to the satisfaction of shareholders but 4 are pending as on 31st March, 2018 due to incomplete documents submission by shareholders.</p> <p><b>Number of Meetings Held and Attendance:</b></p> <p>Four Stakeholders Relationship Committee Meetings were held during the year. All the members have attended all the meetings of Stakeholders' Relationship Committee.</p> <p>- 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>.</p> <p>- The CSR report for the year ended March 31, 2018 is attached as Annexure I to the Directors' Report.</p> <p><b>Number of Meetings Held and Attendance:</b></p> <p>Four CSR Committee meetings were held during the year. All the members have attended all the meetings of Audit Committee.</p>
		Kirit Vachhani	Independent, Non-Executive	
		Rajendra Vaja	Independent, Non-Executive	
		Laxman Ajagiya	Independent, Non-Executive	
<b>Corporate Social Responsibility Committee</b>	<p>Committee is constituted in line with the provisions of Section 135 of the Act.</p> <p>- 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.</p> <p>- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy. Monitor the CSR Policy.</p>	Khushboo Chandrakant Doshi (Chairman)	Whole Time Director	<p>- 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>.</p> <p>- The CSR report for the year ended March 31, 2018 is attached as Annexure I to the Directors' Report.</p> <p><b>Number of Meetings Held and Attendance:</b></p> <p>Four CSR Committee meetings were held during the year. All the members have attended all the meetings of Audit Committee.</p>
		Rajesh Nanalal Doshi	Chairman & Managing Director	
		Ramesh Amrutlal Shah	Independent, Non-executive Director	
		Ramesh Shah (Chairman)	Independent, Non-Executive	
<b>Nomination and Remuneration Committee</b>	<p>Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.</p> <p>- Recommend to the Board the setup and composition of the Board and its committees.</p>	Ramesh Shah (Chairman)	Independent, Non-Executive	<p>- The company does not have any Employee Stock Option Scheme.</p> <p>- Committee has conducted the Performance Evaluation of the Directors for the financial year 2017-18.</p>

Continue &gt;&gt;

Name of the Committee	Extract of Terms of Reference	Category and Composition		Other Details
		Name	Category	
	<ul style="list-style-type: none"> <li>- Recommend to the Board the Appointment/Re-appointment of Directors and Key Managerial Personnel.</li> <li>- 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.</li> <li>- Recommend to the Board the Remuneration Policy for directors, executive team or Key Managerial Personnel as well as the rest of employees</li> <li>-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.</li> </ul>	Kirit Vachhani  Rajendra Vaja  Laxman Ajagiya	Independent, Non-Executive  Independent, Non-Executive  Independent, Non-Executive	<b>Number of Meetings Held and Attendance:</b>  Four Nomination and Remuneration Committee Meetings were held during the year. All the members have attended all the meetings of Nomination and Remuneration Committee.

#### Remuneration Policy:

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

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

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

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**Remuneration paid to Executive Directors during 2017-18:**

Name of Director	Category	Salary (Rs. per annum) (Incl. PF)	Benefits Perquisites and allowances	Sitting Fees	Shareholding at the end of the year (31.03.2018)
Mr. R. N. Doshi Chairman & Managing Director	Executive Director	6486462	195113	Nil	2940200
Mr. Sunil B. Jain	Executive Director	5914788	Nil	Nil	17150
Ms. Khushboo C. Doshi	Executive Director	3373495	Nil	Nil	4867042
Mr. Utsav K. Doshi	Executive Director	2706389	Nil	Nil	2919372
Mr. Ramesh A. Shah	Independent Director	Nil	Nil	Nil	-
Mr. Rajendra vaja	Independent Director	Nil	Nil	Nil	-
Mr. Kirit Vachhani	Independent Director	Nil	Nil	Nil	6500
Mr. Laxman Ajagiya	Independent Director	Nil	Nil	Nil	8000
<b>Total</b>		<b>1,84,81,134</b>	<b>1,95,113</b>		

**General Body Meetings:**

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

Financial Year	Date	Time	Venue
2016-2017	18th September, 2017	11:00 a.m.	Junagadh Road, Manavadar, District Junagadh.
2015-2016	26th September, 2016	11:00 a.m.	Junagadh Road, Manavadar, District Junagadh.
2014-2015	22th September, 2015	11:00 a.m.	Junagadh Road, Manavadar, District Junagadh.

- i. One Extra-ordinary General Meeting of the Members was held during the year 2017-18 on 7th June, 2017 at 11.00 a.m at registered office of the Company situated at Junagadh Road, Manavadar, District- Junagadh to pass Special Resolution to issue convertible warrants to Promoters and/or Promoter Group and other individual investors on preferential basis.
- ii. During the year under review, no special resolution has been passed through the exercise of postal ballot.
- iii. None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.



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

AGM	Particulars of Special Resolutions passed thereat
30th	<ul style="list-style-type: none"> <li>- Increase in the remuneration payable to Mr. R. N. Doshi, Chairman and Managing Director of the Company.</li> <li>- Increase in the remuneration payable to Mr. Sunil Jain, Whole Time Director of the Company.</li> <li>- Re-appointment of Ms. Khushboo Chandrakant Doshi, as Whole-time Director of the Company.</li> <li>- Appointment of Utsav Kishor Doshi as Whole Time Director of the Company.</li> <li>- Amendment of incidental object clause of the MOA.-</li> <li>- Deletion of the Other Object clause of the MOA.</li> </ul>
29th	<ul style="list-style-type: none"> <li>- Approval to keep Register and Returns at Head Office of the Company.</li> <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>- 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>

**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 and established the necessary vigil mechanism for employees and directors to report 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. The said is uploaded on the website of the Company at [http://www.rajoo.com/pdf/Whistle\\_Blower\\_Policy.pdf](http://www.rajoo.com/pdf/Whistle_Blower_Policy.pdf)

**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, 2018. (Annexure VI)

#### **vii. Practicing Company Secretary Certificate on Corporate Governance**

Certificate on Corporate Governance from Practicing Company Secretary 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 Financial Express).

The Financial Results of the Company are displayed on the Company's website <http://www.rajoo.com/investorszone.html#left-tab1>

#### **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 31st Annual General Meeting (AGM) of the Company will be held on Tuesday, 25th September, 2018, 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 27th May, 2018 recommended a dividend of Rs. 0.25/- per equity shares of face value of Rs. 1/- each, for the financial year ended 31st March, 2018. Dividend, if approved by the members, will be paid on or after Monday, 1st October, 2018.

#### 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. 36 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 2018-19 to BSE has been paid.

#### Share Price Data:

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

2017-18			
Month	High (Rs)	Low (Rs)	Total number of equity shares traded
Apr 17	20.25	16.25	2100153
May 17	25.25	17.85	4439506
Jun 17	25.25	22.00	1636947
Jul 17	39.10	23.30	6962997
Aug 17	33.30	25.00	1810057
Sep 17	34.15	26.50	1536028
Oct 17	36.50	27.75	2479984
Nov 17	40.50	30.60	3092787
Dec 17	37.95	33.50	1319215
Jan 18	62.50	34.00	8647989
Feb 18	59.65	45.10	1885649
Mar 18	56.40	43.15	1216909

A performance chart showing share price of the company in comparison with BSE Sensex during the year 2017-18 is as below:

Year 2017-18	Rajoo Engineers Limited	Sensex
Apr 17	18.35	29,918.40
May 17	22.35	31,145.80
Jun 17	23.70	30,921.61
Jul 17	31.30	32,514.94
Aug 17	27.35	31,730.49
Sep 17	27.80	31,283.72
Oct 17	33.40	33,213.13
Nov 17	37.00	33,149.35
Dec 17	35.05	34,056.83
Jan 18	50.55	35,965.02
Feb 18	53.95	34,184.04
Mar 18	46.80	32,968.68

#### 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, 2018:

Category	No. of Shares	% of Share holding
Promoters	4,04,87,440	65.80
Institutional Investors:		
Mutual Funds:	3,000	0.01
Foreign Portfolio Investor:	50,769	0.08
Non Institutional Investors:		
Body Corporates:	8,95,915	1.45
Individual Shareholders:	1,80,69,088	29.36
NRI's / OCBs / Foreign Nationals:	4,00,880	0.65
Hindu Undivided Family:	11,17,964	1.82
Clearing Members:	5,05,694	0.83
<b>Grand Total</b>	<b>6,15,30,750</b>	<b>100.00</b>

ii. Distribution of Shareholding as on 31st March, 2018:

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	6918	57.55	1275775	2.07
0501-1000	2777	23.10	2609998	4.24
1001-2000	1029	8.56	1816197	2.95
2001-3000	346	2.88	921091	1.50
3001-4000	181	1.50	673184	1.09
4001-5000	170	1.41	827287	1.34
5001-10000	305	2.54	2374999	3.86
Above 10000	294	2.46	51032219	82.94
<b>Total</b>	<b>12020</b>	<b>100.00</b>	<b>61530750</b>	<b>100.00</b>

#### Bifurcation of shares held in physical and demat form as on 31st March, 2018:

Particulars	No. of Share	% of Total Issued Cap.
Physical Segment	26,97,170	4.39%
Demat Segment		
NSDL	4,93,24,631	80.16%
CDSL	95,08,949	15.45%
<b>Total:</b>	<b>6,15,30,750</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, Ellisbridge  
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

Vijay R. Jadeja  
Company Secretary

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, 2018 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: 27/05/2018  
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, 2018 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 internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We further certify that we have indicated to the Auditors and the Audit Committee:
  - (i) There have been no significant changes in internal control system during the year;
  - (ii) There are changes in accounting policies during the year on account of Ind-AS adoption and the same have been disclosed in notes to the financial statement; and
  - (iii) There have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system.

Date: 27/05/2018

Place: Veraval (Shapar), Rajkot

**(R. N. DOSHI)**

Chairman & Managing Director  
(DIN: 00026140)

**(J.T. JHALAVADIA)**

Chief Financial Officer

## ANNEXURE VII

### 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 31st March 2018, 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, Maulik Sheth & Associates**  
Company Secretaries

Date : 27/05/2018

Place : Rajkot

**(Maulik Sheth)**  
Proprietor  
Mem.No. A31148  
CP NO. 11441

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of,  
**RAJOO ENGINEERS LIMITED**

### Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of M/s. RAJOO ENGINEERS LIMITED, ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the 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 Ind AS 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 Ind AS financial statements.

### Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including Ind AS, of the state of affairs of the company as at 31st March 2018, its Profit (including other comprehensive income) its cash flows and the changes in equity for the year ended on that date.



**Other Matter:**

The financial information of the company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by predecessor audit or and on which they expressed an unmodified opinion dated 8th May, 2017. The adjustments to those financial statements for the differences in accounting principles adopted by the company on transition have been audited by us. Our opinion on the Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the said Order.
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, the Statement of Profit and Loss (including other comprehensive income) the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
  - e) On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** and
  - g) With respect to the matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - h) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 35(i) to the financial statements;
  - i) The company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
  - j) The company has transferred the amounts, required to be transferred, to the Investor Education and Protection Fund after 198 days from the due date as against required to be transferred within 7 days from the due date.

Place: Ahmedabad

Date: 27/05/2018

**FOR PANKAJ K. SHAH ASSOCIATES**  
**Firm Registration No. 107352W**  
**CHARTERED ACCOUNTANTS**

**(PANKAJ K. SHAH)**  
**PROPRIETOR**  
**M. No. 34603**

**" Annexure A" to the Independent Auditors' Report "**

**Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Standalone financial statements of the Company for the year ended March 31, 2018; we report that**

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, the Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and explanations given to us and on the basis of our examination of the record of the company, the title deeds of immovable properties are held in the name of the company.
- 2) The Inventory of finished goods, raw materials, components, stores and spare parts has been physically verified at reasonable intervals by the management. In our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on physical verification of inventories as compared to books records.
- 3) 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 Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans and investments.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to Companies (Cost Records and Audit) Rules, 2014, as amended by the Central Government of India, maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Companies Act and is of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7) (a) According to the records of the company and the information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, Goods and Service Tax, Cess and any other statutory dues, as applicable with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and record of the Company disputed amount payable in respect of Income tax, sales tax & Custom and Excise Duty and that have not been deposited

Name of Statute	Nature of Dues	Disputed Amount Rs.	Period to which the amount Relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	291220	A.Y. 2012-13	CIT (A) – III, Rajkot
Income Tax Act, 1961	Protective Demand	86422130	A.Y. 2014-15	CIT (A) – III, Rajkot

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to any financial institutions and banks.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid in accordance with the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) According to the information and explanations given to us and on the basis of our examination of the record of the company, in our opinion all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has made allotment of 35,00,000 Equity Shares on conversion of Share warrants issued on preferential basis as per SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 during the year under review.
- 15) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with the company. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place: Ahmedabad  
 Date: 27/05/2018

**FOR PANKAJ K. SHAH ASSOCIATES**  
**Firm Registration No. 107352W**  
**CHARTERED ACCOUNTANTS**

**(PANKAJ K. SHAH)**  
**PROPRIETOR**  
**M. No. 34603**

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

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

We have audited the internal financial controls over financial reporting of **M/S. RAJOO ENGINEERS LIMITED** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 Company's internal financial controls system over financial reporting.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company 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, 2018.

Place: Ahmedabad

Date: 27/05/2018

**FOR PANKAJ K. SHAH ASSOCIATES**

**Firm Registration No. 107352W**

**CHARTERED ACCOUNTANTS**

**(PANKAJ K. SHAH)**

**PROPRIETOR**

**M. No. 34603**

**BALANCE SHEET AS ON 31st MARCH, 2018**

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	1	445635944	271032209	163903289
Capital Work-in-Progress	1	22411814	14616219	64372394
Intangible assets	1	23731891	14397653	18022678
Intangible assets under development		0	0	0
<b>Financial Assets</b>				
Investments	2	20025045	19985445	19883010
Loans	3	3702245	3405176	2230089
Other Non-Current Financial Assets		0	0	0
Other Non-current assets	4	6603219	651548	10216949
<b>Total Non-Current assets</b>		<b>522110158</b>	<b>324088249</b>	<b>278628409</b>
<b>Current assets</b>				
<b>Inventories</b>	5	551873444	243794000	120411240
Financial Assets				
Investments	6	0	0	10816633
Trade receivables	7	34494492	239305089	127405303
Cash and cash equivalents	8	45783675	88255297	81043963
Other Bank Balances	9	91026763	5419776	3680887
Loans	10	488542	429570	818620
Other Financial Assets	11	150373	0	0
Other Current Assets	12	241770820	150484336	156624405
<b>Total Current assets</b>		<b>965588109</b>	<b>727688069</b>	<b>500801050</b>
<b>Total Assets</b>		<b>1487698267</b>	<b>1051776318</b>	<b>779429459</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share capital	13	61530750	58030750	58030750
Other Equity	14	539996086	375509286	312778924
<b>Total Equity</b>		<b>601526836</b>	<b>433540036</b>	<b>370809674</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
Borrowings	15	37408610	0	0
Deposits				
Provisions	16	0	7504610	7409310
Deferred tax liabilities (Net)	17	41150283	21152723	18799725
Other Non Current Liability				
<b>Total non-current liabilities</b>		<b>78558893</b>	<b>28657333</b>	<b>26209035</b>

BALANCE SHEET

**BALANCE SHEET AS ON 31st MARCH, 2018**

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Current liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	18	102264126	66434566	67424323
Trade payables	19	265275432	238345835	157778629
Other Financial Liabilities	20	74846630	4046189	5419926
Other Current liabilities	21	284021185	233333287	109971533
Provisions	22	40128298	14346056	15022354
Income Tax Liability (Net)		41076866	33073015	26793985
<b>Total current liabilities</b>		<b>807612538</b>	<b>589578949</b>	<b>382410751</b>
<b>Total Liabilities</b>		<b>886171431</b>	<b>618236282</b>	<b>408619786</b>
<b>Total Equity and Liabilities</b>		<b><u>1487698267</u></b>	<b><u>1051776318</u></b>	<b><u>779429459</u></b>

Significant Accounting Policies and The accompanying Notes are an integral Part of the Standalone Financial Statements

As per our report of even date

For and on behalf of the Board

For, Pankaj K Shah Associates  
Chartered Accountants  
FRN : 107352W

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

(K. C. Doshi)  
Whole Time Director  
DIN : 00025581

( Pankaj K Shah )  
Proprietor  
Membership No.:- 034603

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

(Vijay Jadeja)  
Company Secretary  
Mem. No. A31035

Date : 27th May, 2018  
Place : Ahmedabad

Date : 27th May, 2018  
Place : Veraval (Shapar), Rajkot

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017
<b>INCOME</b>			
Revenue from operations	23	1465071769	1202983865
Other Income	24	8221438	8549721
<b>Total Income</b>		<b>1473293207</b>	<b>1211533587</b>
<b>EXPENSES</b>			
Cost of Material Consumed		967059166	705142227
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	-127556346	-52239304
Excise duty and service tax		11218325	89174394
Employee Benefits Expense	26	140639856	109912047
Finance Costs	27	9884697	9202368
Depreciation / Amortisation of Expense	1	27809324	24756619
Other Expenses	28	262569873	227495239
<b>Total Expenses</b>		<b>1291624894</b>	<b>1113443589</b>
<b>Profit Before Tax</b>		<b>181668314</b>	<b>98089998</b>
<b>Tax Expenses</b>			
Current Tax		41076866	33073015
Deferred Tax		19997560	2352998
<b>Profit after tax</b>		<b>120593888</b>	<b>62663985</b>
<b>Other comprehensive income:</b>			
i. Items that will not be reclassified to Statement of Profit and Loss		-1735085	66378
ii. Items that will be reclassified to Statement of Profit and Loss		0	0
<b>Total comprehensive income for the year</b>		<b>118858803</b>	<b>62730363</b>
<b>Earnings per equity share of face value of Rs. 1 each</b>			
Basic (in Rs.)		2.03	1.08
Diluted (in Rs.)		2.03	1.08

Significant Accounting Policies and The accompanying Notes are an integral Part of the Standalone Financial Statements

As per our report of even date

For and on behalf of the Board

For, Pankaj K Shah Associates  
Chartered Accountants  
FRN : 107352W

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

(K. C. Doshi)  
Whole Time Director  
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(Pankaj K Shah)  
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Membership No.:- 034603

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

(Vijay Jadeja)  
Company Secretary  
Mem. No. A31035

Date : 27th May, 2018  
Place : Ahmedabad

Date : 27th May, 2018  
Place : Veraval (Shapar), Rajkot



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018	As at 31st March, 2017
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax as per Statement of Profit and Loss</b>	<b>181668314</b>	<b>98089998</b>
Adjusted for:		
(Profit) / Loss on Sale / Discard of Assets (Net)	1266774	268599
Depreciation / Amortisation and Depletion Expense	27809324	24756619
Unrealised Loss / (Gain) on Exchange Difference	4204552	0
Unrealised (Gain) / Loss of Fair Value of Investment	-39601	-102435
Dividend Income	-5371428	-125939
Interest Income	-3248947	-2510871
Finance costs	9884697	9202368
<b>Operating Profit before Working Capital Changes</b>	<b>216173685</b>	<b>129578339</b>
Adjusted for:		
Inventories	-308079444	-123382760
Trade receivables	200606045	-111899787
Other Current Assets / Receivables	-99479655	14985811
Trade payables	26929597	80567206
Other Current Liability / Payables	139765971	121407019
<b>Cash Generated from Operations</b>	<b>175916200</b>	<b>111255828</b>
Taxes Paid (Net)	-33073015	-26793985
<b>Net Cash flow from Operating Activities</b>	<b>142843185</b>	<b>84461843</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of tangible and intangible assets	-225831666	-79178899
Proceeds from disposal of tangible and intangible assets	5022000	405964
Net cash flow for other financial assets	-85606987	-1738889
Interest Income	3248947	2510871
Dividend Income from Joint Venture	4900000	0
Sale proceeds from Investment	0	10816633
Dividend Income from Others	471428	125939
<b>Net Cash flow (Used in) Investing Activities</b>	<b>-297796278</b>	<b>-67058381</b>

**C: CASH FLOW FROM FINANCING ACTIVITIES**

Proceeds from Issue of Equity Share Capital	66890000	0
Proceeds from Long Term Borrowings	37408610	0
Short Term Borrowings (Net)	35829560	-989757
Dividends Paid (including Dividend Distribution Tax)	-17762003	0
Interest Paid	-9884697	-9202368
<b>Net Cash flow from/(Used in) Financing Activities</b>	<b>112481470</b>	<b>-10192125</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>	<b>-42471623</b>	<b>7211337</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>88255297</b>	<b>81043963</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>45783675</b>	<b>88255297</b>

As per our report of even date

For and on behalf of the Board

 For, Pankaj K Shah Associates  
 Chartered Accountants  
 FRN : 107352W

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

 (K. C. Doshi)  
 Whole Time Director  
 DIN : 00025581

 ( Pankaj K Shah )  
 Proprietor  
 Membership No.:- 034603

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

 (Vijay Jadeja)  
 Company Secretary  
 Mem. No. A31035

 Date : 27th May, 2018  
 Place : Ahmedabad

 Date : 27th May, 2018  
 Place : Veraval (Shapar), Rajkot

## STATEMENT OF CHANGES IN EQUITY

AS AT 31ST MARCH, 2017	EQUITY SHARE CAPITAL			OTHER EQUITY			TOTAL
	Issued, Subscribed & Paid up Capital	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	OCI	
Balance at the beginning of the reporting period	58030750	2625456	55489163	38537443	216126862	0	<b>370809674</b>
Equity Shares issued during the year	0	0	0	0	0	0	<b>0</b>
Total Comprehensive income for the year	0	0	0	0	62663985	66378	<b>62730363</b>
Dividends	0	0	0	0	0	0	<b>0</b>
Transfer to Retained Earning	0	0	0	0	0	0	<b>0</b>
<b>Balance at the end of the reporting period</b>	<b>58030750</b>	<b>2625456</b>	<b>55489163</b>	<b>38537443</b>	<b>278790846</b>	<b>66378</b>	<b>433540036</b>

AS AT 31ST MARCH, 2018	EQUITY SHARE CAPITAL			OTHER EQUITY			TOTAL
	Issued, Subscribed & Paid up Capital	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	OCI	
Balance at the beginning of the reporting period	58030750	2625456	55489163	38537443	278790846	66378	<b>433540036</b>
Equity Shares issued during the year	3500000	0	63390000	0	0	0	<b>66890000</b>
Total Comprehensive income for the year	0	0	0	0	120593888	(1735085)	<b>118858803</b>
Dividends	0	0	0	0	(17762003)	0	<b>(17762003)</b>
Transfer to Retained Earning	0	0	0	0	0	0	<b>0</b>
<b>Balance at the end of the reporting period</b>	<b>61530750</b>	<b>2625456</b>	<b>118879163</b>	<b>38537443</b>	<b>381622731</b>	<b>(1668707)</b>	<b>601526836</b>

As per our report of even date

For and on behalf of the Board

For, Pankaj K Shah Associates  
Chartered Accountants  
FRN : 107352W

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

(K. C. Doshi)  
Whole Time Director  
DIN : 00025581

( Pankaj K Shah )  
Proprietor  
Membership No.:- 034603

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

(Vijay Jadeja)  
Company Secretary  
Mem. No. A31035

Date : 27th May, 2018  
Place : Ahmedabad

Date : 27th May, 2018  
Place : Veraval (Shapar), Rajkot

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### A Corporate Information

Rajoo Engineers Ltd. (The Company) is a public limited Company incorporated in India. 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 Equipment. The company caters to both domestic and international markets.

### B Significant Accounting Policies

#### B.1 Basis of Preparation of Financial Statements

**Statement of Compliance with Indian Accounting Standards (IND AS):** The financial statements have been prepared in accordance with IND AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act and other accounting principles generally accepted in India. These are the Company's first IND AS Financial Statements. The date of transition to IND AS is 1st April, 2016.

Up to the financial year ended on 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of the previous applicable GAAP, which included the Standards notified under the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Act and other relevant provisions of the Act.

**First time adoption:** In accordance with IND AS 101 on First-time adoption of Indian Accounting Standards, the Company's first IND AS financial statements include, three balance sheets viz. the opening balance sheet as at 1st April, 2016 and balance sheets as at 31st March, 2017 and 2018, and, two statements each of profit and loss, cash flows and changes in equity for the years ended 31st March, 2017 and 2018 together with related notes. The same accounting policies have been used for all periods presented, (except where the company has made use of exceptions and exemptions allowed under IND AS 101 in the preparation of the opening IND AS balance sheet which have been disclosed in note: D)

#### B.2 Summary of Significant Accounting Policies

##### B.2.1 Property, Plant and Equipment

Property, Plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on Property, plant and equipment is provided on Straight Line Method (SLM) over the estimated useful lives of the assets considering the nature, estimated usage, operating conditions, past history or replacement, anticipated technological changes, manufacturer's warranties and maintenance support.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II.

Assets description	Useful life as per management (as technically assessed)	Useful life under schedule II
office buildings	30 years	60 years
Plant and machinery	10 – 15 Years	15 years

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

### B.2.2 Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

### B.2.3 Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss.

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;

(Rs. In lakhs)			
Sr. No.	Particulars	2017-18	2016-17
1	Capital Expenditure	3.51	69.25
2	Revenue Expenditure	38.73	139.07
	<b>Total</b>	<b>42.24</b>	<b>208.32</b>

### B.2.4 Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of raw materials, consumable and other products are determined on weighted average basis.

### B.2.5 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### B.2.6 Employee Benefits Expense

#### Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### Post-Employment Benefits Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

### Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective IT authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

### B.2.7 Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the comprehensive income or in equity. In which case, the tax is also recognized in other comprehensive income or equity.

#### ● Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

#### ● Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

### B.2.8 Foreign currencies transactions

The functional currency of the company is the Indian Rupee. These financial statements are presented in Indian Rupees.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Gain or losses upon settlement of foreign currency transactions are recognized in the statement of profit and loss for the period in which the transaction is settled.

### B.2.9 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.

#### - Sale of goods

Revenue from sale of goods is recognized when ownership in the goods is transferred to the buyer for a price, when significant risks and rewards of ownership have been transferred to the buyer and no effective control, to a degree usually associated with ownership, is retained by the Company. Sale of goods are stated net of trade discounts and volume rebates and include excise duty up to 30th June, 2017.

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### - Income from services

Income from service rendered is recognized based on the terms of the agreements as and when services are rendered and are net of applicable taxes.

### - Other Income

#### - Interest income

Interest income from a financial asset is recognized using effective interest rate method.

#### - Dividend Income

Dividend income on investments is recognized when the right to receive dividend is established.

## B.2.10 Financial instruments

### B.2.10.1 Financial Assets

#### - Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

#### - Subsequent measurement

##### - Financial assets carried at amortized cost (AC)

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### - Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### - Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

#### - Investment in subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in joint venture at cost.

#### - Other Equity Investments

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

### B.2.10.2 Financial Liabilities

#### - Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

#### - Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### B.2.11 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

**Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities.

**Level 2:** Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

**Level 3:** Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## C Critical Accounting Judgements and Key Sources of Estimation Uncertainty

### C.1 Useful lives and residual values of property, plant and equipment

Property, plant and equipment represent a material portion of the Company's asset base. The periodic charge of depreciation is derived after estimating useful life of an asset and expected residual value at the end of its useful life. The useful lives and residual values of assets are estimated by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on various external and internal factors including historical experience, relative efficiency and operating costs and change in technology.

### C.2 Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes including amounts to be recovered or paid for uncertain tax positions. Management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

### C.3 Defined benefit obligations

Defined benefit obligations are measured at fair value for financial reporting purposes. Fair value determined by actuary is based on actuarial assumptions. Management judgment is required to determine such actuarial assumptions. Such assumptions are reviewed annually using the best information available with the Management.

### C.4 Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

## D First Time Adoption of IND AS

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2015. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

## **Notes to the Audited Financial Statements for the year ended on 31st March, 2018**

### **D.1 Exemptions from retrospective application**

#### **D.1.1 Business combination exemption**

The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to April 1, 2015 (the "Transition Date"), pursuant to which goodwill/capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date.

#### **D.1.2 Fair value as deemed cost exemption**

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date.

#### **D.1.3 Investments in subsidiaries, joint ventures and associates**

The Company has elected to measure investment in joint venture at cost.

#### **D.1.4 Classification and measurement of Financial Assets**

The Company has classified and measured the financial assets on the basis of facts and circumstances that exist at the date of transition to Ind As.

The Remaining mandatory exceptions either do not apply or are not relevant to the company.

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 1. PROPERTY, PLANT & EQUIPMENT

	As at 01.04.2016	Impact on Ind as Transition	Addition during the Year	Deduction / Sold during the year	As at 01.04.2017	Impact on Ind as Transition	Addition during the Year	Deduction / Sold during the year	As at 31.03.2018
<b>&lt;----- GROSS BLOCK -----&gt;</b>									
<b>TANGIBLE ASSETS</b>									
LAND	3404187	0	31696810	0	35100997	0	0	0	35100997
BUILDING	85108451	0	75703279	0	160811729	0	123974	1905533	159030170
SITE DEVELOPMENT	457899	0	0	0	457899	0	0	0	457899
PLANT & MACHINERY	131623593	0	5299184	805591	136117186	0	194415151	8440284	322092053
ELECTRIFICATION	8662156	0	386700	4555	9044301	0	0	0	9044301
OFFICE EQUIPMENT	18336433	0	3905918	6300	22236051	0	149955	0	22386006
FURNITURE AND FIXTURE	12556690	0	4223331	131394	16648627	0	306260	0	16954887
FIRE FIGHTING EQUIPMENT	74934	0	0	0	74934	0	0	0	74934
COMPUTER	36335135	0	636486	290000	36681621	0	7602625	0	44284246
VEHICLES	25277783	0	7083366	612469	31748680	0	3610051	1985016	33373715
<b>Total A</b>	<b>321837260</b>	<b>0</b>	<b>128935074</b>	<b>1850309</b>	<b>448922024</b>	<b>0</b>	<b>206208016</b>	<b>12330833</b>	<b>642799207</b>
<b>INTANGIBLE ASSETS</b>									
GOODWILL (MERGER)	5661285	0	0	0	5661285	0	0	0	5661285
SOFTWARE	0	0	0	0	0	0	11828055	0	11828055
TRADEMARK & PATENT	36143000	0	0	0	36143000	0	0	0	36143000
<b>Total B</b>	<b>41804285</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>41804285</b>	<b>0</b>	<b>11828055</b>	<b>0</b>	<b>53632340</b>
<b>TOTAL - [A + B]</b>	<b>363641545</b>	<b>0</b>	<b>128935074</b>	<b>1850309</b>	<b>490726310</b>	<b>0</b>	<b>218036071</b>	<b>12330833</b>	<b>696431547</b>
<b>CAPITAL - WORK IN PROCESS</b>	<b>64372394</b>		<b>14616219</b>	<b>64372394</b>	<b>14616219</b>		<b>21536346</b>	<b>13740751</b>	<b>22411814</b>

	As at 01.04.2016	Impact on Ind as Transition	Addition during the Year	Deduction / Sold during the year	As at 01.04.2017	Impact on Ind as Transition	Addition during the Year	Deduction / Sold during the year	As at 31.03.2018
<b>&lt;----- DEPRECIATION / AMORTIZATION / DEPLETION -----&gt;</b>									
<b>TANGIBLE ASSETS</b>									
LAND	0	0	0	0	0	0			
BUILDING	25239219	0	4975878	0	30215097	0	4357182	437645	34134634
SITE DEVELOPMENT	213188	0	27727	0	240915	0	24270	0	265185
PLANT & MACHINERY	62084601	0	8678739	268488	70494852	0	11925412	4515175	77905089
ELECTRIFICATION	6233285	0	309670	4327	6538628	0	290280	0	6828908
OFFICE EQUIPMENT	10733756	0	3128016	5985	13855787	0	2211242	0	16067028
FURNITURE AND FIXTURE	7959724	0	1279452	29800	9209376	0	954788	0	10164164
FIRE FIGHTING EQUIPMENT	74934	0	-2273	0	72661	0	0	0	72661
COMPUTER	36335135	0	-1960427	275500	34099208	0	2537066	0	36636274
VEHICLES	9060129	0	4694812	591649	13163292	0	3015268	1089239	15089321
<b>Total A</b>	<b>157933971</b>	<b>0</b>	<b>21131594</b>	<b>1175749</b>	<b>177889816</b>	<b>0</b>	<b>25315507</b>	<b>6042059</b>	<b>197163263</b>
<b>INTANGIBLE ASSETS</b>									
GOODWILL (MERGER)	2138707	0	0	0	2138707	0	0	0	2138707
SOFTWARE	0	0	0	0	0	0	762721	0	762721
TRADEMARK & PATENT	21642900	0	3625025	0	25267925	0	1731096	0	26999021
<b>Total B</b>	<b>23781607</b>	<b>0</b>	<b>3625025</b>	<b>0</b>	<b>27406632</b>	<b>0</b>	<b>2493817</b>	<b>0</b>	<b>29900449</b>
<b>TOTAL - [A + B]</b>	<b>181715578</b>	<b>0</b>	<b>24756619</b>	<b>1175749</b>	<b>205296448</b>	<b>0</b>	<b>27809324</b>	<b>6042059</b>	<b>227063712</b>

#### CAPITAL - WORK IN PROCESS

	As At 01-04-2016	NET BLOCK As at 01-04-2017	As at 31-03-2018
<b>TANGIBLE ASSETS</b>			
LAND	3404187	35100997	35100997
BUILDING	59869232	130596632	124895536
SITE DEVELOPMENT	244711	216984	192714
PLANT & MACHINERY	69538992	65622334	244186964
ELECTRIFICATION	2428871	2505673	2215393
OFFICE EQUIPMENT	7602677	8380265	6318978
FURNITURE AND FIXTURE	4596966	7439251	6790723
FIRE FIGHTING EQUIPMENT	0	2273	2273
COMPUTER	0	2582413	7647972
VEHICLES	16217654	18585388	18284394
<b>TOTAL - A</b>	<b>163903289</b>	<b>271032209</b>	<b>445635944</b>

**Notes to the Audited Financial Statements for the year ended on 31st March, 2018**

INTANGIBLE ASSETS			
GOODWILL (MERGER)	3522578	3522578	3522578
SOFTWARE	0	0	11065334
TRADEMARK & PATENT	14500100	10875075	9143979
<b>Sub Total B</b>	<b>18022678</b>	<b>14397653</b>	<b>23731891</b>
<b>TOTAL - [A + B]</b>	<b>181925967</b>	<b>285429862</b>	<b>469367835</b>
<b>CAPITAL - WORK IN PROCESS</b>	<b>64372394</b>	<b>14616219</b>	<b>22411814</b>

**2. Non-current Investments**

	As At 31-03-2018		As At 31-03-2017		As At 01-04-2016	
	UNIT	AMOUNT	UNIT	AMOUNT	UNIT	AMOUNT
<b>Investment measured at Cost</b>						
In Equity shares of Joint Venture Company						
<b>Unquoted, Fully Paid up</b>						
Rajoo Bausano Extrusion Pvt. Ltd. of Rs. 10 each Fully paid-up	1960000	19600000	1960000	19600000	1960000	19600000
<b>Total Investment measured at Cost</b>		<b>19600000</b>		<b>19600000</b>		<b>19600000</b>
Investments measured at Fair Value through Profit and Loss Account In Equity shares						
<b>Unquoted, Fully Paid up</b>						
BPL Engineering Limited of Rs. 10 each.	2500	0	2500	0	2500	0
<b>Quoted, Fully Paid up</b>						
Windsor Machines Limited of Rs. 2 each.	470	44885	470	30245	470	16450
Kabra Extrusion Technic Limited of Rs. 5 each.	3200	380160	3200	355200	3200	266560
<b>Total Investments measured at Fair Value through Profit &amp; Loss Account</b>		<b>425045</b>		<b>385445</b>		<b>283010</b>
<b>TOTAL NON-CURRENT INVESTMENTS</b>		<b>20025045</b>		<b>19985445</b>		<b>19883010</b>
<b>Category-wise Non-current investment</b>						
	As At 31-03-2018		As At 31-03-2017		As At 01-04-2016	
	AMOUNT		AMOUNT		AMOUNT	
Investment measured at Cost	19600000		19600000		19600000	
Investments measured at Fair Value through Profit & Loss Account	425045		385445		283010	
<b>TOTAL NON-CURRENT INVESTMENTS</b>		<b>20025045</b>		<b>19985445</b>		<b>19883010</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 3. LOANS

(Unsecured, Considered good unless otherwise stated)

	As At 31-03-2018	As At 31-03-2017	As At 01-04-2016
	AMOUNT	AMOUNT	AMOUNT
<b>Security Deposits</b>			
Utility Service Deposit	2605938	2572654	1452864
Gas Cylinder Deposit	195675	169675	180675
Sales Tax Deposit	25000	25000	25000
Other Deposit	709082	471297	405000
Ahmedabad Office Maintenance Deposit	71550	71550	71550
Ashray Home Owners Maintenance Deposit	95000	95000	95000
<b>Total</b>	<b>3702245</b>	<b>3405176</b>	<b>2230089</b>

### 4. OTHER NON-CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

	As At 31-03-2018	As At 31-03-2017	As At 01-04-2016
	AMOUNT	AMOUNT	AMOUNT
Capital Advances	6603219	0	8913853
Unamortized Expenses	0	651548	1303096
<b>Total</b>	<b>6603219</b>	<b>651548</b>	<b>10216949</b>

### 5. INVENTORIES

(Cost or net realizable value, whichever is lower)

	As At 31-03-2018	As At 31-03-2017	As At 01-04-2016
	AMOUNT	AMOUNT	AMOUNT
Raw Materials & Components			
Indigenous	265892483	96090983	50763028
Imported	33821235	29974740	6765972
Testing Materials	7109504	2166139	1500000
Consumable Stores	7072332	4996611	2200000
Scrap	0	143984	1000000
Stock in Process	228977890	101421544	47382240
Finished Goods	9000000	9000000	10800000
<b>Total</b>	<b>551873444</b>	<b>243794000</b>	<b>120411240</b>

### 6. CURRENT INVESTMENT

	As At 31-03-2018	As At 31-03-2017	As At 01-04-2016
	AMOUNT	AMOUNT	AMOUNT
<b>Investments measured at fair value through Profit and Loss Account In Mutual Fund Quoted</b>			
Axis Treasury Advantage Fund	0	0	10816633
<b>Total</b>	<b>0</b>	<b>0</b>	<b>10816633</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### Category-wise Non-current investment

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Investment measured at Cost	0	0	0
Investment measured at Fair value through Profit and Loss Account	0	0	10816633
<b>Total Non Current Investment</b>	<b>0</b>	<b>0</b>	<b>10816633</b>

### 7. TRADE RECEIVABLE (Unsecured, considered good unless otherwise stated)

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Others	33520774	148230470	78571510
Outstanding exceeding Six Months	973718	91074619	48833792
<b>Total</b>	<b>34494492</b>	<b>239305089</b>	<b>127405303</b>

### 8. CASH & CASH EQUIVALENTS

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Cash on Hand	1438622	2108426	3194114
Balance with Bank	44345053	86146872	77849849
<b>Total</b>	<b>45783675</b>	<b>88255297</b>	<b>81043963</b>

8.1 Balance with Bank includes Rs. 2091005 towards unclaimed dividend

### 9. OTHER BANK BALANCES

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Deposits held with Bank	91026763	5419776	3680887
<b>Total</b>	<b>91026763</b>	<b>5419776</b>	<b>3680887</b>

9.1 Deposits held with banks to the extent Rs. 3666890 held as margin money

9.2 Deposits held with banks Rs. 87359873 with maturity more than 3 Months but less than 12 Months

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 10. LOANS

(Unsecured, Considered good unless otherwise stated)

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Loans to Employees	488542	429570	818620
<b>Total</b>	<b>488542</b>	<b>429570</b>	<b>818620</b>

### 11. OTHER FINANCIAL ASSETS

(Unsecured, Considered good unless otherwise stated)

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Accrued Interest	150373	0	0
<b>Total</b>	<b>150373</b>	<b>0</b>	<b>0</b>

### 12. OTHER CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
<b>Receivable from</b>			
Income Tax Authority	56044697	28740423	30148545
Sales Tax Authority	7219108	5908780	11070453
GST / Excise / Service Tax	118873538	26952290	11815457
Export Incentives Receivable	20273457	6941234	12542787
Prepaid Custom Duty	2571567	2571567	0
Prepaid Insurance / Expenses	8728787	7002603	7318694
Advance to Suppliers	23428227	70184640	35171697
Advance to Employees	0	500000	18000
Other Advances	4631439	1682798	48538772
<b>Total</b>	<b>241770820</b>	<b>150484336</b>	<b>156624405</b>

### 13. EQUITY SHARE CAPITAL

	As At 31-03-2018		As At 31-03-2017		As At 01-04-2016	
	UNIT	AMOUNT	UNIT	AMOUNT	UNIT	AMOUNT
<b>Authorised Share Capital</b>						
Equity Share of Rs. 1 Each	77000000	77000000	77000000	77000000	77000000	77000000
<b>Issued, Subscribed &amp; Paid up Capital</b>						
Equity Share of Rs. 1 Each	61530750	61530750	58030750	58030750	58030750	58030750
<b>Total</b>		<b>61530750</b>		<b>58030750</b>		<b>58030750</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 13.1 The reconciliation of the number of shares outstanding:

	As At 31-03-2018	As At 31-03-2017	As At 01-04-2016
	No. of Shares	No. of Shares	No. of Shares
Equity Share at the beginning of the year	58030750	58030750	58030750
Add : Issued during the year	3500000	0	0
<b>Equity Share at the end of the year</b>	<b>61530750</b>	<b>58030750</b>	<b>58030750</b>

### 13.2 Terms/rights attached to Equity Shares

- The Company has only one class of issued Equity Shares having a par value of Rs. 1 per share. Each shareholder is eligible for one vote per share held.
- In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the company after distribution of all preferential amounts, in proportion of their shareholding.

### 13.3 The details of shareholders holding more than 5% shares

NAME	As At 31-03-2018		As At 31-03-2017		As At 01-04-2016	
	UNIT	PERCENTAGE	UNIT	PERCENTAGE	UNIT	PERCENTAGE
Devyani Chandrakant Doshi	5862560	9.53%	5862560	10.10%	5862560	10.10%
Khushboo Chandrakant Doshi	4867042	7.91%	4867042	8.39%	4867042	8.39%
Pallav Kishorbhai Doshi	4826609	7.84%	4826609	8.32%	4826609	8.32%
Rita Rajesh Doshi	4513440	7.34%	4513440	7.78%	4513440	7.78%
Nita Kishorbhai Doshi	3884600	6.31%	3884600	6.69%	3884600	6.69%
Kruti Rajeshbhai Doshi	3144132	5.11%	3144132	5.42%	3144132	5.42%
Rajesh Nanalal Doshi	-	-	2940200	5.07%	2940200	5.07%

### 13.4 In the Period of five years immediately preceding 31st March, 2018

The Company has not issued Bonus shares and bought back any equity shares during the period of five years immediately preceding the Balance sheet date. However, the Company has allotted 21318000 equity shares for consideration other than cash pursuant to the scheme of amalgamation during F.Y. 2013-14

### 13.5 Proposed Dividend

The Board of Director have recommended the payment of Dividend of Rs. 0.25 per fully paid up equity shares (31st March, 2017 Rs. 0.25 Per share). The proposed Dividend is subject to the approval of shares holders in the ensuing Annual General Meeting.

## 14. OTHER EQUITY

	As At 31-03-2018	As At 31-03-2017	As At 01-04-2016
	AMOUNT	AMOUNT	AMOUNT
<b>Capital Reserve</b>			
Opening Balance	2625456	2625456	
Add : Addition During the year	0	0	
	<b>2625456</b>	<b>2625456</b>	<b>2625456</b>
<b>Securities Premium</b>			
Opening Balance	55489163	55489163	
Add : Addition During the year	63390000	0	
	<b>118879163</b>	<b>55489163</b>	<b>55489163</b>



**Notes to the Audited Financial Statements for the year ended on 31st March, 2018**

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
<b>General Reserve</b>			
Opening Balance	38537443	38537443	
Add : Transferred from Retained Earning	0	0	
	<b>38537443</b>	<b>38537443</b>	<b>38537443</b>
<b>Retained Earnings</b>			
Opening Balance	278790846	216126862	
Add : Profit for the year	120593888	62663985	
	<b>399384734</b>	<b>278790846</b>	
Less : Appropriations			
Dividend on Equity Shares	14757688		
Dividend Distribution Tax	3004315		
	<b>381622731</b>	<b>278790846</b>	<b>216126862</b>
<b>Other Comprehensive Income ( OCI )</b>			
Opening Balance	66378	0	
Add : Movement in OCI (Net) during the year	-1735085	66378	
	<b>-1668707</b>	<b>66378</b>	<b>0</b>
<b>TOTAL</b>	<b>539996086</b>	<b>375509286</b>	<b>312778924</b>

**15.BORROWING - NON CURRENT**

	As At 31-03-2018		As At 31-03-2017		As At 01-04-2016	
	NON - CURRENT AMOUNT	CURRENT AMOUNT	NON - CURRENT AMOUNT	CURRENT AMOUNT	NON - CURRENT AMOUNT	CURRENT AMOUNT
<b>Secured - at Amortized Cost</b>						
Term Loan from Bank	37408610	9149992	0	0	0	0
<b>TOTAL</b>	<b>37408610</b>	<b>9149992</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Note :**

(Secured against pari pasu charge over entire movable fixed Assets by way of hypothecation and equitable mortgage of Factory Land & Building at Manavadar and Veraval (Shapar), Rajkot and also extention of hypothecation of current assets both present and future)

**16. PROVISIONS - NON-CURRENT**

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
<b>Provisions for Employees Benefit</b>			
Compensated Absence	0	7504610	7409310
<b>TOTAL</b>	<b>0</b>	<b>7504610</b>	<b>7409310</b>

**Notes to the Audited Financial Statements for the year ended on 31st March, 2018**
**17. DEFERRED TAX LIABILITY (NET)**

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Opening Balance	21152723	18799725	
Charge / (Credit) to Statement of Profit & Loss	19997560	2352998	
<b>At the end of year</b>	<b>41150283</b>	<b>21152723</b>	<b>18799725</b>

**18. BORROWING – CURRENT**

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
<b>Secured - at Amortized Cost Loan Repayable on Demands</b>			
From Bank	102264126	66434566	67424323
<b>TOTAL</b>	<b>102264126</b>	<b>66434566</b>	<b>67424323</b>

Note :

(Secured against pari pasu charge over entire Current Assets, both present and future, secured by way of hypothecation and equitable mortgage of Factory Land & Building at Manavadar and Veraval (Shapar), Rajkot. Further, Secured by way of hypothecation of plant & machinery of the Company both present and future.)

**19. TRADE PAYABLE**

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Micro, Small and Medium Enterprises	51486259	45431332	0
Others	213789173	192914503	157778629
<b>TOTAL</b>	<b>265275432</b>	<b>238345835</b>	<b>157778629</b>

**20. OTHER FINANCIAL LIABILITY**

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Current maturities of Long Term Debt (Refer Note no. 15)	9149992	0	0
Trade Payable for Capital Goods	61567759	505603	4094926
Unclaimed Dividend	2091005	2091005	0
Security Deposits	2037874	1449581	1325000
<b>TOTAL</b>	<b>74846630</b>	<b>4046189</b>	<b>5419926</b>

**21. OTHER CURRENT LIABILITY**

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Advance Received against Orders	271420434	231190320	108543223
Service Tax Payable	0	431600	111722
T.C.S. Payable	2535	2664	0
T.D.S. Payable	2615668	1631843	1181948
Professional Tax Payable	182510	76860	134640
GST Payable	9800038	0	0
<b>TOTAL</b>	<b>284021185</b>	<b>233333287</b>	<b>109971533</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 22. PROVISIONS – CURRENT

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
<b>Provisions for Employee Benefits</b>			
Salaries	18401287	8026648	7221461
Bonus to Staff	1494944	1247587	1266568
Provident Fund	815679	706013	647353
Leave Encashment	1434363	0	0
<b>Other provisions</b>			
Audit Fees	135000	128250	128250
Royalty on Sales	623263	645590	406774
Selling Commission	2736838	2672128	2599539
Telephone Expenses	0	1154	1190
Other Expenses	1373851	879581	2620010
Warranty	12769000	0	0
Clearing & Forwarding Expenses	344073	39105	131209
<b>TOTAL</b>	<b>40128298</b>	<b>14346056</b>	<b>15022354</b>

### 23. REVENUE FROM OPERATIONS

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT
<b>Sale of Products</b>		
Domestic	841705989	782271303
Exports	570406150	390074031
	<b>1412112139</b>	<b>1172345334</b>
<b>Sale of Services</b>		
Domestic	3650502	3681345
Exports	684089	6117193
	<b>4334591</b>	<b>9798538</b>
<b>Other operating Revenue</b>		
Jobwork Income		8500
Deposit Forefeited	10001120	2603883
Net Foreign Exchange Difference	-114435	8350853
Net gain from expenses recovered	7901539	0
Export Incentives	30836815	9876757
	<b>48625039</b>	<b>20839993</b>
<b>TOTAL</b>	<b>1465071769</b>	<b>1202983865</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 24. OTHER INCOME

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT
<b>Interest</b>		
Bank Deposits	3248947	2510871
Other Financial Assets carried at Amortized Cost	17096	0
Others	184895	0
	<b>3450938</b>	<b>2510871</b>
<b>Dividend Income</b>	5371428	125939
<b>Gain on Financial Assets</b>	39601	102435
<b>Other Non - Operating Income</b>		
Net Gain / (Loss) on sale of Fixed Assets	-1266774	-268599
Excess Provision of Income Tax W/off	26246	0
Miscellaneous Credits	0	464508
Selling Commission Received	0	5014568
Rent Income	600000	600000
<b>TOTAL</b>	<b>8221438</b>	<b>8549721</b>

### 25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT
<b>Inventories (at close)</b>		
Finished Goods	9000000	9000000
Work-in-Progress	228977890	101421544
<b>TOTAL</b>	<b>237977890</b>	<b>110421544</b>
<b>Inventories (at commencement)</b>		
Finished Goods	9000000	10800000
Work-in-Progress	101421544	47382240
	<b>110421544</b>	<b>58182240</b>
<b>TOTAL</b>	<b>-127556346</b>	<b>-52239304</b>

### 26.EMPLOYEE BENEFITS EXPENSE

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT
Salaries and Wages	123353531	93651417
Contribution to Provident Fund and Other Funds	7039555	7315596
Staff Welfare Expenses	10246769	8945034
<b>TOTAL</b>	<b>140639856</b>	<b>109912047</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 27. FINANCE COST

	As At 31-03-2018		As At 31-03-2017	
	AMOUNT		AMOUNT	
Interest Expenses Paid				
Bank	6655078		5802724	
Others	572655	7227733	194937	5997661
Bank Commission / Charges		3466347		1884512
(Gain) / Loss on Foreign Currency Transaction		-809383		1320195
<b>TOTAL</b>		<b>9884697</b>		<b>9202368</b>

### Note - 28 : Other Expenses

	31.03.2018 (AMOUNT)	31.03.2017 (AMOUNT)
Packing Materials Consumed	13500624	10471934
Stores, Spares & Tools Consumed	104600	51800
Power & Fuel	17020082	10719518
Labour Charges	21806565	22465274
<b>Repairs</b>		
– Machinery	2459570	599398
– Building	1537601	799855
Others	503063	319759
Clearing & Forwarding Charges	10044860	5378809
Freight and Cartage	17996043	5783533
Insurance	1887396	1171113
Rent, Rates & Taxes	440213	385907
Postage and Telephone	1133136	1190822
Stationery & Printing	864734	838700
Advertisement & Sales Promotion Expense	32152844	50189659
<b>Commission</b>		
– Domestic	4758008	2445956
– Overseas	13821497	10680169
Legal & Professional Fees	3903800	1922811
Donation	873100	318700
CSR Expense	1627706	1205665
<b>Travelling Expenses</b>		
– Domestic	2206530	2181639
– Foreign	4355314	2571329
Business Promotion	1284380	2530904
Sales Tax Paid	1011842	892982
Excise & Service Tax Expenses	4125488	484297
Penalty Exp	400628	0
Computer Maintenance & Other Expenses	5654798	4375845
Income Tax Expenses	202624	2000
Payment to Auditors	178750	230000
Bad debts Written off	298381	32443260
Royalty Expense	1377252	1350945
Warranty Expenses	12769000	0
Job Work Charges	48552190	31726551
Consultancy and contractors expenses	6511701	2136390
Research & Development	3872844	0
Miscellaneous Expense	23332708	19629715
<b>Total</b>	<b>262569873</b>	<b>227495239</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 29. TAXATION

#### - Tax expense recognized in the statement of Profit and Loss:

	31.03.2018 (AMOUNT)	31.03.2017 (AMOUNT)
Current Tax	41076866	33073015
Deferred Tax	19997560	2352998
<b>Total Income Tax recognized in the current year</b>	<b>61074426</b>	<b>35426013</b>

#### - The income tax expenses for the year can be reconciled to the accounting profit as follows:

	31.03.2018 (AMOUNT)	31.03.2017 (AMOUNT)
<b>Profit before Tax</b>	181668313	98089997
Applicable Tax Rate	34.61%	33.06%
Computed Tax Expenses	62871769	32431495
<b>Tax Effect of</b>		
Expenses Disallowed	1465653	614097
Exempted Income	-1858943	-41639
Additional Allowances	-21378825	-333671
Other	-22787	402732
<b>Current Tax Provisions</b>	<b>41076866</b>	<b>33073015</b>
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	16175263	2197109
Incremental Deferred Tax Asset on account of Financial Assets and Other Items	3822297	155889
<b>Deferred Tax Provisions</b>	<b>19997560</b>	<b>2352998</b>
Tax Expenses recognized in Statement of Profit and Loss	61074426	35426013
Effective Tax Rate	33.62%	36.12%

### 30. DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"

**Gratuity:** In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by life Insurance Companies under their respective Group Gratuity Schemes

#### Reconciliation of opening and closing balances of Defined Benefit Obligation

	As at 31.03.2018 (AMOUNT)	As at 31.03.2017 (AMOUNT)
<b>Present value of obligations as at beginning of year</b>	11884441	10417166
Interest cost	950755	833373
Current Service Cost	1245204	1149476
Benefits Paid	-1411699	-449196
Actuarial (gain)/ loss on obligations	1735085	-66378
<b>Present value of obligations as at end of year</b>	<b>14403786</b>	<b>11884441</b>

**Notes to the Audited Financial Statements for the year ended on 31st March, 2018**
**Reconciliation of opening and closing balances of fair value of Plan Assets**

	31.03.2018 (AMOUNT)	31.03.2017 (AMOUNT)
<b>Fair value of plan assets at beginning of year</b>	<b>13428480</b>	<b>11823737</b>
Expected return on plan assets	1015394	953807
Contributions	3399518	1100132
Benefit Paid	-1411699	-449196
Actuarial (gain)/ loss on Plan Assets	0	0
<b>Fair value of plan assets at End of year</b>	<b>16431693</b>	<b>13428480</b>

**Reconciliation of fair value of Assets and Obligations**

	31.03.2018 (AMOUNT)	31.03.2017 (AMOUNT)
Fair value of plan assets at End of year	16431693	13428480
Present value of obligations as at end of year	14403786	11884441
<b>Amount recognized in Balance Sheet (Surplus/(Deficit))</b>	<b>2027907</b>	<b>1544039</b>

**Expenses recognized during the year**

	31.03.2018 (AMOUNT)	31.03.2017 (AMOUNT)
Interest cost	950755	833373
Current Service Cost	1245204	1149476
Return on Plan Assets	-1015394	-953807
<b>Net Cost In Other Comprehensive Income</b>	<b>1180565</b>	<b>1029042</b>
Actuarial (Gain) / Loss	1735085	-66378
<b>Net (Income) / Expenses recognised in OCI</b>	<b>1735085</b>	<b>-66378</b>

**31. PAYMENT TO AUDITORS AS**

	31.03.2018 (AMOUNT)	31.03.2017 (AMOUNT)
Statutory Audit Fees	150000	142500
Tax Audit Fees	0	87500
	<b>150000</b>	<b>230000</b>

**32. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

- CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs. 1632614 (Previous Year Rs. 1326727)
- Expenditure related to Corporate Social Responsibility is Rs. 1622706 (Previous Year Rs. 1205665).
- Details of Amount spent towards CSR given below:

Particulars	Amount Rs
Promoting Education	787872
Health care and Medical Facilities and	
Eradicating Malnutrition	508723
Protection of Art and Culture	15000
Enhancement Project for differently abled people	5000
Disaster Relief	200000
Measures for benefit of armed forces veterans, war widows and their dependents	111111
<b>Total CSR Activity</b>	<b>1627706</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 33. EARNINGS PER SHARE (EPS)

	31.03.2018 (AMOUNT)	31.03.2017 (AMOUNT)
Net Profit after Tax as per Statement of Profit and Loss Attributable to Equity Shareholders	120593888	62663985
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	59344449	58030750
<b>BASIC EPS</b>	<b>2.03</b>	<b>1.08</b>
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	59344449	58030750
<b>Diluted EPS</b>	<b>2.03</b>	<b>1.08</b>

### 34. RELATED PARTIES DISCLOSURES

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

a. List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Sr. No.	Name	Relationship
1	Shri Rajesh N. Doshi	
2	Shri Sunil Jain	
3	Ms. Khushboo C. Doshi	
4	Mr. Utsav K. Doshi	Key Management Personnel
5	Mr. J. T. Zalawadia	
6	Mr. Vijay Jadeja	
7	Rajoo Bausano Extrusion Pvt. Ltd.	Joint Venture
8	Rajoo Innovation Centre LLP	Associates Concern
9	Starpack International	
10	Rajoo Eng Ltd Employees Gratuity Fund	Post Employee Benefit Plans
11	Ruby Jain	Relatives of KMP
12	Karishma Doshi	

b. Transactions during the year with related parties :

Sr.	Nature of Transaction (Excluding Reimbursements)	Key Management Personnel	Joint Venture	Associates Concern	Post Employee Benefit Plans	Relatives of KMP
1	Purchase of Goods	0	0	8456103	0	0
2	Sale & Service	0	83120117	583175	0	0
3	Remuneration paid	18448022	0	0	0	0
4	Selling Commission Paid	0	0	4258008	0	0
5	Rent Paid	240000	0	0	0	1212000
6	Post Employee Benefit Paid	0	0	0	3570500	0
7	Technical Services Paid	0	0	5873017	0	0
8	Net Payables / (Receivable)	679026	20974	1912563	0	0



## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### C. Disclosure in Respect of Major Related Party Transactions during the year :

a. Effect of Ind AS adoption on the standalone balance sheet as at 31st March, 2017 and 1st April, 2016

Sr. No.	Nature of Transaction (Excluding Reimbursements)	Relationship	As at 31st March, 2017	As at 31st March, 2018
<b>1</b>	<b>Purchase of Goods</b>			
	Rajoo Innovation Centre LLP	Associates Concern	8456103	0
<b>2</b>	<b>Sale &amp; Service</b>			
	Rajoo Bausano Extrusion Pvt. Ltd.	Joint Venture	83120117	104108734
	Rajoo Innovation Centre LLP	Associates Concern	583175	76046382
<b>3</b>	<b>Selling Commission Paid</b>			
	Star Pack International	Associates Concern	4258008	2288956
<b>4</b>	<b>Technical Services Paid</b>			
	Rajoo Innovation Centre LLP	Associates Concern	5873017	900000
<b>5</b>	<b>Rent Paid</b>			
	Mr. Utsav K. Doshi	Key Management Personnel	240000	258000
	Karishma Doshi	Relatives of KMP	12000	24000
	Ruby Jain	Relatives of KMP	1200000	720000
<b>6</b>	<b>Remuneration paid</b>			
	Shri Rajesh N. Doshi	Key Management Personnel	6079607	5493502
	Shri Sunil Jain	Key Management Personnel	5849520	3430116
	Ms. Khushboo C. Doshi	Key Management Personnel	3003263	2638416
	Mr. Utsav K. Doshi	Key Management Personnel	2387533	1762226
	Mr. J. T. Zalawadia	Key Management Personnel	785358	747963
	Mr. Vijay Jadeja	Key Management Personnel	342741	292980
<b>7</b>	<b>Post Employee Benefit Paid</b>			
	Rajoo Eng Ltd Employees Gratuity Fund	Post Employee Benefit Plans	3570500	1251211
<b>8</b>	<b>Net Payables / (Receivable)</b>			
	Shri Rajesh N. Doshi	Key Management Personnel	67553	281054
	Shri Sunil Jain	Key Management Personnel	433536	302286
	Ms. Khushboo C. Doshi	Key Management Personnel	61854	174203
	Mr. Utsav K. Doshi	Key Management Personnel	116083	112139
	Rajoo Bausano Extrusion Pvt. Ltd.	Joint Venture	20974	-20180356
	Rajoo Innovation Centre LLP	Associates Concern	0	-86870986
	Ruby Jain	Relatives of KMP	90000	54000
	Star Pack International	Associates Concern	1912563	0

### 35 . CONTINGENT LIABILITIES AND COMMITMENTS

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT
<b>(I) Contingent Liability</b>		
A. Claim against the company / disputed liabilities not acknowledged as debt	86713350	105469219
B. Guarantees		
I. Guarantees to Bank and Financial Institution against Credit Facilities extended to third parties and other Guarantees	0	0
II. Performance Guarantees	0	0
III. Outstanding Guarantees furnished to Bank or financial institution including in respect of Letter of Credit	0	0
C. Other Money for which the company is contingent liable	0	0
I. Pending C-Form	2888280	5596558
II. Liability in respect of bills discounted with Banks (Including third party bills discounting)	82419880	0
III. Customs Duty Obligations towards EPCG License	30402115	0
<b>(ii) Commitment</b>		
A. Estimated amount of contract remaining to be executed on capital account and not provided for (Net of Advances)	3888000	0
B. Other Commitment	0	0

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 36. FINANCIAL INSTRUMENTS

#### Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- The fair value of investment in quoted Equity Shares is measured at quoted price or NAV.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior Management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

#### Financing arrangements

The Company had access to following Financing arrangement facilities at end of reporting period:

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT
Cash & Cash Equivalent	43692669	88255297
Undrawn Credit Facility Expire within 1 Year	77735873	83565433
<b>TOTAL</b>	<b>121428542</b>	<b>171820730</b>

#### Contractual maturity patterns of borrowings

	As At 31-03-2018		As At 31-03-2017	
	0 -1 Year	1 -5 Year	0 -1 Year	1 -5 Year
Long term borrowings (Including current maturity of long term debt)	0	46558602	0	0
Short Term Borrowing	102264126	0	66434566	0
<b>TOTAL</b>	<b>102264126</b>	<b>46558602</b>	<b>66434566</b>	<b>0</b>

#### Commodity Price Risk

Since the companies product is tailor maid and capital goods industries, such risk is not anticipated.

### 37. As per Ind AS 108- "Operating Segment", segment information has been provided under the Notes to Consolidated Financial Statements.

### 38. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors have recommended dividend of 0.25 per fully paid up equity share of Re. 1/- each, aggregating to Rs.18544644, including Rs.3161956 dividend distribution tax for the financial year 2017-18, which is based on relevant share capital as on March 31, 2018. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date / book closure.

### 39. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on May 27, 2018.

### 39A. The Previous period figures have been re-grouped/ re-classified wherever required to confirm to current year classification.

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### Fair value measurement hierarchy:

Particulars	<----- As at 31/03/2018 ----->			<----- As at 31/03/2017 ----->			<----- As at 1/04/2016 ----->		
	Carrying Amount	Level of input used in		Carrying Amount	Level of input used in		Carrying Amount	Level of input used in	
		Level 1	Level 2		Level 1	Level 2		Level 1	Level 2
<b>Financial Assets</b>									
At Amortized Cost									
Loans	4190787	0	0	3834746	0	0	3048709	0	0
Trade receivables	34494493	0	0	239305092	0	0	127405302	0	0
Cash and cash equivalents	43692669	0	0	88255297	0	0	81043962	0	0
Other Bank Balances	93117768	0	0	5419776	0	0	3680887	0	0
Other Financial Assets	150373	0	0	0	0	0	0	0	0
<b>At FVTPL</b>									
Investments	19600000	425045	0	19600000	385444	0	19600000	283010	0
<b>Financial Liabilities</b>									
At Amortized Cost									
Borrowings	139672736	0	0	66434566	0	0	67424323	0	0
Trade Payables	265275432	0	0	238345835	0	0	157778629	0	0
Other Financial Liabilities	74846630	0	0	4046189	0	0	5419926	0	0

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

**Level 2:** Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

### Foreign Currency Risk

The following table shows foreign currency exposures in USD and EURO on financial instruments at the end of the reporting period. The exposure to foreign currency for all other currencies are not material.

	As At 31-03-2018		As At 31-03-2017		As At 01-04-2016	
	USD	EURO	USD	EURO	USD	EURO
Trade and other Payable	565100	1184762	579995	786085	209273	98082
Trade and other Receivable	-243788	-16917	-1236618	-884086	-598710	-58932
<b>Net Exposure</b>	<b>321312</b>	<b>1167845</b>	<b>-656623</b>	<b>-98001</b>	<b>-389437</b>	<b>39150</b>

### Sensitivity analysis of 5% change in exchange rate at the end of reporting period net of hedges

	As At 31-03-2018		As At 31-03-2017	
	USD	EURO	USD	EURO
<b>5% Depreciation in INR</b>				
Impact on Equity	0	0	0	0
Impact on P&L	-1044264	-4519561	2127585	339316
<b>Total</b>	<b>-1044264</b>	<b>-4519561</b>	<b>2127585</b>	<b>339316</b>
<b>5% Appreciation in INR</b>				
Impact on Equity	0	0	0	0
Impact on P&L	1044264	4519561	-2127585	-339316
<b>Total</b>	<b>1044264</b>	<b>4519561</b>	<b>-2127585</b>	<b>-339316</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### Interest Rate Risk

The exposure of the company's borrowing and derivatives to interest rate changes at the end of the reporting period are as follows:

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Long Term Borrowing	46558602	0	0
Short Term Borrowing	102264126	66434566	67424323
<b>TOTAL</b>	<b>148822729</b>	<b>66434566</b>	<b>67424323</b>

Impact on Interest Expenses for the year on 1% change in Interest rate

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT
<b>UP MOVE</b>		
Impact on Profit & Loss	-1488227	-664346
<b>DOWN MOVE</b>		
Impact on Profit & Loss	1488227	664346

### Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises from company's activities in investments, dealing in derivatives and outstanding receivables from customers.

The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Sales made to customers on credit are generally secured through Letters of Credit and advance payments.

### Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity.

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 40. FIRST TIME IND AS ADOPTION RECONCILIATIONS

a. Effect of Ind AS adoption on the standalone balance sheet as at 31st March, 2017 and 1st April, 2016

	AS PER GAAP As at 31st March, 2017	Adjustment of IND AS	AS PER IND AS As at 31st March, 2017	AS PER GAAP As at 1st April, 2016	Adjustment of IND AS	AS PER IND AS As at 1st April, 2016
<b>Non-current assets</b>						
Property, plant and equipment	271032209	0	271032209	163903289	0	163903289
Capital Work-in-Progress	14616219	0	14616219	64372394	0	64372394
Intangible assets	13894428	503225	14397653	18022678	0	18022678
Intangible assets under development			0			0
Financial Assets						
Investments	19814200	171245	19985445	19814200	68810	19883010
Loans	3405176	0	3405176	2230089	0	2230089
Other Non-Current Financial Assets			0			0
Other Non-current assets	651548	0	651548	10216949	0	10216949
<b>Total Non-Current assets</b>	<b>323413780</b>	<b>674470</b>	<b>324088249</b>	<b>278559599</b>	<b>68810</b>	<b>278628409</b>
<b>Current assets</b>						
Inventories	243794000	0	243794000	120411240	0	120411240
Financial Assets						
Investments		0	0	10816633	0	10816633
Trade receivables	239305092	0	239305092	127405303	0	127405303
Cash and cash equivalents	88255297	0	88255297	81043963	0	81043963
Bank Balance other than Cash and Cash Equivalents	5419776	0	5419776	3680887	0	3680887
Loans	429570	0	429570	818620	0	818620
Other Current Financial Assets		0	0		0	0
Other Current Assets	148940297	1544039	150484336	155217833	1406571	156624405
<b>Total Current Assets</b>	<b>726144032</b>	<b>1544039</b>	<b>727688071</b>	<b>499394479</b>	<b>1406571</b>	<b>500801050</b>
<b>Total Assets</b>	<b>1049557812</b>	<b>2218509</b>	<b>1051776321</b>	<b>777954078</b>	<b>1475381</b>	<b>779429459</b>

	AS PER GAAP As at 31st March, 2017	Adjustment of IND AS	AS PER IND AS As at 31st March, 2017	AS PER GAAP As at 1st April, 2016	Adjustment of IND AS	AS PER IND AS As at 1st April, 2016
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Equity Share capital	58030750	0	58030750	58030750	0	58030750
Other Equity	356557723	18951565	375509288	309917989	2860934	312778924
<b>Total Equity</b>	<b>414588473</b>	<b>18951565</b>	<b>433540038</b>	<b>367948739</b>	<b>2860934</b>	<b>370809674</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Financial Liabilities						
Borrowings	0	0	0	0	0	0
Provisions	7504610	0	7504610	7409310	0	7409310
Deferred tax liabilities (Net)	20424661	728062	21152723	20185278	(1385553)	18799725
Other Non Current Liability		0			0	
<b>Total non-current liabilities</b>	<b>27929271</b>	<b>728062</b>	<b>28657333</b>	<b>27594588</b>	<b>(1385553)</b>	<b>26209035</b>
<b>Current liabilities</b>						
Financial Liabilities						
Borrowings	66434567	0	66434567	67424323	0	67424323
Trade payables	238345835	0	238345835	157778629	0	157778629
Other Financial Liabilities	4046189	0	4046189	5419926	0	5419926
Other Current liabilities	233333287	0	233333287	109971533	0	109971533
Provisions	64880190	(17461118)	47419072	41816339	0	41816339
<b>Total current liabilities</b>	<b>607040068</b>	<b>(17461118)</b>	<b>589578950</b>	<b>382410751</b>	<b>0</b>	<b>382410751</b>
<b>Total Liabilities</b>	<b>634969339</b>	<b>(16733056)</b>	<b>618236283</b>	<b>410005339</b>	<b>(1385553)</b>	<b>408619786</b>
<b>Total Equity and Liabilities</b>	<b>1049557812</b>	<b>2218509</b>	<b>1051776321</b>	<b>777954078</b>	<b>1475381</b>	<b>779429459</b>

#### B. Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP

	Net Profit/As at 31st March, 2017	Other Equity As at 31st March, 2017	As at 1st April, 2016
Net Profit / Other Equity as per Previous Indian GAAP	64100850	356557723	309917989
Fair Value of Gratuity as on 01.04.2016	0	11823737	11823737
PV of DBO as on 01.04.2016	0	-10417166	-10417166
Deferred Tax	-2113615	-728062	1385553
Fair Valuation for Financial Assets	102434	171244	68810
Dividend	0	17461119	0
Current Service cost of Gratuity	71090	71090	0
Depreciation on Goodwill	503225	503225	0
Actuarial Gain	0	66378	0
<b>Net Profit / Other Equity as per IND AS</b>	<b>62663984</b>	<b>375509288</b>	<b>312778924</b>

#### Notes :

##### - Fair valuation for Financial Assets:

The Company has valued financial assets (other than Investment in subsidiaries, associate and joint ventures which are accounted at cost), at fair value. Impact of fair value changes as on the date of transition, is recognized in opening reserves and changes thereafter are recognized in Statement of Profit and Loss or Other Comprehensive Income, as the case may be.

##### - Deferred Tax

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to the Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss for the subsequent periods.

**Notes to the Audited Financial Statements for the year ended on 31st March, 2018**
**C. Effect of ind As adoption on the Statement of Profit and Loss and the year ended 31st March 2017**

	AS PER GAAP		AS PER IND AS
	As at 31.03.2017	Adjustment of IND AS	As at 31.03.2017
<b>INCOME</b>			
<b>Revenue from operations</b>			
Sale of Products	1172345334	0	1172345334
Sale of Services	9798538	0	9798538
Other Operating Revenue	20839993	0	20839993
	1202983865	0	1202983865
Other Income	8447287	102435	8549721
<b>Total Income</b>	<b>1211431152</b>	<b>102435</b>	<b>1211533587</b>
<b>EXPENSES</b>			
Cost of Material Consumed	705142227	0	705142227
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	<b>(52239304)</b>	<b>0</b>	<b>(52239304)</b>
Excise duty and service tax	89174394	0	89174394
Employee Benefits Expense	109983137	(71090)	109912047
Finance Costs	9202368	0	9202368
Depreciation / Amortization and Depletion Expense	25259843	(503225)	24756619
Other Expenses	227495239	0	227495239
<b>Total Expenses</b>	<b>1114017904</b>	<b>(574314)</b>	<b>1113443589</b>
<b>Profit Before Tax</b>	<b>97413248</b>	<b>676749</b>	<b>98089997</b>
Tax Expenses			
Current Tax	33073015	0	33073015
Deferred Tax	239383	2113615	2352998
<b>Profit for the Year</b>	<b>64100850</b>	<b>(1436866)</b>	<b>62663984</b>

As per our report of even date

For and on behalf of the Board

For, Pankaj K Shah Associates  
Chartered Accountants  
FRN : 107352W

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

(K. C. Doshi)  
Whole Time Director  
DIN : 00025581

(Pankaj K Shah )  
Proprietor  
Membership No.:- 034603

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

(Vijay Jadeja)  
Company Secretary  
Mem. No. A31035

Date : 27th May, 2018  
Place : Ahmedabad

Date : 27th May, 2018  
Place : Veraval (Shapar), Rajkot



## **Independent Auditor's Report**

**To the members of Rajoo Engineers Limited**

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

We have audited the accompanying consolidated Financial Statements of Rajoo Engineers Limited ('the Company') and its Jointly Controlled Entity (collectively referred to as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2018, the consolidated Profit and Loss statement (including other comprehensive Income), consolidated statement of Changes in Equity 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 (including other comprehensive income, changes in equity) and Consolidated Cash Flows of the Group in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards (IND AS) specified u/s. 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective board of directors of the companies included in the group and its associates are responsible for 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, which have been used for the purpose of preparation of the consolidated financial statement by the director of company as aforesaid.

### **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, 2018 and its consolidated profit (including other comprehensive income, consolidated changes in equity) and its consolidated cash flow for the year ended on that date.

#### **Emphasis of Matter:**

Without qualifying, we draw attention to note no. 30 in notes to accounts regarding change in method of depreciation by jointly controlled entity during the year.

#### **Other Matters :**

We did not audit the financial statements of Rajoo Bausano Extrusion Pvt. Ltd., a jointly controlled entity whose audited financial statements reflect total assets of Rs. 2008.54 Lacs as at March 31, 2018, total revenues of 3390.46 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 auditor.

Our report is not qualified in respect of other matters with respect to our reliance on the work done and the reports of the other auditor.

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

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, Consolidated changes in Equity 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, 2018, 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, 2018, 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-1" 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;
- (l) The group has disclosed the impact of pending litigation on its consolidated financial position in the consolidated financial statement (refer note no. 32);
- (ii) The Group and its Jointly Controlled Company did not have any material foreseeable losses on long term contracts including derivative contracts;
- (iii) The Company has transferred the amounts, required to be transferred, to the Investor Education and Protection Fund after 198 days from the due date as against required to be transferred within 7 days from the due date.

Place: Ahmedabad

Date: 27/05/2018

**FOR PANKAJ K. SHAH ASSOCIATES**  
**Firm Registration No. 107352W**  
**CHARTERED ACCOUNTANTS**

**(PANKAJ K. SHAH)**  
**PROPRIETOR**  
**M. No. 34603**

## **ANNEXURE 1 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, 2018 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 unauthorized 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, 2018, 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.

Place: Ahmedabad

Date: 27/05/2018

**FOR PANKAJ K. SHAH ASSOCIATES**  
**Firm Registration No. 107352W**  
**CHARTERED ACCOUNTANTS**

**(PANKAJ K. SHAH)**  
**PROPRIETOR**  
**M. No. 34603**

## NOTES TO ACCOUNTS

FY. 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.

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

Sr No.	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	<b>Assets</b>		
	<b>Fixed Assets</b>	<b>1790635</b>	<b>1719488</b>
	<b>Non Current Investments</b>	<b>—</b>	<b>—</b>
	<b>Non Current Assets</b>	<b>723007</b>	<b>804591</b>
	<b>Current Investments</b>	<b>1728357</b>	<b>4732371</b>
	<b>Current Assets</b>	<b>72423741</b>	<b>105391346</b>

Sr No.	Particulars	As at 31st March, 2017	As at 31st March, 2016
2	Liabilities	72423741	105391346
	Long Term Borrowings	461525	311270
	Non- Current Liabilities and Provisions	–	–
	Short Term Borrowings	–	–
	Current Liabilities and Provisions	32972435	77301612
3	Income	133600776	86322407
4	Expenses	121506868	72890860

**CONSOLIDATED BALANCE SHEET AS ON 31st MARCH, 2018**

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	1	447468605	272774291	165376187
Capital Work-in-Progress	1	22411814	14616219	64572660
Intangible assets	1	23954320	14446205	18069003
Intangible assets under development		0	0	0
<b>Financial Assets</b>				
Investments	2	425045	385445	283010
Loans	3	4425252	4128183	3034681
Other Non-Current Financial Assets		0	0	0
Other Non-current assets	4	6603219	651548	10216949
<b>Total Non-Current assets</b>		<b>505288255</b>	<b>307001891</b>	<b>261552490</b>
<b>Current assets</b>				
Inventories	5	588346644	283859869	160712648
Financial Assets				
Investments	6	15051503	1807346	15551616
Trade receivables	7	46626605	243355533	130962164
Cash and cash equivalents	8	56909364	100907065	117060483
Other Bank Balances	9	91026763	5419776	15930887
Loans	10	488542	429570	838588
Other Financial Assets	11	150373	0	0
Other Current Assets	12	262554548	166171802	169870994
<b>Total Current assets</b>		<b>1061154343</b>	<b>801950961</b>	<b>610927380</b>
<b>Total Assets</b>		<b>1566442598</b>	<b>1108952852</b>	<b>872479870</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share capital	13	61530750	58030750	58030750
Other Equity	14	574272039	399365704	328321166
<b>Total Equity</b>		<b>635802789</b>	<b>457396454</b>	<b>386351916</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
Borrowings	15	37408610	0	0
Deposits	16	134334	134334	134334
Provisions	17	0	7504610	7409310
Deferred tax liabilities (Net)	18	41075866	20995511	18695010
Other Non Current Liability				
<b>Total Non-current liabilities</b>		<b>78618810</b>	<b>28634455</b>	<b>26238654</b>

CONSOLIDATED BALANCE SHEET



**CONSOLIDATED BALANCE SHEET AS ON 31st MARCH, 2018**

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Current liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	19	102264126	66434566	67424323
Trade payables	20	272268926	242828584	192724135
Other Financial Liabilities	21	75195681	4373381	5596863
Other Current liabilities	22	311003044	257620040	147689912
Provisions	23	44482438	14683751	15219210
Income Tax Liability (Net)		46806783	36981621	31234857
<b>Total current liabilities</b>		<b>852020999</b>	<b>622921943</b>	<b>459889300</b>
<b>Total Liabilities</b>		<b>930639809</b>	<b>651556398</b>	<b>486127954</b>
<b>Total Equity and Liabilities</b>		<b>1566442598</b>	<b>1108952852</b>	<b>872479870</b>

Significant Accounting Policies and The accompanying Notes 1 to 37 are an integral Part of the Consolidated Financial Statements.

As per our report of even date

For and on behalf of the Board

For, Pankaj K Shah Associates  
Chartered Accountants  
FRN : 107352W

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

(K. C. Doshi)  
Whole Time Director  
DIN : 00025581

( Pankaj K Shah )  
Proprietor  
Membership No.:- 034603

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

(Vijay Jadeja)  
Company Secretary  
Mem. No. A31035

Date : 27th May, 2018  
Place : Ahmedabad

Date : 27th May, 2018  
Place : Veraval (Shapar), Rajkot

**STATEMENT OF CONSOLIDATED PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	Notes	As at 31st March, 2018	As at 31st March, 2017
<b>INCOME</b>			
Revenue from operations	24	1629867760	1335340165
Other Income	25	9558136	9870574
<b>Total Income</b>		<b>1639425896</b>	<b>1345210739</b>
<b>EXPENSES</b>			
Cost of Material Consumed		1088326756	803831293
Changes in Inventories of Finished Goods,	26	-130023950	-51171942
<b>Work-in-Progress and Stock-in-Trade</b>			
Excise duty and service tax		11218325	89174394
Employee Benefits Expense	27	146070924	114327771
Finance Costs	28	9972367	9325899
Depreciation / Amortisation of Expense	1	28054333	25376991
Other Expenses	29	281980015	244086051
<b>Total Expenses</b>		<b>1435598771</b>	<b>1234950457</b>
<b>Profit Before Tax</b>		<b>203827126</b>	<b>110260283</b>
<b>Tax Expenses</b>			
Current Tax		46835823	36981621
Deferred Tax		20080355	2300501
<b>Profit after tax</b>		<b>136910948</b>	<b>70978161</b>
<b>Other comprehensive income:</b>			
i. Items that will not be reclassified to Statement of Profit and Loss		-1735085	66378
ii. Items that will be reclassified to Statement of Profit and Loss		0	0
<b>Total comprehensive income for the year</b>		<b>135175863</b>	<b>71044539</b>
<b>Earnings per equity share of face value of Rs. 1 each</b>			
Basic		3.43	1.90
Diluted		3.43	1.90

Significant Accounting Policies and The accompanying Notes 1 to 37 are an integral Part of the Standalone Financial Statements

As per our report of even date

For, Pankaj K Shah Associates  
Chartered Accountants  
FRN : 107352W

( Pankaj K Shah )  
Proprietor  
Membership No.:- 034603

Date : 27th May, 2018  
Place : Ahmedabad

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

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

Date : 27th May, 2018  
Place : Veraval (Shapar), Rajkot

For and on behalf of the Board

(K. C. Doshi)  
Whole Time Director  
DIN : 00025581

(Vijay Jadeja)  
Company Secretary  
Mem. No. A31035

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	As at 31st March, 2018	As at 31st March, 2017
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax as per Statement of Profit and Loss</b>	<b>203827126</b>	<b>110260283</b>
Adjusted for:		
(Profit) / Loss on Sale / Discard of Assets (Net)	1266774	268599
Depreciation / Amortisation and Depletion Expense	28054333	25376991
Unrealised Loss / (Gain) on Exchange Difference	4204552	0
Unrealised (Gain) / Loss of Fair Value of Investment	-185045	-178812
Dividend Income	-6465141	-649925
Interest Income	-3514082	-3217895
Finance costs	9972367	9325899
<b>Operating Profit before Working Capital Changes</b>	<b>237160884</b>	<b>141185141</b>
Adjusted for:		
Inventories	-304486776	-123147221
Trade receivables	192524376	-112393370
Other Current Assets / Receivables	-104575915	12646487
Trade payables	29440341	50104450
Other Current Liability / Payables	146499382	108266487
<b>Cash Generated from Operations</b>	<b>196562292</b>	<b>76661973</b>
Taxes Paid (Net)	-36865216	-31158483
<b>Net Cash flow from Operating Activities</b>	<b>159697076</b>	<b>45503490</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of tangible and intangible assets	-226341130	-79870418
Proceeds from disposal of tangible and intangible assets	5022000	405964
Net cash flow for other financial assets	-85606987	10511111
Interest Income	3514082	3217895
Dividend Income from Joint Venture	4900000	0
Sale proceeds from Investment	-13244158	13744270
Dividend Income from Others	1565141	649925
<b>Net Cash flow (Used in) Investing Activities</b>	<b>-310191051</b>	<b>-51341253</b>

**C: CASH FLOW FROM FINANCING ACTIVITIES**

Proceeds from Issue of Equity Share Capital	66890000	0
Proceeds from Long Term Borrowings	37408610	0
Short Term Borrowings (Net)	35829560	-989757
Dividends Paid (including Dividend Distribution Tax)	-23659528	0
Interest Paid	-9972367	-9325899
<b>Net Cash flow from/(Used in) Financing Activities</b>	<b>106496275</b>	<b>-10315656</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>	<b>-43997700</b>	<b>-16153419</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>100907065</b>	<b>117060483</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>56909364</b>	<b>100907065</b>

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As per our report of even date

For and on behalf of the Board

For, Pankaj K Shah Associates  
Chartered Accountants  
FRN : 107352W

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

(K. C. Doshi)  
Whole Time Director  
DIN : 00025581

(Pankaj K Shah )  
Proprietor  
Membership No.:- 034603

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

(Vijay Jadeja)  
Company Secretary  
Mem. No. A31035

Date : 27th May, 2018  
Place : Ahmedabad

Date : 27th May, 2018  
Place : Veraval (Shapar), Rajkot

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT 31ST MARCH, 2017	EQUITY SHARE CAPITAL			OTHER EQUITY			TOTAL
	Issued, Subscribed & Paid up Capital	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	OCI	
Balance at the beginning of the reporting period	58030750	2625456	55489163	38537443	231669104	0	<b>386351916</b>
Equity Shares issued during the year	0	0	0	0	0	0	<b>0</b>
Total Comprehensive income for the year	0	0	0	0	70978161	66378	<b>71044539</b>
Dividends	0	0	0	0	0	0	<b>0</b>
Transfer to Retained Earning	0	0	0	0	0	0	<b>0</b>
<b>Balance at the end of the reporting period</b>	<b>58030750</b>	<b>2625456</b>	<b>55489163</b>	<b>38537443</b>	<b>302647265</b>	<b>66378</b>	<b>457396454</b>

AS AT 31ST MARCH, 2018	EQUITY SHARE CAPITAL			OTHER EQUITY			TOTAL
	Issued, Subscribed & Paid up Capital	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	OCI	
Balance at the beginning of the reporting period	58030750	2625456	55489163	38537443	302647265	66378	<b>457396454</b>
Equity Shares issued during the year	3500000	0	63390000	0	0	0	<b>66890000</b>
Total Comprehensive income for the year	0	0	0	0	136910948	(1735085)	<b>135175863</b>
Dividends	0	0	0	0	(23659528)	0	<b>(23659528)</b>
Transfer to Retained Earning	0	0	0	0	0	0	<b>0</b>
<b>Balance at the end of the reporting period</b>	<b>61530750</b>	<b>2625456</b>	<b>118879163</b>	<b>38537443</b>	<b>415898684</b>	<b>(1668707)</b>	<b>635802789</b>

As per our report of even date

For and on behalf of the Board

For, Pankaj K Shah Associates  
Chartered Accountants  
FRN : 107352W

( Pankaj K Shah )  
Proprietor  
Membership No.:- 034603

Date : 27th May, 2018  
Place : Ahmedabad

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

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

Date : 27th May, 2018  
Place : Veraval (Shapar), Rajkot

(K. C. Doshi)  
Whole Time Director  
DIN : 00025581

(Vijay Jadeja)  
Company Secretary  
Mem. No. A31035

## Notes to the Consolidated Financial Statements for the year ended on 31st March, 2018

### A Group Information

The consolidated financial statements comprise financial statement of Rajoo Engineers Limited and its Joint Venture Entity hereinafter referred as "The Group".

#### Group Structure:

Name of The Company	Country of Incorporation	Share Holding as at	
		31.03.2018	31.03.2017
Jointly Controlled Entity			
Rajoo Bausano Pvt. Ltd.	India	49.00%	49.00%

### B Significant Accounting Policies

#### B.1 Basis of Preparation of Financial Statements

**Statement of Compliance with Indian Accounting Standards (IND AS):** The financial statements have been prepared in accordance with IND AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act and other accounting principles generally accepted in India. These are the Company's first IND AS Financial Statements. The date of transition to IND AS is 1st April, 2016.

Up to the financial year ended on 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of the previous applicable GAAP, which included the Standards notified under the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Act and other relevant provisions of the Act.

**First time adoption:** In accordance with IND AS 101 on First-time adoption of Indian Accounting Standards, the Company's first IND AS financial statements include, three balance sheets viz. the opening balance sheet as at 1st April, 2016 and balance sheets as at 31st March, 2017 and 2018, and, two statements each of profit and loss, cash flows and changes in equity for the years ended 31st March, 2017 and 2018 together with related notes. The same accounting policies have been used for all periods presented, (except where the company has made use of exceptions and exemptions allowed under IND AS 101 in the preparation of the opening IND AS balance sheet which have been disclosed in note: C)

#### B.2 Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis.

Investments in joint operations are accounted using the Proportionate Consolidation Method as per Ind AS 111 – Joint Arrangements.

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.

All other significant accounting policies are set out under "Significant Accounting Policies" as given in the Company's Standalone financial statements.

### C First Time Adoption of IND AS

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2015. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

## **Notes to the Consolidated Financial Statements for the year ended on 31st March, 2018**

### **C.1 Exemptions from retrospective application**

#### **C.1.1 Business combination exemption**

The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to April 1, 2015 (the "Transition Date"), pursuant to which goodwill/capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date.

#### **C.1.2 Fair value as deemed cost exemption**

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date.

#### **C.1.3 Classification and measurement of Financial Assets**

The Company has classified and measured the financial assets on the basis of facts and circumstances that exist at the date of transition to Ind As.

The Remaining mandatory exceptions either do not apply or are not relevant to the company.



## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 1. PROPERTY, PLANT & EQUIPMENT

<----- GROSS BLOCK ----->									
	As at 01.04.2016	Impact on Ind as Transition	Addition during the Year	Deduction / Sold during the year	As at 01.04.2017	Impact on Ind as Transition	Addition during the Year	Deduction / Sold during the year	As at 31.03.2018
<b>TANGIBLE ASSETS</b>									
LAND	3404187	0	31696810	0	35100997	0	0	0	35100997
BUILDING	85108451	0	75703279	0	160811729	0	123974	1905533	159030170
SITE DEVELOPMENT	457899	0	0	0	457899	0	0	0	457899
PLANT & MACHINERY	131935517	0	5352508	805591	136482433	0	194452220	8440284	322494369
ELECTRIFICATION	8662156	0	619851	4555	9277451	0	18375	0	9295826
OFFICE EQUIPMENT	18409078	0	3934259	6300	22337036	0	165382	0	22502418
FURNITURE AND FIXTURE	12793998	0	4671445	131394	17334049	0	472170	0	17806219
FIRE FIGHTING EQUIPMENT	74934	0	0	0	74934	0	0	0	74934
COMPUTER	36434004	0	716062	290000	36860066	0	7657484	0	44517550
VEHICLES	26390286	0	7088266	612469	32866083	0	3631679	1985016	34512747
<b>Total A</b>	<b>323670509</b>	<b>0</b>	<b>129782479</b>	<b>1850309</b>	<b>451602678</b>	<b>0</b>	<b>206521284</b>	<b>12330833</b>	<b>645793129</b>
<b>INTANGIBLE ASSETS</b>									
GOODWILL (MERGER)	5661285	0	0	0	5661285	0	0	0	5661285
SOFTWARE	80451	0	44380	0	124831	0	12024251	0	12149082
TRADEMARK & PATENT	36143000	0	0	0	36143000	0	0	0	36143000
<b>Total B</b>	<b>41884736</b>	<b>0</b>	<b>44380</b>	<b>0</b>	<b>41929116</b>	<b>0</b>	<b>12024251</b>	<b>0</b>	<b>53953367</b>
<b>TOTAL - [A + B]</b>	<b>365555245</b>	<b>0</b>	<b>129826859</b>	<b>1850309</b>	<b>493531794</b>	<b>0</b>	<b>218545535</b>	<b>12330833</b>	<b>699746496</b>
<b>CAPITAL - WORK IN PROCESS</b>	<b>64572660</b>		<b>14616219</b>	<b>64572660</b>	<b>14616219</b>		<b>21536346</b>	<b>13740751</b>	<b>22411814</b>

<----- DEPRECIATION / AMORTIZATION / DEPLETION ----->									
	As at 01.04.2016	Impact on Ind as Transition	Addition/ Adjustment during the Year	Deduction / Sold during the year	As at 01.04.2017	Impact on Ind as Transition	Addition/ Adjustment during the Year	Deduction / Sold during the year	As at 31.03.2018
<b>TANGIBLE ASSETS</b>									
LAND	0	0	0	0	0	0			0
BUILDING	25239219	0	4975878	0	30215097	0	4357182	437645	34134634
SITE DEVELOPMENT	213188	0	27727	0	240915	0	24270	0	265185
PLANT & MACHINERY	62210651	0	8748565	268488	70690728	0	11948247	4515175	78123800
ELECTRIFICATION	6233285	0	369323	4327	6598281	0	309936	0	6908218
OFFICE EQUIPMENT	10774030	0	3154679	5985	13922724	0	2222199	0	16144923
FURNITURE AND FIXTURE	8052845	0	1382311	29800	9405356	0	1020094	0	10425450
FIRE FIGHTING EQUIPMENT	74934	0	-2273	0	72661	0	0	0	72661
COMPUTER	36405608	0	-1922792	275500	34207316	0	2571738	0	36779055
VEHICLES	9090563	0	4976395	591649	13475309	0	3084530	1089239	15470599
<b>Total A</b>	<b>158294322</b>	<b>0</b>	<b>21709814</b>	<b>1175749</b>	<b>178828387</b>	<b>0</b>	<b>25538196</b>	<b>6042059</b>	<b>198324524</b>
<b>INTANGIBLE ASSETS</b>									
GOODWILL (MERGER)	2138707	0	0	0	2138707	0	0	0	2138707
SOFTWARE	34126	0	42153	0	76279	0	785041	0	861319
TRADEMARK & PATENT	21642900	0	3625025	0	25267925	0	1731096	0	26999021
<b>Total B</b>	<b>23815733</b>	<b>0</b>	<b>3667178</b>	<b>0</b>	<b>27482911</b>	<b>0</b>	<b>2516137</b>	<b>0</b>	<b>29999047</b>
<b>TOTAL - [A + B]</b>	<b>182110055</b>	<b>0</b>	<b>25376991</b>	<b>1175749</b>	<b>206311297</b>	<b>0</b>	<b>28054333</b>	<b>6042059</b>	<b>228323571</b>

	As At 01-04-2016	NET BLOCK As at 01-04-2017	As at 31-03-2018
<b>TANGIBLE ASSETS</b>			
LAND	3404187	35100997	35100997
BUILDING	59869232	130596632	124895536
SITE DEVELOPMENT	244711	216984	192714
PLANT & MACHINERY	69724867	65791706	244370569
ELECTRIFICATION	2428871	2679170	2387609
OFFICE EQUIPMENT	7635048	8414312	6357495
FURNITURE AND FIXTURE	4741154	7928693	7380769
FIRE FIGHTING EQUIPMENT	0	2273	2273
COMPUTER	28396	2652750	7738495
VEHICLES	17299723	19390775	19042148
<b>TOTAL - A</b>	<b>165376187</b>	<b>272774291</b>	<b>447468605</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

INTANGIBLE ASSETS			
GOODWILL (MERGER)	3522578	3522578	3522578
SOFTWARE	46325	48552	11287763
TRADEMARK & PATENT	14500100	10875075	9143979
<b>Sub Total B</b>	<b>18069003</b>	<b>14446205</b>	<b>23954320</b>
<b>TOTAL - [A + B]</b>	<b>183445190</b>	<b>287220497</b>	<b>471422925</b>
<b>CAPITAL - WORK IN PROCESS</b>	<b>64572660</b>	<b>14616219</b>	<b>22411814</b>

## 2. Non-current Investments

	As At 31-03-2018		As At 31-03-2017		As At 01-04-2016	
	UNIT	AMOUNT	UNIT	AMOUNT	UNIT	AMOUNT
<b>Investment measured at Fair Value through Profit and Loss Account</b>						
<b>In Equity shares</b>						
<b>Unquoted, Fully Paid up</b>						
BPL Engineering Limited of Rs. 10 each.	2500	0	2500	0	2500	0
<b>Quoted, Fully Paid up</b>						
Windsor Machines Limited of Rs. 2 each.	470	44885	470	30245	470	16450
Kabra Extrusion Technic Limited of Rs. 5 each.	3200	380160	3200	355200	3200	266560
<b>Total Investments measured at Fair Value through Profit &amp; Loss Account</b>		<b>425045</b>		<b>385445</b>		<b>283010</b>
<b>TOTAL NON-CURRENT INVESTMENTS</b>		<b>425045</b>		<b>385445</b>		<b>283010</b>

## Category-wise Non-current investment

	As At 31-03-2018	As At 31-03-2017	As At 01-04-2016
	AMOUNT	AMOUNT	AMOUNT
<b>Investments measured at Fair Value through Profit &amp; Loss Account</b>	<b>425045</b>	<b>385445</b>	<b>283010</b>
<b>TOTAL NON-CURRENT INVESTMENTS</b>	<b>425045</b>	<b>385445</b>	<b>283010</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 3. LOANS

(Unsecured, Considered good unless otherwise stated)

	As At 31-03-2018	As At 31-03-2017	As At 01-04-2016
	AMOUNT	AMOUNT	AMOUNT
<b>Security Deposits</b>			
Utility Service Deposit	2605938	2572654	1452864
Gas Cylinder Deposit	195675	169675	180675
Sales Tax Deposit	29900	29900	29900
Other Deposit	1427189	1189404	1204692
Ahmedabad Office Maintenance Deposit	71550	71550	71550
Ashray Home Owners Maintenance Deposit	95000	95000	95000
<b>Total</b>	<b><u>4425252</u></b>	<b><u>4128183</u></b>	<b><u>3034681</u></b>

### 4. OTHER NON-CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

	As At 31-03-2018	As At 31-03-2017	As At 01-04-2016
	AMOUNT	AMOUNT	AMOUNT
Capital Advances	6603219	0	8913853
Unamortized Expenses	0	651548	1303096
<b>Total</b>	<b><u>6603219</u></b>	<b><u>65154</u></b>	<b><u>10216949</u></b>

### 5. INVENTORIES

(Cost or net realizable value, whichever is lower)

	As At 31-03-2018	As At 31-03-2017	As At 01-04-2016
	AMOUNT	AMOUNT	AMOUNT
Raw Materials & Components			
Indigenous	267554183	96993282	51275072
Imported	44315815	47288993	23638657
Testing Materials	7109504	2166139	1500000
Consumable Stores	7072332	4996611	2200000
Scrap	0	143984	1000000
Stock in Process	250221391	120197440	67225498
Finished Goods	12073420	1207342	13873420
<b>Total</b>	<b><u>588346644</u></b>	<b><u>283859869</u></b>	<b><u>160712648</u></b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 6. CURRENT INVESTMENT

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
<b>Investments measured at fair value through Profit and Loss Account In Mutual Fund Quoted</b>			
Axis Treasury Advantage Fund	7232070	258357	15551616
Axis Liquid Opportunity Fund	6170928	0	0
Axis Fixed Income Opportunity Fund	1648506	1548989	0
<b>Total</b>	<b>15051503</b>	<b>1807346</b>	<b>15551616</b>

### Category-wise Non-current investment

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
<b>Investment measured at Cost</b>	0	0	0
<b>Investment measured at Fair value through Profit and Loss Account</b>	15051503	1807346	15551616
<b>Total Non Current Investment</b>	<b>15051503</b>	<b>1807346</b>	<b>15551616</b>

### 7. TRADE RECEIVABLE (Unsecured, considered good unless otherwise stated)

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Others	43378847	149475490	82055796
Outstanding exceeding Six Months	3247759	93880043	48906368
<b>Total</b>	<b>46626605</b>	<b>243355533</b>	<b>130962164</b>

### 8. CASH & CASH EQUIVALENTS

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Cash on Hand	1472621	2155960	3194168
Balance with Bank	55436743	98751104	113866315
<b>Total</b>	<b>56909364</b>	<b>100907065</b>	<b>117060483</b>

### 8.1 Balance with Bank includes Rs. 2091005 towards unclaimed dividend

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 9. OTHER BANK BALANCES

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Deposits held with Bank	91026763	5419776	15930887
<b>Total</b>	<b>91026763</b>	<b>5419776</b>	<b>15930887</b>

9.1 Deposits held with banks to the extent Rs. 3666890 held as margin money

### 10. LOANS

(Unsecured, Considered good unless otherwise stated)

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Loans to Employees	488542	429570	838588
<b>Total</b>	<b>488542</b>	<b>429570</b>	<b>838588</b>

### 11. OTHER FINANCIAL ASSETS

(Unsecured, Considered good unless otherwise stated)

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Accrued Interest	150373	0	0
<b>Total</b>	<b>150373</b>	<b>0</b>	<b>0</b>

### 12. OTHER CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
<b>Receivable from</b>			
Income Tax Authority	62836084	32806184	34661116
Sales Tax Authority	8030001	5987809	11618358
GST / Excise / Service Tax	131913179	34626398	19926588
Export Incentives Receivable	20376075	7010309	12609369
Prepaid Custom Duty	2571567	2571567	0
Prepaid Insurance / Expenses	8728787	7044947	7320345
Advance to Suppliers	23467416	73941790	35178446
Advance to Employees	0	500000	18000
Other Advances	4631439	1682798	48538772
<b>Total</b>	<b>262554548</b>	<b>166171802</b>	<b>169870994</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 13. EQUITY SHARE CAPITAL

	As At 31-03-2018		As At 31-03-2017		As At 01-04-2016	
	UNIT	AMOUNT	UNIT	AMOUNT	UNIT	AMOUNT
<b>Authorised Share Capital</b>						
Equity Share of Rs. 1 Each	77000000	77000000	77000000	77000000	77000000	77000000
<b>Issued, Subscribed &amp; Paid up Capital</b>						
Equity Share of Rs. 1 Each	61530750	61530750	58030750	58030750	58030750	58030750
<b>Total</b>		<b>61530750</b>		<b>58030750</b>		<b>58030750</b>

#### 13.1 The reconciliation of the number of shares outstanding:

	As At 31-03-2018		As At 31-03-2017		As At 01-04-2016	
	No. of Shares		No. of Shares		No. of Shares	
Equity Share at the beginning of the year	58030750		58030750		58030750	
Add : Issued during the year	3500000		0		0	
<b>Equity Share at the end of the year</b>	<b>61530750</b>		<b>58030750</b>		<b>58030750</b>	

#### 13.2 Terms/rights attached to Equity Shares

- The Company has only one class of issued Equity Shares having a par value of Rs. 1 per share. Each shareholder is eligible for one vote per share held.
- In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the company after distribution of all preferential amounts, in proportion of their shareholding.

#### 13.3 The details of shareholders holding more than 5% shares

NAME	As At 31-03-2018		As At 31-03-2017		As At 01-04-2016	
	UNIT	PERCENTAGE	UNIT	PERCENTAGE	UNIT	PERCENTAGE
Devayani Chandrakant Doshi	5862560	9.53%	5862560	10.10%	5862560	10.10%
Khushboo Chandrakant Doshi	4867042	7.91%	4867042	8.39%	4867042	8.39%
Pallav Kishorbhai Doshi	4826609	7.84%	4826609	8.32%	4826609	8.32%
Rita Rajesh Doshi	4513440	7.34%	4513440	7.78%	4513440	7.78%
Nita Kishorbhai Doshi	3884600	6.31%	3884600	6.69%	3884600	6.69%
Kruti Rajeshbhai Doshi	3144132	5.11%	3144132	5.42%	3144132	5.42%
Rajesh Nanalal Doshi	-	-	2940200	5.07%	2940200	5.07%

#### 13.4 In the Period of five years immediately preceding 31st March, 2018

The Company has not issued Bonus shares and bought back any equity shares during the period of five years immediately preceding the Balance sheet date. However, the Company has allotted 21318000 equity shares for consideration other than cash pursuant to the scheme of amalgamation during F.Y. 2013-14

# Notes to the Audited Financial Statements for the year ended on 31st March, 2018

## 14. OTHER EQUITY

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
<b>Capital Reserve</b>			
Opening Balance	2625456	2625456	
Add : Addition During the year	0	0	
	<b>2625456</b>	<b>2625456</b>	<b>2625456</b>
<b>Securities Premium</b>			
Opening Balance	55489163	55489163	
Add : Addition During the year	63390000	0	
	<b>118879163</b>	<b>55489163</b>	<b>55489163</b>
<b>General Reserve</b>			
Opening Balance	38537443	38537443	
Add : Transferred from Retained Earning	0	0	
	<b>38537443</b>	<b>38537443</b>	<b>38537443</b>
<b>Retained Earnings</b>			
Opening Balance	302647265	231669104	
Add : Profit for the year	136910948	70978161	
	<b>439558212</b>	<b>302647265</b>	
Less : Appropriations			
Dividend on Equity Shares	20655213		
Dividend Distribution Tax	3004315		
	<b>415898684</b>	<b>302647265</b>	<b>231669104</b>
<b>Other Comprehensive Income ( OCI )</b>			
Opening Balance	66378	0	
Add : Movement in OCI (Net) during the year	-1735085	66378	
	<b>-1668707</b>	<b>66378</b>	<b>0</b>
<b>TOTAL</b>	<b>574272039</b>	<b>399365704</b>	<b>328321166</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 15. BORROWING - NON CURRENT

	As At 31-03-2018		As At 31-03-2017		As At 01-04-2016	
	NON - CURRENT AMOUNT	CURRENT AMOUNT	NON - CURRENT AMOUNT	CURRENT AMOUNT	NON - CURRENT AMOUNT	CURRENT AMOUNT
<b>Secured - at Amortized Cost</b>						
Term Loan from Bank	37408610	9149992	0	0	0	0
<b>TOTAL</b>	<b>37408610</b>	<b>9149992</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Note :

(Secured against pari pasu charge over entire movable fixed Assets by way of hypothecation and equitable mortgage of Factory Land & Building at Manavadar and Veraval (Shapar), Rajkot and also extension of hypothecation of current assets both present and future)

### 16. DEPOSITS

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Deposits from corporates	134334	134334	134334
<b>TOTAL</b>	<b>134334</b>	<b>134334</b>	<b>134334</b>

### 17. PROVISIONS - NON-CURRENT

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
<b>Provisions for Employees Benefit</b>			
Compensated Absence	0	7504610	7409310
	<b>0</b>	<b>7504610</b>	<b>7409310</b>

### 18. DEFERRED TAX LIABILITY (NET)

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Opening Balance	20995511	18695010	
Charge / (Credit) to Statement of Profit & Loss	20080355	2300501	
<b>At the end of year</b>	<b>41075866</b>	<b>20995511</b>	<b>18695010</b>

### 19. BORROWING - CURRENT

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
<b>Secured - at Amortized Cost Loan Repayable on Demands</b>			
From Bank	102264126	66434566	67424323
<b>TOTAL</b>	<b>102264126</b>	<b>66434566</b>	<b>67424323</b>

#### Note :

(Secured against pari pasu charge over entire Current Assets, both present and future, secured by way of hypothecation and equitable mortgage of Factory Land & Building at Manavadar and Veraval (Shapar), Rajkot. Further, Secured by way of hypothecation of plant & machinery of the Company both present and future.)



## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 20. TRADE PAYABLE

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Micro, Small and Medium Enterprises	52481121	46106436	1794231
Others	219787804	196722148	190929904
<b>TOTAL</b>	<b>272268926</b>	<b>242828584</b>	<b>192724135</b>

### 21. OTHER FINANCIAL LIABILITY

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Current maturities of Long Term Debt (Refer Note no. 15)	9149992	0	0
Trade Payable for Capital Goods	61567759	505603	4094926
Unclaimed Dividend	2091005	2091005	0
Security Deposits	2386925	1776773	1501937
<b>TOTAL</b>	<b>75195681</b>	<b>4373381</b>	<b>5596863</b>

### 22. OTHER CURRENT LIABILITY

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
Advance Received against Orders	296001929	253970925	145417548
Service Tax Payable	0	1274843	394616
T.C.S. Payable	2535	2664	0
T.D.S. Payable	3472916	2294748	1740481
Professional Tax Payable	184862	76860	137266
GST Payable	11340802	0	0
<b>TOTAL</b>	<b>311003044</b>	<b>257620040</b>	<b>147689912</b>

### 23. PROVISIONS – CURRENT

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT	As At 01-04-2016 AMOUNT
<b>Provisions for Employee Benefits</b>			
Salaries	18793434	8325515	7406067
Bonus to Staff	1494944	1247587	1266568
Provident Fund	852025	728916	647353
Leave Encashment	1434363	0	0
<b>Other provisions</b>			
Audit Fees	147250	144175	140500
Royalty on Sales	623263	645590	406774
Selling Commission	2736838	2672128	2599539
Telephone Expenses	0	1154	1190
Other Expenses	1395901	879581	2620010
Warranty	16660346	0	0
Clearing & Forwarding Expenses	344073	39105	131209
<b>TOTAL</b>	<b>44482438</b>	<b>14683751</b>	<b>15219210</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 24. REVENUE FROM OPERATIONS

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT
<b>Sale of Products</b>		
Domestic	925154301	897881832
Exports	648333197	405553494
	<b>1573487497</b>	<b>1303435326</b>
<b>Sale of Services</b>		
Domestic	4884322	3693639
Exports	684089	6117193
	<b>5568411</b>	<b>9810832</b>
<b>Other operating Revenue</b>		
Jobwork Income	0	8500
Deposit Forefeited	10001120	2753333
Net Foreign Exchange Difference	516926	9094492
Net gain from expenses recovered	7943189	51756
Export Incentives	32350616	10185926
	<b>50811851</b>	<b>22094007</b>
<b>TOTAL</b>	<b>1629867760</b>	<b>1335340165</b>

### 25. OTHER INCOME

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT
<b>Interest</b>		
Bank Deposits	3312091	3217895
Other Financial Assets carried at Amortized Cost	17096	0
Others	184895	0
	<b>3514082</b>	<b>3217895</b>
<b>Dividend Income</b>	6465141	649925
<b>Gain on Financial Assets</b>	185045	178812
<b>Other Non - Operating Income</b>		
Net Gain / (Loss) on sale of Fixed Assets	-1266774	-268599
Excess Provision of Income Tax W/off	26246	0
Miscellaneous Credits	34396	477974
Selling Commission Received	0	5014568
Rent Income	600000	600000
<b>TOTAL</b>	<b>9558136</b>	<b>9870574</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT
<b>Inventories (at close)</b>		
Finished Goods	1207342	12073420
Work-in-Progress	250221391	120197440
<b>TOTAL</b>	<b>262294811</b>	<b>132270860</b>
<b>Inventories (at commencement)</b>		
Finished Goods	1207342	13873420
Work-in-Progress	120197440	67225498
	<b>132270860</b>	<b>81098918</b>
<b>TOTAL</b>	<b>-130023950</b>	<b>-51171942</b>

### 27.EMPLOYEE BENEFITS EXPENSE

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT
Salaries and Wages	128410097	97921866
Contribution to Provident Fund and Other Funds	7304186	7315596
Staff Welfare Expenses	10356641	9090308
<b>TOTAL</b>	<b>146070924</b>	<b>114327771</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 28. FINANCE COST

	As At 31-03-2018 AMOUNT	As At 31-03-2017 AMOUNT
Interest Expenses Paid		
Bank	6655078	5802724
Others	591869	265746
Bank Commission / Charges	3534803	6068470
(Gain) / Loss on Foreign Currency Transaction	-809383	1937234
		1320195
<b>TOTAL</b>	<b>9972367</b>	<b>9325899</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### Note - 29 : Other Expenses

	31.03.2018 (AMOUNT)	31.03.2017 (AMOUNT)
Packing Materials Consumed	13500624	10471934
Stores, Spares & Tools Consumed	187946	55147
Power & Fuel	17359094	11422896
Labour Charges	21806565	22465274
Repairs		
Machinery	3003712	644765
Building	1537601	943692
Others	527337	360553
Clearing & Forwarding Charges	10906480	5634130
Freight and Cartage	18885767	7234782
Insurance	1963801	1237005
Rent, Rates & Taxes	4557054	4497305
Postage and Telephone	1133136	1190822
Stationery & Printing	917199	915179
Advertisement & Sales Promotion Expense	32345681	50622875
Commission		
Domestic	6002724	4541424
Overseas	13821497	10680169
Legal & Professional Fees	4101566	2670440
Donation	873100	318700
CSR Expense	1627706	1205665
Travelling Expenses		
Domestic	2856031	3159387
Foreign	4355314	2571329
Business Promotion	1284380	2530904
Sales Tax Paid	1011842	892982
Excise & Service Tax Expenses	4125488	484297
Penalty Exp	400628	7792
Computer Maintenance & Other Expenses	5658828	4377984
Income Tax Expenses	202624	2000
Payment to Auditors	191000	245925
Bad debts Written off	471796	32443260
Royalty Expense	5268598	4499886
Warranty Expenses	16660346	0
Job Work Charges	49455913	31892658
Consultancy and contractors expenses	6511701	2136390
Research & Development	3872844	0
Miscellaneous Expense	24594093	21728501
<b>Total</b>	<b>281980015</b>	<b>244086051</b>

### 30. DEPRECIATION

The Jointly Controlled Entity has changed method of depreciation from Written Down Value to Straight Line Method from F.Y. 2017-18. Effect on Statement of Profit and Loss on account of the change is as under:

Depreciation as per WDV Method	Rs. 12,18,661/-
Depreciation provided as per SLM Method	Rs. 5,00,019/-
Overstatement of Profit due to such change	<b>Rs. 7,18,642/-</b>

**However, Net effect due to change in method of depreciation to the company will be to the extent Rs. 3,52,135 i.e. 49% of Rs. 718642**

**Notes to the Audited Financial Statements for the year ended on 31st March, 2018**
**31. EARNINGS PER SHARE (EPS)**

	31.03.2018 (AMOUNT)	31.03.2017 (AMOUNT)
Net Profit after Tax as per Statement of Profit and Loss Attributable to Equity Shareholders	203827125	110260282
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	59344449	58030750
<b>BASIC EPS</b>	<b>3.43</b>	<b>1.90</b>
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	59344449	58030750
<b>Diluted EPS</b>	<b>3.43</b>	<b>1.90</b>

**32. CONTINGENT LIABILITIES AND COMMITMENTS**

	31.03.2018 (AMOUNT)	31.03.2017 (AMOUNT)
<b>(I) Contingent Liability</b>		
A. Claim against the company / disputed liabilities not acknowledged as debt	86713350	105469219
B. Guarantees		
I. Guarantees to Bank and Financial Institution against Credit Facilities extended to third parties and other Guarantees	0	0
II. Performance Guarantees	0	0
III. Outstanding Guarantees furnished to Bank or financial institution including in respect of Letter of Credit	0	0
C. Other Money for which the company is contingent liable	0	0
I. Pending C-Form	2888280	5596558
II. Liability in respect of bills discounted with Banks ( Including third party bills discounting)	82419880	0
III. Customs Duty Obligations towards EPCG License	30402115	0
<b>(ii) Commitment</b>		
A. Estimated amount of contract remaining to be executed on capital account and not provided for (Net of Advances)	3888000	0
B. Other Commitment	0	0

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 33. FINANCIAL INSTRUMENTS

#### Valuation

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- The fair value of investment in quoted Equity Shares is measured at quoted price or NAV.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

#### Fair value measurement hierarchy:

Particulars	<----- As at 31/03/2018 ----->			<----- As at 31/03/2017 ----->			<----- As at 1/04/2016 ----->		
	Carrying Amount	Level of input used in		Carrying Amount	Level of input used in		Carrying Amount	Level of input used in	
		Level 1	Level 2		Level 1	Level 2		Level 1	Level 2
<b>Financial Assets</b>									
At Amortized Cost									
Loans	4913794	0	0	4557753	0	0	3873268	0	0
Trade receivables	46626605	0	0	243355533	0	0	130962164	0	0
Cash and cash equivalents	56909364	0	0	100907065	0	0	117060483	0	0
Other Bank Balances	91026763	0	0	5419776	0	0	15930887	0	0
Other Financial Assets	150373	0	0	0	0	0	0	0	0
<b>At FVTPL</b>									
Investments	0	15476548	0	19600000	2192790	0	0	15834626	0
<b>Financial Liabilities</b>									
<b>At Amortized Cost</b>									
Borrowings	139672737	0	0	66434566	0	0	67424323	0	0
Trade Payables	272268926	0	0	242828584	0	0	192724135	0	0
Other Financial Liabilities	75195681	0	0	4373381	0	0	5596863	0	0

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

**Level 2:** Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

### 34. SEGMENT REPORTING:

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

#### 1. Primary Segment Information:

The Group is engaged in the business of Manufacturing Plastic Processing Extrusion Machineries, which is the only operating segment.

#### 2. Secondary Segment Information :

	AS AT 31.03.2018 (AMOUNT)	AS AT 31.03.2017 (AMOUNT)
1. Segment Revenue - External Turnover		
Within India	930038623	901575471
Outside India	649017286	411670687
<b>TOTAL</b>	<b>1579055908</b>	<b>1313246158</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### 35. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on May 27, 2018.

### 36. FIRST TIME IND AS ADOPTION RECONCILIATIONS

a. Effect of Ind AS adoption on the consolidated balance sheet as at 31st March, 2017 and 1st April, 2016

	AS PER GAAP As at 31st March, 2017	Adjustment of IND AS	AS PER IND AS As at 31st March, 2017	AS PER GAAP As at 1st April, 2016	Adjustment of IND AS	AS PER IND AS As at 1st April, 2016
<b>Non-current assets</b>						
Property, plant and equipment	272774291	0	272774291	165376187	0	165376187
Capital Work-in-Progress	14616219	0	14616219	64572660	0	64572660
Intangible assets	13942982	503223	14446205	18069003	0	18069003
Intangible assets under development			0			0
Financial Assets						
Investments	214200	171245	385445	214200	68810	283010
Loans	4128183	0	4128183	3034681	0	3034681
Other Non-Current Financial Assets			0			0
Other Non-current assets	651548	0	651548	10216949	0	10216949
<b>Total Non-Current assets</b>	<b>306327423</b>	<b>674468</b>	<b>307001891</b>	<b>261483680</b>	<b>68810</b>	<b>261552490</b>
<b>Current assets</b>						
Inventories	283859869	0	283859869	160712648	0	160712648
Financial Assets						
Investments	1728357	78989	1807346	15549004	2612	15551616
Trade receivables	243355533	0	243355533	130962164	0	130962164
Cash and cash equivalents	100907064	0	100907065	117060483	0	117060483
Bank Balance other than Cash and Cash Equivalents	5419776	0	5419776	15930887	0	15930887
Loans	429570	0	429570	838588	0	838588
Other Current Financial Assets		0	0		0	0
Other Current Assets	164627764	1544039	166171802	168464423	1406571	169870994
<b>Total Current Assets</b>	<b>800327933</b>	<b>1623028</b>	<b>801650961</b>	<b>609518197</b>	<b>1409183</b>	<b>610927380</b>
<b>Total Assets</b>	<b>1106655356</b>	<b>2297497</b>	<b>1108952852</b>	<b>871001877</b>	<b>1477993</b>	<b>872479870</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Equity Share capital	58030750	0	58030750	58030750	0	58030750
Other Equity	380291030	19074674	399365704	325457620	2863546	328321166
<b>Total Equity</b>	<b>438321780</b>	<b>19074674</b>	<b>457396454</b>	<b>383488370</b>	<b>2863546</b>	<b>386351916</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Financial Liabilities						
Borrowings	0	0	0	0	0	0
Deposits	134334	0	134334	134334	0	134334
Provisions	7504610	0	7504610	7409310	0	7409310
Deferred tax liabilities (Net)	20323095	672416	20995511	20080564	(1385554)	18695010
Other Non Current Liability		0			0	
<b>Total non-current liabilities</b>	<b>27962039</b>	<b>672416</b>	<b>28634455</b>	<b>27624207</b>	<b>(1385554)</b>	<b>26238654</b>

## Notes to the Audited Financial Statements for the year ended on 31st March, 2018

### Current liabilities

Financial Liabilities						
Borrowings	66434566	0	66434566	67424323	0	67424323
Trade payables	242828584	0	242828584	192724135	0	192724135
Other Financial Liabilities	4373381	0	4373381	5596863	0	5596863
Other Current liabilities	257620040	0	257620040	147689912	0	147689912
Provisions	32144869	(17461118)	14683751	15219210	0	15219210
Income Tax Liability (Net)	36970097	11524	36981621	31234857	0	31234857
<b>Total current liabilities</b>	<b>640371537</b>	<b>(17449594)</b>	<b>622921943</b>	<b>459889300</b>	<b>0</b>	<b>459889300</b>
<b>Total Liabilities</b>	<b>668333576</b>	<b>(16777178)</b>	<b>651556398</b>	<b>487513507</b>	<b>(1385554)</b>	<b>486127954</b>
<b>Total Equity and Liabilities</b>	<b>1106655356</b>	<b>2297496</b>	<b>1108952852</b>	<b>871001877</b>	<b>1477992</b>	<b>872479870</b>

### B. Reconciliation of Profit and Other Equity between Ind AS and Previous GAAP

	AS PER GAAP As at 31st March, 2017	Adjustment of IND AS	AS PER IND AS As at 31st March, 2017
<b>INCOME</b>			
<b>INCOME Revenue from operations</b>			
Sale of Products	1303435326	0	1303435326
Sale of Services	9810832	0	9810832
Other Operating Revenue	22094007	0	22094007
	1335340165	0	1335340165
Other Income	9691762	178812	9870574
<b>Total Income</b>	<b>1345031927</b>	<b>178812</b>	<b>1345210739</b>
<b>EXPENSES</b>			
Cost of Material Consumed	803831293	0	803831293
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(51171942)	0	(51171942)
Excise duty and service tax	89174394	0	89174394
Employee Benefits Expense	114398861	(71090)	114327771
Finance Costs	9325899	0	9325899
Depreciation / Amortisation and Depletion Expense	25880217	(503225)	25376991
Other Expenses	244086051	0	244086051
<b>Total Expenses</b>	<b>1235524772</b>	<b>(574315)</b>	<b>1234950457</b>
<b>Profit Before Tax</b>	<b>109507155</b>	<b>753127</b>	<b>110260283</b>
Tax Expenses			
Current Tax	36970058	11563	36981621
Deferred Tax	242532	2057970	2300501
<b>Profit for the Year</b>	<b>72294566</b>	<b>(1316405)</b>	<b>70978161</b>

### Notes :

#### - Fair valuation for Financial Assets:

The Company has valued financial assets (other than Investment in subsidiaries, associate and joint ventures which are accounted at cost), at fair value. Impact of fair value changes as on the date of transition, is recognized in opening reserves and changes thereafter are recognized in Statement of Profit and Loss or Other Comprehensive Income, as the case may be.



#### - Deferred Tax

The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to the Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss for the subsequent periods.

#### c. Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31st March, 2017

	Net Profit/As at 31st March, 2017	Other Equity As at 31st March, 2017	As at 1st April, 2016
Net Profit / Other Equity as per Previous Indian GAAP	72294566	380291028	325457619
Fair Value of Gratuity as on 01.04.2016	0	11823737	11823737
PV of DBO as on 01.04.2016	0	-10417166	-10417166
Deferred Tax	-2057970	-672416	1385554
Income Tax	-11562	-11524	
Fair Valuation for Financial Assets	178812	250233	71422
Dividend	0	17461118	0
Current Service cost of Gratuity	71090	71090	0
Depreciation on Goodwill	503225	503225	0
Actuarial Gain	0	66378	0
<b>Net Profit / Other Equity as per IND AS</b>	<b>70978161</b>	<b>399365704</b>	<b>328321166</b>

37. Previous year's figures have been regrouped / reclassified wherever required to confirmed to current year classification.

As per our report of even date

For and on behalf of the Board

For, Pankaj K Shah Associates  
Chartered Accountants  
FRN : 107352W

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

(K. C. Doshi)  
Whole Time Director  
DIN : 00025581

( Pankaj K Shah )  
Proprietor  
Membership No.:- 034603

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

(Vijay Jadeja)  
Company Secretary  
Mem. No. A31035

Date : 27th May, 2018  
Place : Ahmedabad

Date : 27th May, 2018  
Place : Veraval (Shapar), Rajkot

## TRIBUTEX

The Company's corporate social responsibility initiatives are inspired by Shri Chandrakant Doshi- Founder's conviction of being philanthropic. The Company has always endeavored to balance the environmental, economic & social arena. It also aims at supporting sustainable development, which is the central theme of the Company's corporate philosophy.

The Company is committed to making a difference in the lives of underprivileged and economically challenged citizens of our country. The Company through its CSR initiatives, assists in nurturing, developing and improving the quality of life of this class of the society and endeavours to build a human touch. CSR efforts focus on active participation of the community at all levels, including health, education, environment, women empowerment, etc. CSR initiatives are taken through "Tributex" & other non Profit organizations and in collaboration with various NGOs, Trusts, other approved entities or institutions engaged in CSR programs across India

5th January, 2018, its been 5 years, since the Company has lost its founder and visionary, but this day gives us an opportunity to revisit his memories.



Like every year, the day began with the 5 minutes of silence, prayer and floral offering to Shri C. N. Doshi by Rajoo Family. Subsequently, to express admiration to the kindness, dedication, honesty, vision, benevolence and other fine traits of Shri C. N. Doshi, Founder and Mentor, the Company staff distributed food, milk, old clothes, blankets, meals to the underprivileged people and patients of Civil Hospital, Rajkot.



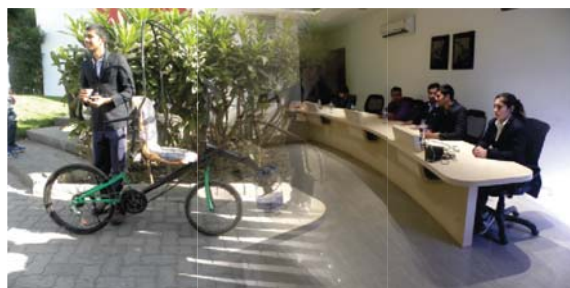
This is managed through an annual process of assessment and assurance. The model, through its regular and calibrated updates, is used by Rajoo to stay in step with the ever-changing business environment.

Under "Aarohak" – Energy Management Program initiated on the birth anniversary of our Founder & Mentor Late Shri C. N. Doshi, Rajoo employees planted more than 300 plants in the premises to commemorate their individual birthdays.

### Student's Training & Internship

Every year ,during Internship programme, we give an opportunity to more than 40 students to apply their knowledge and skills in a professional environment while still studying , and from them approx. 30% are hired.

The internship programmes are carefully planned and monitored, work experience with the goal being to gain additional knowledge from on the job exposure. With this education-industry linkage is strengthened and communication is improved.



### Women Empowerment

Gender equality is a precondition to overcoming all other issues and problems faced by our society.

Complete freedom cannot prevail unless the women of our society are free from all kinds of oppression. As a Company, we aim to promote gender equality in our society in form of various initiatives.

One of them is we provide flexible working hours and flexibility in weekly off, Transportation Facility, most suitable & friendly working environment to the women employees.

With these initiatives, our honest attempt is to empower women by making them financially independent and to help women raise their self-confidence.

Hence instilling a sense of security and self-esteem.

### Mega Cleaning Day

On 1st October, the Company celebrated the Mega Cleaning Day as a part of "Shresth" – A journey towards excellence (5s work management system) and in support of the cleanliness drive of our PM Shri Narendra Modi.

The day began by taking the pledge of maintaining/supporting the drive of cleanliness of the workplace and in day to day routines. Safety was the prime focus before starting of cleaning with an aim to "cleaning with meaning". The Staff were well equipped with cleaning tools.

The event was a grand success and active participation from each and every employee irrespective of their designations. The experience shared by various zone leaders was overwhelming. Photo Line:

While cleaning we learned the importance of our housekeeping staff and realized our duties to keep our second home clean and hygienic. We also initiated to take the cleanliness drive every day.



Form No. MGT 11  
**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](mailto:rel@rajoo.com), Web: [www.rajoo.com](http://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 31st Annual General Meeting of the Company, to be held on the 25th September, 2018 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, 2018.	For/Against
2	Declaration of dividend on Equity Shares for the F.Y. 2017-2018.	For/Against
3	Appointment of Director in place of Khushboo Chandrakant Doshi (DIN: 00025581) who is liable to retire by rotation and, being eligible, offers herself for reappointment.	For/Against
4	Appointment of Director in place of Sunil Jain (DIN: 00043541) who is liable to retire by rotation and, being eligible, offers himself for reappointment.	For/Against
SPECIAL BUSINESS		
5	Appointment of M/s. Pankaj K. Shah Associates, Chartered Accountants as Statutory Auditor of the Company.	For/Against
6	Ratification of the remuneration of M/s. Shailesh Thaker & Associates, Cost Auditors of the Company.	For/Against
7	Increase in the remuneration payable to Mr. R. N. Doshi, Chairman and Managing Director of the Company.	For/Against
8	Increase in the remuneration payable to Ms. Khushboo Chandrakant Doshi, Whole Time Director of the Company.	For/Against
9	Increase in the remuneration payable to Mr. Utsav K. Doshi, Whole Time Director of the Company.	For/Against

Signed this \_\_\_\_ day of \_\_\_\_ 2018

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

- 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 jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

Signature of the  
proxy holder(s)  
Affix Re.1  
Revenue Stamp



**RAJOO ENGINEERS LIMITED**  
(CIN:L27100GJ1986PLC009212)

Registered Office: Junagadh Road, Manavadar - 362630 Dist : Junagadh. (Gujarat).  
Phone: +91-97129-62704/52701/32706 Email: [rel@rajoo.com](mailto:rel@rajoo.com) Web: [www.rajoo.com](http://www.rajoo.com)

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

**31<sup>ST</sup> ANNUAL GENERAL MEETING ON TUESDAY SEPTEMBER 25, 2018 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 \_\_\_\_\_

- 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.

**Venue of 31st AGM**

