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Shah
Construction Co. Ltd.

11, Shah Industrial Estate, New Link Road, Andheri (West), Mumbai - 400 053. India
Tel. 022 - 6692 0678 / 79 • Fax : 022- 6692 0525
E-mail : scclindia@yahoo.co.in • Website : www.shah-construction.in
CIN: L45202MH1949PLC007048

Date: 24th September, 2019

BSE Limited, Mumbai
25th Floor, Rotunda Building
Dept. of Corporate Services
Phiroze Jeejeebhoy Towers,
M. S. Marg,
Mumbai – 400 001.

Stock Code – BSE Code No. 509870

Dear Sirs,

Subject: Annual Report for the Financial Year 2018-2019.

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 enclosed please find attached Annual Report for the Financial Year 2018-2019 along with the notice of the Annual General Meeting of the Company scheduled to be held on Monday, the 30th September, 2019 at Sabroso, The Premium Banquet, 601-603 A, Kotia Nirman, New Link Road, Andheri (West) Mumbai 400053.

The Annual Report for the Financial Year 2018-19 is uploaded on the website of the Company at www.shah-construction.in

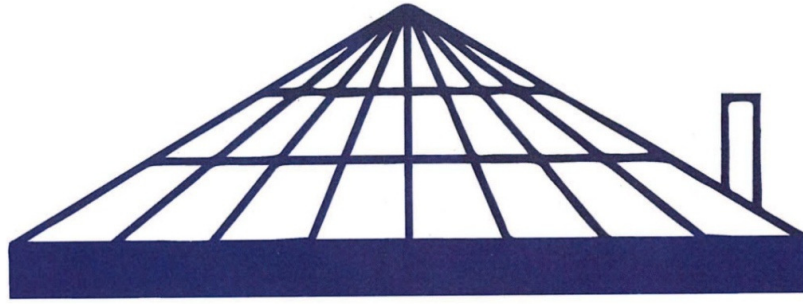
This is for your information and records.

Thanking you,
Yours faithfully,

For **SHAH CONSTRUCTION COMPANY LIMITED**


YOGESH J SHAH
DIRECTOR
DIN: 00479798





SHAH CONSTRUCTION COMPANY LIMITED

71st ANNUAL REPORT
2018-2019

SHAH CONSTRUCTION COMPANY LIMITED
CIN: L45202MH1949PLC007048
NOTICE

Notice is hereby given that the 71st Annual General Meeting of the members of Shah Construction Company Limited will be held on Monday, the 30th September, 2019 at 11.00 a.m. at Sabroso, The Premium Banquet, 601-603 A, Kotia Nirman, New Link Road, Andheri (West) Mumbai 400053 to transact the following business:

Ordinary Business:

1. To consider and adopt the audited financial statement of the Company for the financial year ended 31st March, 2019 together and the reports of the Board of Directors and Auditors' thereon and in this regard, pass on the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors' thereon laid before this meeting, be and are hereby considered and adapted”.

2. To appoint Mrs Jaywanti Jadavji Shah (DIN: 03327810) who retires by rotation as a Director and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of the Section 152 of the Companies Act, 2013 Mrs Jaywanti Jadavji Shah (DIN: 03327810), who retires by rotation at this meeting be and is hereby appointed as a Director of the company, liable to retire by rotation”.

3. To appoint Mr Sanjay Damji Shah (DIN: 00292226) who retires by rotation as a Director and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of the Section 152 of the Companies Act, 2013 Mr Sanjay Damji Shah (DIN: 00292226), who retires by rotation at this meeting be and is hereby appointed as a Director of the company, liable to retire by rotation”

BY ORDER OF THE BOARD

MEHUL JADAVJI SHAH
DIRECTOR
DIN – 00933528

Registered Office:
11, Shah Industrial Estate,
Opp Anna Temple, New Link Road,
Andheri (West), Mumbai 400053
CIN: U45202MH1949PLC007048

Date: 15th May, 2019

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote on a poll to vote instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty eight hours before the commencement of the meeting.
2. A person can act as a proxy on behalf of the members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.
3. Attendance slip, ballot papers, proxy form and the route map of the venue of the Meeting are annexed hereto.
4. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the Company a certified copy of the Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
5. In terms of the provisions of Section 152 of the Act, Mrs. Jaywanti Jadavji Shah (DIN: 03327810), Director and Mr Sanjay Damji Shah (DIN: 00292226) retire by rotation at the Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company commend their respective re-appointments.
6. M/s. A. C. Modi & Associates, Chartered Accountants, having ICAI Firm Registration No. 116555W, were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 29th September, 2017 for a term of five consecutive years till the conclusion of Annual General Meeting of the Company to be held in the calendar year 2022. They have confirmed that they are not disqualified from continuing as Auditors of the Company. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by the members at every Annual General Meeting.

The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

7. The Company has appointed Ms. Dhanraj Kothari of D. Kothari & Associates, Practicing Company Secretaries, Mumbai as the Scrutinizer to the poll process, (including voting through Ballot Form received from the members) in a fair and transparent manner.
8. The Scrutinizer shall, within a period not exceeding three (3) working days, unlock the votes in the presence of at least (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
9. The poll process shall be conducted and report thereon will be prepared in accordance with section 109 of the Companies Act, 2013 read with the relevant Rules. In such an event, votes cast under Poll taken together with the votes cast through ballot form shall be counted for the purpose of passing of resolution(s).
10. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copies of Annual Report. In case of joint holders attending the Meeting, only such joint holder who is higher in the order.
11. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e. except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will be also available for inspection by members at the Meeting.
12. Members are also requested to notify changes in their registered addresses, if any. Members who have not registered their email addresses so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically
13. The Register of Members and Share Transfer Books of the Company shall be closed on from 23rd September, 2019 to 30th September, 2019 (both days inclusive) for the purpose of Annual General Meeting, in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
14. The process and manner for remote e-voting is as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholder

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to _____<**Please mention the e-mail ID of Scrutinizer**> with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.

15. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

ANNEXURE I TO THE ITEM NO. 1 OF THE NOTICE

Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India, following information is furnished about the Directors proposed to be appointed / re-appointed.

1. Mrs Jaywanti Jadavji Shah (DIN 03327810) :

Name of the Director	Mrs Jaywanti Jadavji Shah
Date of Birth / Age	21/03/1943, 76 Years
Date of First Appointment on the Board	26/03/2015
Relationship with other Directors	Mother of Mr. Mehul Jadavji Shah
Expertise in specific functional areas and Brief Profile	Business Management
Qualification	HSC
Experience	About 50 years of experience in Business leadership and Management with Strategic Planning.
Board Membership of other Companies as on March 31, 2019	1. KARAN ELECTRONICS & ELECTRICALS PRIVATE LIMITED. 2. ANCHOR ACCOMMODATIONS PRIVATE LIMITED 3. ANCHOR HOMES PRIVATE LIMITED 4. AVTAR SECURITIES PRIVATE LIMITED
Chairperson/Member of the Committee of the Board of Directors of the Company as on March 31, 2019	-
Shareholding in the Company (as on 31/03/2019)	30706 Shares
No. of Board Meetings attended during the last financial year (2018-2019)	6
Terms and Conditions of appointment or re-appointment	Appointed as director liable to retire by rotation.

ANNEXURE I TO THE ITEM NO. 2 OF THE NOTICE

Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India, following information is furnished about the Directors proposed to be appointed / re-appointed.

2. Mr Sanjay Damji Shah (DIN 00292226) :

Name of the Director	Mr Sanjay Damji Shah
Date of Birth / Age	15/01/1967, 52 Years
Date of First Appointment on the Board	22/02/2008
Relationship with other Directors	Related to Mr. Mehul J. Shah Director as uncle's son
Expertise in specific functional areas and Brief Profile	Business Management
Qualification	B. Com
Experience	Around 29 years
Board Membership of other Companies as on March 31, 2019	As Attached
Chairperson/Member of the Committee of the Board of Directors of the Company as on March 31, 2019	-
Shareholding in the Company (as on 31/03/2019)	15670 Shares
No. of Board Meetings attended during the last financial year (2018-2019)	6
Terms and Conditions of appointment or re-appointment	Appointed as director liable to retire by rotation.

LIST OF DIRECTORSHIPS OF MR. SANJAY DAMJI SHAH

Sr No	Name of Company
1	ANCHOR HEALTH AND BEAUTY CARE PVT LTD
2	REAL VALUE LEASING PRIVATE LIMITED
3	ARIANA SOFTECH PRIVATE LIMITED
4	INDRAJEET EXPORTS PRIVATE LIMITED
5	GOOD VALUE BUILDERS PRIVATE LIMITED
6	ETAH MINES PRIVATE LIMITED
7	TRIPLE SECURITIES PRIVATE LIMITED
8	KENIA FOUNDATION
9	GODESHWAR ESTATES PRIVATE LIMITED
10	ASSOCIATION OF ELECTRICALS & ELECTRONICS GOODS MANUFACTURERS
11	PRATUL SHARE CUSTODIAN PRIVATE LIMITED
12	ANCHOR (INDIA) PRIVATE LIMITED
13	KUTCHI ANGEL NETWORK PRIVATE LIMITED
14	SPENTA RESIDENCY PRIVATE LIMITED
15	KOCHI CRICKET PRIVATE LIMITED
16	SPENTA BUILDCON PRIVATE LIMITED

BOARD'S REPORT

Dear members,

The Board of Directors is pleased to present the Company's 71st annual report and the Company's Audited Financial Statements for the financial year ended March 31, 2019.

1. Financial results

The Company's financial performance for the year ended March 31, 2019 is summarized below:

Financial Results :

(Rupees in Lacs)

	2018-19	2017-18
Revenue from operations	561.30	552.36
Other Income	8.62	69.46
Total Income	<u>569.92</u>	<u>621.82</u>
Profit/ (Loss) before finance costs and Depreciation	158.31	207.26
Less: Finance costs	242.75	554.84
Depreciation	24.09	18.52
Profit/(Loss) after finance cost and depreciation Carried to balance sheet	(108.53)	(366.10)

2. Company's performance and state of affairs of the company

* Total income has increased to Rs. 561.30 Lacs from Rs.552.36 Lacs in the previous year.

* Loss after finance cost and depreciation has decreased to Rs. 108.53 Lacs for the year ended 31st March, 2019 compared to previous year Rs. 366.10 Lacs.

3. Dividend and transfer to reserves

In view of the loss, the Board of Directors is unable to recommend any dividend for the financial year 2018-19 and no amount is transferred to Reserves for the financial year 2018-19.

4. Material changes affecting the company

There have been no material changes and commitments affecting the financial position of the company between end of the financial year and date of this report. There has been no change in the nature of business of the company.

5. Transfer of Preference Shares

During the year under review the privately placed unlisted 48,20,000 – 7%- Cumulative Redeemable Preference Shares of the face value of Rs.100/ each, which were allotted on 14-5-2011 and due for redemption on 14-5-2018, extended for further period of 7 years from 14-5-2018 , with reduced rate of Dividend to 0.1% from 1st April, 2018, approved by the Board of Directors, as agreed by the preference shareholders.

During the year under review the said preference shares were transferred as under :

Names of Transferors	Number of Shares	Names of Transferees
1) Anchor Leasing Private Limited	12,05,000	Mr. Mehul Jadavji Shah
2) Anchor Leasing Private Limited	12,05,000	Mr. Hemang Jadavji Shah
3) Real Value Leasing Private Limited	12,05,000	Ms. Usha Atul Shah
4) Real Value Leasing Private Limited	12,05,000	Ms. Heena Sanjay Shah

Total	48,20,000	

6. Secretarial Standards

The Directors state that the applicable Secretarial Standards i.e. SS-1 and SS-2 relating to the 'Meetings of the Board of Directors' and 'General Meetings', respectively have been duly followed by the Company.

7. Director's Responsibility Statement

Your Directors state that:

- in the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and there are no material departures from the same;
- the Directors 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 as at March 31, 2019 and of the profit and loss of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating; and
- the Directors have revised proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

8. Contracts and arrangements with related parties

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arms length basis and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in Form AOC-2 is not required.

Members may refer to Note No 32 to the financial statement which sets out related party disclosures pursuant to Ind AS.

9. Corporate Social Responsibility (CSR)

The provisions relating to Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 are not applicable to the Company.

10. Risk Management

The Risk Management Policy has been framed, implemented and monitored. Major risk identified by the businesses and functions are systematically monitored through mitigating actions on continuing basis.

The development and implementation of Risk Management Policy has been covered in Management Discussion & Analysis which forms part of this report.

11. Internal Financial Controls

The Company has in place adequate internal financial controls with reference to the financial statements. During the year such controls were tested and no reportable material weakness in the design or operation was observed.

12. Directors and Key Managerial Personnel

In accordance with the provisions of the Act and Articles of Association of the Company, Mrs Jaywanti Jadavji Shah and Mr Sanjay Damji Shah retire by rotation and being eligible offers themselves for re-appointment at the ensuing annual general meeting. The Board of Directors on recommendation of Nomination & Remuneration Committee has recommended their re-appointment.

As per the provisions of the Companies Act, 2013, Independent Directors have been appointed for a period of 5 years and shall not be liable to retire by rotation. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the act and the listing regulations.

The board comprises of the following directors and key managerial personnel of the company
The Chairman and Managing Director of the company is Mehul Jadavji Shah.

Independent Directors viz Mr Sanjay premji Shah, Mr Yogesh Janakrai Shah and Mr Sachikumar Adalja.

Non Independent Directors viz Mr Dinesh Poddar, Mr Sanjay Damji Shah and Mrs Jaywanti Jadavji Shah.

Mr Mahendra Savaliya has been appointed as Chief Financial Officer of the Company with effect from 14th February 2019.

Ms Anita Vyas has been appointed as Company Secretary of the Company with effect from 25th May 2018.

13. Meetings of the Board

Six meetings of the Board of Directors were held during the year on the following dates namely 25/05/2018, 25/06/2018, 14/08/2018, 14/11/2018 , 14/02/2018 and 06/03/2019

14. Audit Committee

The Company has constituted the Audit Committee which comprises of Independent Directors viz. Mr. Yogesh Janakrai Shah (Chairman) , Mr Sanjay Premji Shah and Mr. Dinesh Poddar (Non Independent Director) as other members. All the recommendations made by the Audit Committee were accepted by the Board.

15. Nomination & Remuneration Committee:

The Company has constituted the Nomination & Remuneration Committee of the Board is constituted to formulate and recommend to the Board from time to time, a compensation structure for Managing Directors/Whole-time Directors and Managerial Personnel of the Company.

The nomination and Remuneration Committee comprises Independent Directors viz. Mr. Yogesh Janakrai Shah (Chairman), Mr Sanjay Premji Shah and Mr. Dinesh Poddar (Non Independent Director) as other members.

16. Stakeholders Relationship Committee

The Company has constituted stakeholders Committee comprises of three Directors namely Mr. Yogesh Janakrai Shah (Chairman), Mr Sanjay Premji Shah and Mr. Dinesh Poddar (Non Independent Director) as other members.

17. Remuneration and Nomination Policy

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members.

18. Auditors and auditors' report

Statutory Auditors

M/s. A. C. Modi & Associates, Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 29th September, 2017. for a term of five consecutive years. They have confirmed that they are not disqualified from continuing as Auditors of the Company. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by the members at every Annual General Meeting.

In accordance with Companies Amendment Act, 2017 enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Report given by the Auditors on the financial statement of the Company is part of this report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Secretarial Auditor

The Board has appointed D. Kothari & Associates, Practising Company Secretaries to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith and marked as Annexure I to this report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

19. Vigil mechanism

The Vigil Mechanism of the Company, which also includes Whistle Blower Policy, includes an ethics and compliance task force comprising senior executives of the Company. Protected disclosures can be made by Whistle Blower through an email or letter to the Chairman of the Audit Committee. No person has been denied access to the Audit Committee.

20. Particulars of loans given, investments made, Guarantees given and securities provided

The Company has not given any loans or made any investments or provided guarantees u/s 186 of the Companies Act, 2013.

21. Conservation of energy, technology absorption and foreign exchange earnings and outgo.

The particulars related to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under the act are provided in Annexure II to this report.

22. Annual return

Extract of Annual Return of the Company is annexed herewith as Annexure III to this report. Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, annual return has been placed on the Company's website : www.shah-construction.in as per Section 134(3)(a) of the Companies Act, 2013.

23. Particulars of employees and related disclosures

The Company does not have any employee whose particulars are required to be disclosed in terms of the provisions of Section 197(12) of the act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, hence furnishing of the same does not arise,

Having regard to the provisions of the first proviso to Section 136(1) of the act, the annual report excluding the information regarding the top ten employees is being sent to the members of the Company. The said information is available for inspection on all working days during the business hours at the registered office of the Company. Any member interested in obtaining such information, may write to the Company Secretary and the same shall be furnished on request.

24. General

Your Directors take that no disclosure or reporting required in respect of the following items as there were no transactions on these items during the year under review.

- 1) Details relating to deposits covered under Chapter V of the act.
- 2) Issue of Equity Shares to differential rights as to dividend, voting or otherwise.
- 3) Issue of shares (including sweat equity shares) to employees of the Company.
- 4) The Company does not have any subsidiaries, hence, the question of receiving remuneration or commission by the Managing Directors or Whole Time Directors of the Company from the subsidiaries does not arise.
- 5) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in the future.
- 6) No fraud has been reported by the auditors to the Audit Committee or the Board.

Your Directors further state that during the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

25. Acknowledgement

Your Directors would like to express the sincere appreciation for the assistance and co-operation received from Shareholders, Bank , Government Authorities and other Business constituents during the year under review.

Your Directors would also like to appreciate the commitment displayed by the human resources of the Company.

On behalf of the Board of Directors

Date: 15th May 2019

Place: Mumbai

Mr Mehul Jadavji Shah Managing Director DIN:00933528	Mr Dinesh Keshardeo Poddar Director DIN: 00158597
Sanjay D. Shah Director DIN:00292226	

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
SHAH CONSTRUCTION CO. LIMITED
11, New Link Road, Shah Industrial Estate,
Opp. Anna temple, Andheri W,
Mumbai-400053

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHAH CONSTRUCTION CO. LIMITED CIN : U45202MH1949PLC007048** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 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:

we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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;
- (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;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited read with SEBI (LODR) Regulations, 2015.

To the best of our understanding, we are of the view that during the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following:

1. The Company has not opted for dematerialization of its shares at the beginning of the year, however the Company has entered into a tripartite agreement with NSDL and CDSL dated 31.10.2018 and 18.01.2019 respectively for dematerialization of shares.
2. The company did not provide e-voting facility to its shareholders, in respect of all shareholders' resolutions, passed at Annual General meeting held on 29/09/2018.
3. The Company has appointed a whole time Company Secretary w.e.f 14.05.2018.
4. The Company has appointed a whole time Chief Financial Officer w.e.f. 14.02.2019.
5. The Company has yet to comply with the minimum public shareholding requirement under the Securities Contracts Regulations (Rules), 1957 ("SCRR").

We further report that

having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws to the extent applicable, specifically to the Company, as per the representations made by the Company:

1. Indian Contract Act, 1872
2. Indian Electricity Act, 1910
3. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
4. Information Technology Act, 2000; and

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and there were no changes in the constitution of Board during the year under review.
- Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda are 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.
- All decisions at Board meetings and committee meetings are carried out unanimously as recorded in the minutes of the meetings of the board of Directors or committees of the Board, as the case may be.

We 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.

This report is to be read with our letter of even date which is annexed as Annexure and forms integral part of this report.

For D.Kothari And Associates
Company Secretaries

Dhanraj Kothari

Proprietor

FCS No. : 4930

CP No. : 4675

Place: Mumbai

Date: 15th May, 2019

ANNEXURE

To,
The Members,
SHAH CONSTRUCTION CO. LIMITED
11, New Link Road, Shah Industrial Estate,
Opp. Anna temple, Andheri W ,
Mumbai-400053

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For D.Kothari And Associates
Company Secretaries

Dhanraj Kothari
Proprietor
FCS No. : 4930
CP No. : 4675
Place: Mumbai

Date: 15th May, 2019

ANNEXURE II TO THE DIRECTORS REPORT

Particulars of energy conservation, technology absorption and foreign exchange earnings and outgo required under Companies (Accounts) Rules 2014

A. Conservation of energy

The company's operations do not involve substantial consumption of energy in comparison to the cost of production. Wherever possible, energy conservation measures have been implemented.

B. Technology absorption

The Company has neither purchased any technology domestically nor imported any technology. Hence, the question of furnishing the information regarding technology absorption does not arise.

(i) The revenue expenditure incurred on Research and Development is NIL

C. Foreign Exchange earnings and Outgo

The company has earned NIL in Foreign Exchange & used NIL of Foreign Exchange.

ANNEXURE III

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

As on financial year ended 31.03.2019

[Pursuant to Section 92(3) of the Companies act, 2013 read with The Companies (Management and administration) Rules, 2014]

A. REGISTRATION AND OTHER DETAILS:

Corporate Identification Number:-	L45202MH1949PLC007048
Registration Date:	05/04/1949
Name of the Company:	SHAH CONSTRUCTION COMPANY LIMITED
Category of the Company	Company limited by Shares
Sub-Category of the Company	Non-Government company
Address of the Registered office and contact details:	11, Shah Industrial Estate, Opp Anna Temple, New Link Road, Andheri (West) Mumbai 400053. Tel : 022 66920678 / 79
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Purva Sharegistry India Private Limited Unit No. 9, Ground Floor, Shiv Shakti Ind. Estt, J. R. Boricha Marg, Lower Parel East, Mumbai, Maharashtra 400011.

B. 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 and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
a.	Construction	995311	NIL

C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/S subsidiary/ Associate	% of shares held	Applicable Section

1	Heena Sanjay Shah	12608	7.82	--	12608	7.82	--	Nil
2	Jaywanti Jadavji Shah	30706	19.04	--	30706	19.04	--	0
3	Sanjay Amrutlal Desai (Jt (A/c)	1	1	--	1	1	--	0
4	Shantaben Damji Shah	31004	19.23	--	31004	19.23	--	0
5	Hemang Jadavji Shah	15688	9.73	----	15688	9.73	--	0
6	Sanjay Damji Shah	15670	9.72	--	15670	9.72	--	0
7	Kanan Hemang Shah	13110	8.13	--	13110	8.13	--	0
	TOTAL	118787	73.67	--	118787	73.67	--	0

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr No		Shareholding at the beginning of the year 01/04/2018		Cumulative Shareholding during the Year 31/03/2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	There is no change in shareholding of Promoters.			
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)				
3.	At the end of the year				

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

Sr No	Name of Top 10 Shareholders	Shareholding at the beginning of the year 01/04/2018		Cumulative Shareholding during the Year 31/03/2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	VASANT RATANSHI CHHEDA	7713	4.78	7713	4.78
2	HEMA VASANT CHHEDA	6000	3.72	6000	3.72
3	LIFE INSURANCE CORP. OF INDIA	5685	3.53	5685	3.53
4	THE NEW INDIA ASSURANCE CO. LTD	3615	2.24	3615	2.24
5	BIMLADEVI JAIN	608	0.38	608	0.38
6	SMITA KATARUKA	552	0.34	552	0.34
7	PRADEEP KUMAR DHELIA	500	0.31	500	0.31
8	DWAR SOFTWARE LTD.	480	0.3	480	0.3
9	ATUL KALYAN	800	0.49	800	0.49
10	PUSHYA TOWERS PRIVATE LIMITED	2100	1.30	2100	1.30

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01/04/18)		Cumulative Shareholding during the year (31/03/19)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Jaywanti Jadavji Shah	30706	19.04%	30706	19.04%
2	Sanjay Damji Shah	15670	9.72%	15670	9.72%

vi. INDEBTEDNESS :

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	--	--	--	--
ii. Interest due but not paid	--	--	--	--
iii. Interest accrued but not due	--	--	--	--
TOTAL (i + ii + iii)	--	--	--	--
Change in Indebtedness during the financial year				
Addition	--	--	--	--
Reduction	--	--	--	--
Net Change	--	--	--	--
Indebtedness at the end of financial year				
i. Principal Amount	--	--	--	--
ii. Interest due but not paid	--	--	--	--
iii. Interest accrued but not due	--	--	--	--
TOTAL (i+ii+iii)	--	--	--	--

* Note : The amount of Unsecured loans include the amount received by private company before 01st April, 2014 from the persons who at the time of receipt of the amount were director, members or relatives of directors, not included in the definition of Deposit in terms of Clause 2 (ix) of Companies (Acceptance of Deposits) Rules1975 and were not treated as deposits under section 58A of the Companies Act, 1956 and the same are not to be treated as deposit under the Companies Act, 2013 as per General Circular No. 05/2015 (F.No. 1/8/2013-CL-V) dated 30th March ,2015 issued by the Government of India, Ministry of Corporate Affairs, New Delhi.

E. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

i. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount in Rs.

Sr No	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
1.	Gross salary	.....	.....
	(a). Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961		
	(b). Value of perquisites u/s 17(2) of the Income tax Act, 1961		
	(c). Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961		
2.	Stock Option	.....	.....
3.	Sweat Equity	.....	.....
4.	Commission – as % of Profit – others, specify	.....	.....
5.	Others, Please specify	.....	.....
	TOTAL(A)	.....	.....
	Ceiling as per the Act		

ii. Remuneration to other Directors:

Amount in Rs.

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors	.....	.....	.....	.....	.....
	* Fee for attending board committee meetings					
	* Commission					
	* Others, please specify					
	Total (1)	.....	.....	.....	.....	.....
2.	Other Non-Executive Directors					
	* Fee for attending board committee meetings					
	* Commission					
	* Others, please specify					
	Total (2)	.....	.....	.....	.....	.....
	Total (B) = (1 + 2)	.....	.....	.....	.....	.....
	Total Managerial Remuneration	.....	.....	.....	.....	.....
	Overall Ceiling as per the Act					

iii. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Amount in Rs.

Sr. No	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount
1.	Gross salary	Ms Anita Vyas Company Secretary	Rs.1,58,500/-
		Mr. Mahendra Savalia Chief Financial Officer	Rs.78,515/-
	(a). Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961		
	(b). Value of perquisites u/s 17(2) of the Income tax Act, 1961		
	(c). Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission – as % of Profit – others, specify	.....	.....
5.	Others, Please specify		
	TOTAL	.....	2,38,515/-

F. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Other Officers in Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS**

Mr Mehul Jadavji Shah Managing Director DIN:00933528	Mr Dinesh Keshardeo Poddar Director DIN: 00158597
Sanjay D. Shah Director DIN:00292226	

Place : Mumbai
Dated : May 15, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF M/S. SHAH CONSTRUCTION COMPANY LIMITED

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the standalone financial statements of Shah Construction Company Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MANAGEMENT'S RESPONSIBILITY AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in

accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

We draw attention to the following matter in the notes to the financial statements:

In our opinion, Subject to Note No. 5 and 7 regarding valuation of overseas property, plant & Equipment and other overseas Non-Current Assets in foreign currency are valued at the rate prevailing as on 30.03.1984, Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Our opinion is not modified in respect of these matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 purposes 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, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.
- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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”.
- g) With respect to the other 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:
- i. The company has disclosed the impact of pending litigation on its financial position in its financial statements – Refer Note No 28 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For A.C.MODI & ASSOCIATES
Chartered Accountants
Firm’s registration number: 116555W

ALPESH C.MODI
Proprietor
Membership number: 101342

Place: Mumbai
Date: 15th May, 2019

ANNEXURE - A TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

1. In respect of its fixed assets:

- a) The company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has regular programme for physical verification in a periodic manner, which is, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification except Fixed Assets situated at foreign sites in Iraq amounting to Rs. 8.98 crores at cost are not verifiable.
- c) According to information and explanation given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

2. In respect of its inventories:

The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable and as explained to us, no material discrepancies were noticed on such physical verification.

3. In respect of loan given:

According to the information and explanations given to us, the company has not given any secured or unsecured loans to the persons covered under the register maintained u/s.189 of the Companies Act,2013 (The Act).

4. In our opinion and according to the information and explanations given to us, the Company has not given any loans or made any new investment during the year and hence reporting related to compliance with the provisions of section 185 and 186 of the Act does not required.
5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.

7. In respect of statutory dues:

(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Goods and Services Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.

(b) According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales-Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of Income-Tax which have not been deposited on March 31, 2019 on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Assessment Dues	10.62	Asst. Year 2008-09	CIT (Appeals)
Income Tax Act, 1961	Assessment Dues	7.30	Asst. Year 2013-14	CIT (Appeals)
Income Tax Act, 1961	Assessment Dues	1.72	Asst. Year 2014-15	CIT (Appeals)
Income Tax Act, 1961	Assessment Dues	12.61	Asst. Year 2016-17	CIT (Appeals)

8. The Company does not have any loans or borrowings from any financial institution, banks or government. The company has not issued any debenture as at the balance sheet date and hence the provisions of clause 3(viii) of the order are not applicable.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our Opinion and according to the information and explanations given to us the company has not availed any term loan during the year.
10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration and Accordingly, paragraph 3 (xi) of the Order is not applicable.
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 and hence not commented upon.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
15. According to the information and explanations provided by the management, during the year the company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013 and hence, reporting requirements under clause 3(xv) of the Order are not applicable to the Company and, not commented upon.

16. According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **A.C.MODI & ASSOCIATES**
Chartered Accountants
Firm's registration number: 116555W

ALPESH C.MODI
Proprietor
Membership number: 101342

Place: Mumbai
Date: 15th May, 2019

ANNEXURE - B TO THE AUDITORS' 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. Shah Construction Company Limited ('the Company'), as of 31 March 2019 in conjunction with our audit of the standalone 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 judgment, 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 31 March 2019, 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.

For A.C.MODI & ASSOCIATES
Chartered Accountants
Firm's registration number: 116555W

ALPESH C.MODI
Proprietor
Membership number: 101342

Place: Mumbai
Date: 15th May, 2019

SHAH CONSTRUCTION COMPANY LIMITED

Balance Sheet as at 31st March, 2019

			(Amount in Rs.)
PARTICULARS	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non Current Assets			
(a) Property Plant and Equipment	5	16,88,34,549	16,35,75,306
(b) Capital Work in Progress	5	-	26,15,407
(c) Financial Assets			
(i) Loans & Advances	6	32,81,962	29,44,187
(d) Other non current assets	7	12,62,35,479	12,07,48,242
Total Non Current Assets		29,83,51,991	28,98,83,142
Current Assets			
(a) Inventories	8	17,99,59,867	17,49,61,944
(b) Financial assets			
(i) Trade receivables	9	2,26,57,576	2,00,79,362
(ii) Cash and cash equivalents	10	18,19,824	35,74,899
(c) Other Current Assets	11	8,13,362	16,85,281
Total Current Assets		20,52,50,627	20,03,01,485
TOTAL ASSETS		50,36,02,618	49,01,84,627
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	1,61,25,000	1,61,25,000
(b) Other Equity	13	(68,15,76,076)	(67,06,93,978)
Total Equity		(66,54,51,076)	(65,45,68,978)
Liabilities			
Non Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	14	48,96,12,780	49,03,61,969
(b) Other Non current liabilities	15	2,80,82,641	2,73,50,059
Total Non Current Liabilities		51,76,95,421	51,77,12,029
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	40,79,29,173	38,63,25,933
(ii) Trade Payables	17	14,96,063	48,06,069
(iii) Other Financial Liability	18	23,76,05,825	23,21,23,825
(b) Other Current liabilities	19	43,27,211	37,85,747
Total Current Liabilities		65,13,58,272	62,70,41,574
Total Liabilities		1,16,90,53,694	1,14,47,53,603
TOTAL EQUITY AND LIABILITIES		50,36,02,618	49,01,84,627

See accompanying notes forming part of the Financial Statements

As per our report of even date

For **A.C.MODI & ASSOCIATES**

Chartered Accountants

Firm's registration number: 116555W

For and on behalf of the Board

Mehul J. Shah
Chairman & MD
DIN: 00933528

Sanjay D. Shah
Director
DIN:00292226

ALPESH C.MODI

Proprietor

Membership number: 101342

Dinesh K. Poddar
Director
DIN: 00158597

Anita Vyas
Company
Secretary
M. No: FCS 3213

Mahendra K. Savaliya
Chief Financial
Officer

Place : Mumbai

Dated : 15th May, 2019

SHAH CONSTRUCTION COMPANY LIMITED
Statement of Profit and loss for the year 2018-19

(Amount in Rs.)

PARTICULARS	NOTE NO.	2018-19	2017-2018
INCOME			
Revenue from Operations	20	5,61,30,806	5,52,36,103
Other Income	21	8,61,646	69,46,893
TOTAL INCOME		5,69,92,452	6,21,82,996
EXPENSES			
Project Expenses	22	49,97,923	1,12,51,489
Change in Inventories of Finished goods, Work in Progress and Stock in trade	23	(49,97,923)	(98,72,180)
Employee benefits expense	24	54,72,794	47,35,446
Finance costs	25	2,42,75,487	5,54,84,195
Depreciation/ Amortization and Depletion expense	5	24,08,747	18,52,072
Other expenses	26	3,56,88,705	3,53,42,326
TOTAL EXPENSES		6,78,45,733	9,87,93,349
Profit/(Loss) before tax		(1,08,53,281)	(3,66,10,353)
Tax expense:			
(1) Current tax		-	-
(2) Income Tax of Earlier Year		28,817	1,55,308
PROFIT/(LOSS) FOR THE YEAR		(1,08,82,098)	(3,67,65,661)
Other Comprehensive Income		0	0
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(1,08,82,098)	(3,67,65,661)
Earnings per equity share:	27		
(1) Basic		(67.49)	(228.00)
(2) Diluted		(67.49)	(228.00)

See accompanying notes forming part of the Financial Statements

As per our report of even date

For **A.C.MODI & ASSOCIATES**

Chartered Accountants

Firm's registration number: 116555W

For and on behalf of the Board

Mehul J. Shah

Chairman & MD

DIN: 00933528

Sanjay D. Shah

Director

DIN:00292226

ALPESH C.MODI

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Secretary

M. No: FCS 3213

Mahendra K. Savaliya

Chief Financial

Officer

Place : Mumbai

Dated : 15th May, 2019

SHAH CONSTRUCTION COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Rs.)

PARTICULARS	2018-19		2017-2018	
A. Cash Flow arising from Operating Activities:				
Net Profit/(Loss) Before Taxation		(1,08,53,281)		(3,66,10,353)
<u>Add/(less)</u>				
Fixed Assets w/off/discared	2,47,838			
Interest accrued on Preference shares	4,82,000			
Depreciation Charge	24,08,747		18,52,072	
		31,38,585		18,52,072
		(77,14,696)		(3,47,58,281)
Less:				
Interest received	2,17,907		36,74,925	
		2,17,907		36,74,925
Operating Profit before Working Capital Changes		(79,32,603)		(3,84,33,206)
<u>Adjustment for:</u>				
(Increase)/Decrease in Trade Receivables	(25,78,214)		(93,26,866)	
(Increase)/Decrease in Inventories	(49,97,923)		(98,72,179)	
(Increase)/Decrease in Other Current assets	8,71,919		19,28,142	
(Increase)/Decrease in Non-Current Financial Assets	(3,37,775)		-	
Increase/(Decrease) in Current Liabilities - Borrowing	(7,49,191)		2,91,31,491	
Increase/(Decrease) in Trade Payables	(33,10,006)		(48,35,558)	
Increase/(Decrease) in Other Current Liabilities	5,41,464		3,29,69,046	
Increase/(Decrease) in Other Non-Current Liabilities	7,32,582		(2,12,746)	
(Increase)/Decrease in Non-Current Assets	(54,87,237)		4,38,260	
		(1,53,14,381)		4,02,19,589
		(2,32,46,984)		17,86,383
Less: Income Tax for the Year	28,817		1,55,308	
		28,817		1,55,308
Net Cash inflow/(Outflow) in course of Operating Activities:		(2,32,75,801)		16,31,075
B. Cash Flow Arising from Investing Activities:				
Adjustment for:				
Capital Work in Progress capitalised	(35,76,406)		(26,15,407)	
Purchase of Fixed Assets	(17,24,015)		(29,00,030)	
		(53,00,421)		(55,15,437)
Net Cash inflow/(Outflow) in course of Investing Activities:		(53,00,421)		(55,15,437)
C. Cash Flow Arising from Financial Activities:				
Cash Inflow				
a) Borrowings (Net)	2,16,03,240		(26,79,567)	
b) Interest received	2,17,907		36,74,925	
c) Other Advance received	50,00,000		-	
		2,68,21,147		9,95,358
Net Cash inflow/(Outflow) in course of Financial Activities:		2,68,21,147		9,95,358
Net Cash outflow (A+B+C):		(17,55,075)		(28,89,004)
Add: Balance at the beginning of the Year		35,74,899		64,63,903
Balance at the end of the Year		18,19,824		35,74,899

As per our report of even date

For **A.C.MODI & ASSOCIATES**

Chartered Accountants

Firm's registration number: 116555W

For and on behalf of the Board

Mehul J. Shah

Chairman & MD

DIN: 00933528

Sanjay D. Shah

Director

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ALPESH C.MODI

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Mahendra K. Savaliya

Chief Financial

Officer

Place : Mumbai

Dated : 15th May, 2019

M. No: FCS 3213

SHAH CONSTRUCTION COMPANY LIMITED

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

Amount in Rs.

A. EQUITY SHARE CAPITAL

Balance at the beginning of the Reporting period i.e. 1st April,2017	Changes in Equity Share Capital during the year 2017-18	Balance at the End of the reporting Period i.e. 31st March, 2018	Changes in Equity Share Capital during the year 2018-19	Balance at the End of the reporting Period i.e. 31st March, 2019
1,61,25,000	-	1,61,25,000	-	1,61,25,000

B. OTHER EQUITY

Reserves and Surplus

PARTICULARS	Capital Reserve	Revaluation reserve	General reserves	Retained Earning	Total
AS ON 31ST MARCH, 2018					
Balance at the beginning of the reporting period i.e. 1st April, 2017	36,45,300	6,20,51,925	63,12,746	(70,59,38,288)	(63,39,28,317)
Total profit/(Loss) for the year	0	0	0	(3,67,65,661)	(3,67,65,661)
Balance at the end of the reporting period i.e., 31st March,2018	36,45,300	6,20,51,925	63,12,746	(74,27,03,949)	(67,06,93,978)
AS ON 31ST MARCH, 2019					
Balance at the beginning of the reporting period i.e. 1st April, 2018	36,45,300	6,20,51,925	63,12,746	(74,27,03,949)	(67,06,93,978)
Total profit/(Loss) for the year	0	0	0	(1,08,82,098)	(1,08,82,098)
Balance at the end of the reporting period i.e., 31st March,2019	36,45,300	6,20,51,925	63,12,746	(75,35,86,047)	(68,15,76,076)

See accompanying notes forming part of the

As per our report of even date
For **A.C.MODI & ASSOCIATES**
Chartered Accountants
Firm's registration number: 116555W

ALPESH C.MODI
Proprietor
Membership number: 101342

Place : Mumbai
Dated : 15th May, 2019

For and on behalf of the Board

Mehul J. Shah
Chairman & MD
DIN: 00933528

Sanjay D. Shah
Director
DIN:00292226

Dinesh K. Poddar
Director
DIN: 00158597

Anita Vyas
Company
Secretary
M. No: FCS 3213

Mahendra K. Savaliya
Chief Financial
Officer

SHAH CONSTRUCTION COMPANY LIMITED

Notes to the Standalone financial Statements for the year ended March 31, 2019

(1) CORPORATE INFORMATION

Shah Constructions Company limited (the company) is a listed entity Incorporated in India.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

(2) BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENT AND SIGNIFICANT ACCOUNTING POLICIES

(2)(a) BASIS OF PREPARATION AND PRESENTATION

Compliance with Ind AS

The financial statements of the company comply in all material aspects with Indian Accounting Standards (Ind AS) AS specified under section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Historical cost convention

The financial statements of the company have been prepared on an accrual and going concern basis. The financial statements have been prepared on historical cost basis, except for certain assets and liabilities that is measured at fair value as states in subsequent policies.

(2)(b) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i) 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.

Depreciation methods, estimated useful lives and residual value:

The depreciation has been provided on the written down value basis in accordance with the requirement of the schedule-II of the companies Act, 2013.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit and loss within other expenses or other income, as applicable.

Impairment of non-financial assets - property, plant and equipment and intangible assets

An assets is treated as impaired when carrying cost of assets exceeds its recoverable value. The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. An Impairment loss is recognised in statement of Profit and Loss in the year in which an assets are identified as impaired.

ii) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable.

The Company recognizes revenue from sale of goods when:

- (a) the Company has transferred to the buyer the significant risk and reward of ownership of goods
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.
- (c) the amount of revenue can be reliably measured
- (d) it is probable that future economic benefits associated with the transaction will flow to the Company

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

In respect of Real Estate Development activity, the company is following Project completion method of accounting for revenue recognition in order to depict the reasonable picture of the project. Revenue is recognized when Project is completed, Occupancy Certificate (OC) is obtain from the Municipal authority and possession along with risk and reward in the property is transferred to the prospective buyer.

iii) Employee Benefit Schemes

Short-term benefits:

Employee benefits payable within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and exgratia.

Post -Employment Benefits:

Gratuity:

The Company has no defined benefit plan (the 'Gratuity Plan'). Hence the Company does not accrue for its Gratuity liability. Gratuity is accounted on payment basis.

iii) Inventories:

Stores are valued at lower of cost or net realisable value.

In respect of Real Estate Development activity of the company, the work in progress consists of the cost of materials, labour charges and other incidental expenses for the project till the date of the Balance sheet.

In view of the project completion method of accounting followed by the company, work in progress along with the booking amount received (if any) carried forward to subsequent year.

iv) Trade Receivables:

Trade Receivables are stated at book value after making provisions for doubtful debts. Management considers that the book value approximates fair value. Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. The provision for bad and doubtful debts is based on specific risk assessment and reference to past default experience.

v) Financial Instruments:

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 recognised using trade date accounting.

Subsequent measurement

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised 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.

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

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 recognised 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.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

vi) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an out flow of resources. Provisions are not recognised for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non -occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets are disclosed , where an inflow of economic benefits is probable.

vii) Tax Expense

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

Current Tax:

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted , at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation . It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax:

Deferred tax is recognised 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 assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled , based on tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period. The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

viii) Borrowing Cost

Borrowing costs includes interest, amortization of ancillary cost incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets less interest earned on the temporary investment. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the year in which they are incurred.

ix) Foreign Currency Transactions

Foreign exchange transactions are recorded at the rate prevailing on the dates of the respective transaction. Exchange difference arising on foreign exchange transactions settled during the year is recognized in the Profit and Loss Account.

Monetary assets and liabilities denominated in foreign currencies are converted at the closing rate as on Balance Sheet date. The resultant exchange difference is recognized in the Profit and Loss Account.

Exchange rate differences arising on a monetary item that, in substance, forms part of the Company's net investment in a nonintegral foreign operation are accumulated in a foreign currency translation reserve in the Company's financial statements until the disposal of the net investment.

Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

The company has valued its Current Assets, Current Liabilities and loans in foreign currency in respect of projects in Iraq at the rate prevailing as on 30.06.1984.

x) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Indian rupee (₹) , which is Company's functional and presentation currency.

3) CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

SHAH CONSTRUCTION COMPANY LIMITED

NOTE NO 5 : PROPERTY, PLANT AND EQUIPMENTS

SR	PARTICULARS	GROSS BLOCK				DEPRECIATION/AMORTISATION/DEPLETION				NET BLOCK	
NO.		AS AT 01/04/2018	ADDITION	DEDUCTION	AS AT 31/03/2019	AS AT 01/04/2018	FOR THE YEAR	AMORTISATION/ DEDUCTION	TOTAL DEP.	AS AT 31/03/2019	AS AT 01/04/2018
	TANGIBLE ASSETS										
1	LAND	15,35,21,963	-		15,35,21,963	-	-	-	-	15,35,21,963	15,35,21,963
2	BUILDING	32,11,633	61,91,813		94,03,446	23,63,085	3,93,556	-	27,56,641	66,46,805	8,48,548
3	PLANT & MACHINERY	8,95,56,598	-	5,20,800	8,90,35,798	8,45,97,032	8,99,703	3,83,884	8,51,12,851	39,22,947	49,59,566
4	FURNITURE & FITTINGS	58,12,105	-	27,80,903	30,31,202	49,59,724	2,13,446	26,74,830	24,98,340	5,32,862	8,52,381
5	OFFICE EQUIPMENT	1,78,760	87,754		2,66,514	81,150	78,583		1,59,733	1,06,781	97,610
6	COMPUTER	2,73,018	-	1,62,018	1,11,000	2,55,636	6,699	1,57,895	1,04,440	6,560	17,382
7	VEHICLES	2,97,76,463	-	2,72,37,081	25,39,382	2,73,10,666	4,46,267	2,72,36,356	5,20,578	20,18,805	24,65,797
8	PLANT & MACHINERY (Amboli Land Project)	27,42,723	-	-	27,42,723	20,60,533	1,38,318	-	21,98,851	5,43,872	6,82,190
9	Electrical Installation & Equipment	1,90,400	16,36,261	-	18,26,661	60,531	2,32,175	-	2,92,706	15,33,955	1,29,869
	TOTAL Rs.	28,52,63,663	79,15,828	3,07,00,802	26,24,78,689	12,16,88,357	24,08,747	3,04,52,965	9,36,44,140	16,88,34,549	16,35,75,306
	PR.YEAR Rs.	28,23,63,633	29,00,030		28,52,63,663	11,98,36,285	18,52,072	-	12,16,88,357	16,35,75,306	16,25,27,348

Note:

The Company had sold Plot No. M-1 & M-2 of the land at Amboli to M/s. Akrtuti for Rs. 4,00,000/- as recorded in Agreement dated 18th August, 1980, Plot No. U-1 & U-2 of the land at Amboli to Mr. Suresh Goradia for Rs. 8,00,000/- as recorded in Agreement dated 15th April, 1981 and Plot No. K, L & T3 of the land at Amboli to Mr. Tejraj Gowani for Rs. 11,94,000/- as recorded in Agreement of 31-12-1979. The Company had handed over possession of the plots to the purchasers. The Company had also received consideration for the said agreements. Pending completion of formalities of the sold property, the amount received from the aforesaid three purchasers is shown as advance payments towards the sale of the said plots of land at Amboli, Andheri.

The Above Property plant & Equipments includes Assets of Rs.8,97,58,355/- situated at Iraq. and are valued at cost.

NOTE NO 6 : CONSTRUCTION WORK IN PROGRESS

SR	PARTICULARS	GROSS BLOCK				DEPRECIATION/AMORTISATION/DEPLETION				NET BLOCK	
NO.		AS AT 01/04/2018	ADDITION	DEDUCTION	AS AT 31/03/2019	AS AT 01/04/2018	FOR THE YEAR	AMORTISATION/ DEDUCTION	TOTAL DEP.	AS AT 31/03/2019	AS AT 01/04/2018
	CONSTRUCTION WORK IN PROGRESS										
1	CWIP-BUILDING	26,15,407	35,76,406	61,91,813	-	-	-	-	-	-	26,15,407
	TOTAL Rs.	26,15,407	35,76,406								26,15,407
	PR.YEAR Rs.	-	-		-	-	-	-	-	-	-

4) GOING CONCERN

The Company is a going concern in spite of the accumulated losses since there is scope for wiping out these losses in view of the potentiality for developing existing assets, expected settlements with creditors, the projects under negotiation as well as the future prospects of the company.

6) Non Current Assets- Financial Assets

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
(Unsecured and considered good)		
Loans & Advances:		
Trade/Security Deposits given	32,81,962	29,44,187
Total	32,81,962	29,44,187

7) Non Current Assets- Others

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
(Unsecured and considered good)		
Advances for goods and supplies - Overseas (#)	33,33,202	33,33,202
Advance Income Tax (Net of Provisions)	1,96,28,861	1,41,41,624
Others Non Current Assets-Overseas (#)	10,32,73,416	10,32,73,416
Total	12,62,35,479	12,07,48,242

Notes:(#)

Advances for goods and Supplies Overseas and Other Non Current Assets-Overseas

(a) There is likelihood of delay in realization of claims and mobilization of the assets situated at Iraq in view of understanding reached between the Government of Iraq & India.

(b) The value of the Company's assets & claims situated in Iraq aggregate to Rs.10,66,06,618/- Valued at rate as on 30.06.1984

(c) In respect of principal & interest receivable for projects in Iraq which is covered under Indo-Iraq Govt. to Govt. Deferred Payment Arrangements (DPA), Government of India under notification has issued Bonds in lieu thereof. Issue of Bonds to the Company is pending due to disputes under Deferred Payments Agreement (DPA).

(d) The Company has valued its Non current Assets_overseas in Foreign Currency at the rate prevailing as on 30.06.1984.

(e) In view of the above, management is hopeful of recovery of Non current assets, Loans, Advances and Investments and have values, on realization in ordinary course of business, at least equal to the amount at which these are stated and hence provision for doubtful recovery is not made in the financial statement.

8) Inventories

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
(Valued at lower of cost or Net)		
Work in Progress (Ambili Project)	17,92,59,867	17,42,61,944
Stores & Spares	7,00,000	7,00,000
Total	17,99,59,867	17,49,61,944
Note		
Inventories are taken, valued and certified by the Management.		

9) Trade Receivables

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	4,24,979	4,24,979
Other receivables		
Unsecured, considered good	2,22,32,597	1,96,54,383
Total	2,26,57,576	2,00,79,362

10) Cash and Cash Equivalents

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
Cash on Hand	21,011	1,01,242
Balance with bank	17,98,813	34,73,657
Total	18,19,824	35,74,899

11) Other Current Assets

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
(Unsecured and considered good)		
Others (#)	8,13,362	16,85,281
Total	8,13,362	16,85,281

(#) Includes other receivables & claims.

12) Share Capital

Share Capital	As at 31st March 2019		As at 31st March 2018	
	Number	Rs.	Number	Rs.
Authorised				
Equity Shares of Rs.100/- each with voting rights	1,80,000	1,80,00,000	1,80,000	1,80,00,000
	1,80,000	1,80,00,000	1,80,000	1,80,00,000
Issued, Subscribed & Paid up				
Equity Shares of Rs.100/- each with voting rights	1,61,250	1,61,25,000	1,61,250	1,61,25,000
Total	1,61,250	1,61,25,000	1,61,250	1,61,25,000

Reconciliation of Number of Equity Shares

Particulars	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	1,61,250	1,61,25,000	1,61,250	1,61,25,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,61,250	1,61,25,000	1,61,250	1,61,25,000

Note:

a) 1650 Equity shares out of the issued, subscribed and paid up share capital were allotted in part payment of Purchase of capital goods consideration.
b) 1250 Equity shares out of the issued, subscribed and paid up share capital were allotted in consideration for giving Equivalent Foreign Exchange for purchase of Capital goods.
c) The company does not have any holding company. The company does not have any Subsidiaries and Associated companies.

Terms/Rights attached to Equity Shares

The Company has only one class of Equity shares having par value of Rs.100 per shares. Each shareholders of equity shares is entitled to one vote per share.

In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their share holding.

Details of Share Holders holding more than 5% Equity shares in the company at the end of the Year.

Name of Shareholders	As at 31st March 2019		As at 31st March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1) Mr.Hemang J Shah	15688	9.73	15688	9.73
2) Mr. Sanjay D.Shah	15670	9.72	15670	9.72
3) Mrs. Shantaben D.Shah	31004	19.23	31004	19.23
4) Mrs. Heena Sanjay Shah	12608	7.82	12608	7.82
5) Smt.Kanan H Shah	13060	8.10	13060	8.10
6) Smt.Jayawanti J Shah	30706	19.04	30706	19.04

13) Other Equity

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
A. Capital Reserve		
As per Last Balance Sheet	36,45,300	36,45,300
Closing Balance	36,45,300	36,45,300
B. Revaluation Reserve		
As per Last Balance Sheet	6,20,51,925	6,20,51,925
Closing Balance	6,20,51,925	6,20,51,925
C. General Reserve		
As per Last Balance Sheet	63,12,746	63,12,746
Closing Balance	63,12,746	63,12,746
D. Retain Earning		
As per Last Balance Sheet	(74,27,03,949)	(70,59,38,288)
Add: Net Profit/(loss) For the Year	(1,08,82,098)	(3,67,65,661)
Closing Balance	(75,35,86,047)	(74,27,03,949)
Total	(68,15,76,076)	(67,06,93,978)

14) Non Current Liability-Financial Liability

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
BORROWINGS		
Unsecured		
0.1% Cumulative Redeemable preference Shares of Rs.100/- each (#)	48,20,00,000	48,20,00,000
Trade/Security Deposit received	76,12,780	83,61,969
Total	48,96,12,780	49,03,61,969

Terms/Rights attached to Preference Shares

(#) The Preference Shares are redeemable. The Face value of the preference shares is Rs.100/-. These shares carry a fixed cumulative dividend of 0.1% p.a. (Till 31.03.2018 the company is liable to pay cumulative dividend @ 7% p.a. from the date of issue till 31.03.2018.) 0.1% dividend shall be payable in the each financial year beginning from the 1st April,2018, in event of company making profit. In the event of loss or inadequacy of profit in any financial year, no dividend shall be paid, However dividend remaining unpaid for those years shall be carried forward. The preference shares shall be redeemable in terms of companies Act1956 after 7 Years from the date of allotment being 14th May,2011 and shall be redeemable on 14th May,2018 on or before 7 years as may be agreed by passing resolution at meeting of the preference share holders as may be required. The said term is extended for further period of 7 years vide board meeting held on 25th may,2018.

15) Other Non Current Liability

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
Advance received against sale of assets (Refer Note No:5)	23,94,000	23,94,000
Other Advance received	8,21,226	88,644
Advance received-Overseas (#)	82,50,076	82,50,076
Trade payable -Overseas (#)	1,66,17,340	1,66,17,340
Total	2,80,82,641	2,73,50,059

Note

(#) The Company has valued its Non current liability overseas in Foreign Currency at the rate prevailing as on 30.06.1984. refer note (8) above for further reference.

16) Current Liability-Financial Liability

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
Borrowings		
Unsecured :		
Inter-corporate Deposits	40,79,29,173	38,63,25,933
Total	40,79,29,173	38,63,25,933

Note

Repayable on demand with/ without interest wherever applicable.

17) Trade Payables

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
Other Payable for Goods & Services (#)	14,96,063	48,06,069
Total	14,96,063	48,06,069

(#) The Company has not received the required information from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 . Hence disclosure, if any, relating to amount unpaid as at year end together with interest paid/payable as required under the said Act is not been made. This has been relied upon by the Auditors.

18) Other Current- Financial Liability

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
Unsecured:		
Other Advance received	50,00,000	-
Interest accrued on Preference shares	23,26,05,825	23,21,23,825
Total	23,76,05,825	23,21,23,825

19) Other Current Liability

Particulars	As at 31st March 2019	As at 31st March 2018
	Rs.	Rs.
Statutory dues	43,27,211	37,85,747
Total	43,27,211	37,85,747

There are No amounts due for payment to the investor education and protection fund under section 125 of the Companies Act,2013 as at the year end.

20) Revenue from Operation

Particulars	2018-19	2017-18
	Rs.	Rs.
Sales and service revenue		
Miscellaneous work	-	-
Other Operating Revenue		
Display Charges Received (Hoarding)	3,66,36,822	4,00,56,357
Rent Received	88,80,000	88,80,000
Venue Charges Received	1,06,13,984	62,99,746
Total	5,61,30,806	5,52,36,103

21) Other Income

Particulars	2018-19	2017-18
	Rs.	Rs.
Interest income comprises:		
Interest in IT refund	2,17,907	36,74,925
	2,17,907	36,74,925
Advances/Deposit Written back	1,066	30,00,114
Scrap sale	-	1,700
Other Income	6,42,673	2,70,154
Total	8,61,646	69,46,893

22) Project Expenses (#)

Particulars	2018-19	2017-18
	Rs.	Rs.
Building Material Purchased	-	17,093
Civil Work & Labour Charges	11,28,645	9,33,711
Excavation Work	-	2,35,027
Electricity Charges	3,53,788	4,50,700
Professional Charges	13,07,740	77,37,271
Administrartion Charges & other Site Expenses	13,58,975	12,35,426
Interest paid (Refer note no.25)	8,48,775	6,42,261
Total	49,97,923	1,12,51,489

(#) All Expenses related to project are capitalised to construction work in Progress Account.

23) Changes in Inventories of Finished Goods, Work In Progress and Stock in Trade

Particulars	2018-19	2017-18
	Rs.	Rs.
Inventories at the end of the Year:		
(a) Stores & Spares	7,00,000	7,00,000
(b) Construction Work-in-Progress	17,92,59,867	17,42,61,944
	17,99,59,867	17,49,61,944
Inventories at the Beginning of the Year:		
(a) Stores & Spares	7,00,000	20,79,310
(b) Construction Work-in-Progress	17,42,61,944	16,30,10,454
	17,49,61,944	16,50,89,764
Decrease/(Increase) in stocks	(49,97,923)	(98,72,180)

24) Employee Benefits Expenses

Particulars	2018-19	2017-18
	Rs.	Rs.
Salary, Wages, Bonus & other allowances etc.	45,96,694	39,91,672
Contribution to Provident Fund and other fund	5,02,320	4,56,014
Workmen and Staff welfare expenses	3,73,780	2,87,760
Total	54,72,794	47,35,446

Note:

The company does not have any retirement benefit plans and the same is accounted on payment basis.

25) Finance Cost

Particulars	2018-19	2017-18
	Rs.	Rs.
Interest & other borrowing cost on Borrowings from banks and others	2,51,11,665	5,60,58,504
Other Interest	12,597	67,952
	2,51,24,262	5,61,26,456
Less : capitalised to construction work in progress	8,48,775	6,42,261
Total	2,42,75,487	5,54,84,195

26) Other Expenses:

Particulars	2018-19	2017-18
	Rs.	Rs.
Power & Fuel	26,42,428	21,94,063
Insurance	81,968	49,977
Audit & Tax Audit Fees	2,00,000	2,00,000
Rent	13,26,149	17,28,715
Rates & Taxes	2,44,93,654	2,15,70,447
Communication Expenses	92,556	1,02,299
Legal & Professional Fees	16,12,048	62,44,379
Repairs & Maintainance -Building	83,495	4,043
Repairs & Maintainance -Plant & Machinery	1,04,750	5,78,178
Repairs & Maintenance - Others	22,06,745	5,20,469
Travelling, Conveyance & Motor Car Expenses	5,99,510	5,08,417
Fixed Assets w/off/discared	2,47,838	-
Miscellaneous Expenses (*)	19,97,565	16,41,339
Total	3,56,88,705	3,53,42,326

(*) includes Donation of Rs. 37000/- and penalty & fine of Rs.1,28,080/-

27) Earning per share

Particulars	2018-19	2017-18
	Rs.	Rs.
Net Profit/(Loss) after tax	(1,08,82,098)	(3,67,65,661)
Weighted average No. of Shares	1,61,250	1,61,250
Nominal value per Share	10	10
Earnings per Share	(67.49)	(228.00)
Diluted Earnings per Share	(67.49)	(228.00)

28) Contingent Liabilities and commitments:

Particulars	2018-19	2017-18
	Rs.	Rs.
Contingent Liabilities:		
Guarantees furnished by Bank on behalf of the company to MCGM (pening for Renewal)	2,42,57,000	2,42,57,000
Disputed demand relating to tax against which the company has preferred appeal. (#)	65,62,400	49,85,865
Tax paid under protest or refund adjusted against disputed demand	53,76,594	
Commitments		
Estimated amount of contracts remaining to be executed on capital account and Not provided for in relation to tangible Assets	-	40,00,000

(#) All disputed Tax demand was adjusted from refund due of subsequent years. Further based on the opinion and advice received, disputed demand is likely to be vacated in appeals filed by the company to higher appellate authorities.

29) Provision for accruing of liabilities for gratuity in terms of ind AS 19 "Employee Benefits" issued by The Institute of Chartered Accounts of India has not been made in the accounts. The figure of which is not ascertainable.

30) Related Party Transactions

Related party disclosure in accordance with the Accounting Standard 18-issued by the Institute of chartered Accountants of India is as under

NAME OF THE RELATED PARTY	RELATIONSHIP
- Shri Dinesh K.Poddar	Key Managerial Personnel (KMP)
- Shri Mehul J. Shah	Key Managerial Personnel (KMP)
- Shri Sanjay D.Shah	Key Managerial Personnel (KMP)
- Smt Anita Vyas - Company Secretary	Key Managerial Personnel (KMP)
- Shri Sanjay P. Shah	Key Managerial Personnel (KMP)
- Shri Yogesh J. Shah	Key Managerial Personnel (KMP)
- Shri Sachikumar N. Adalja	Key Managerial Personnel (KMP)
- Smt Jaywanti J Shah	Key Managerial Personnel (KMP)
- Shri Mahendra K. Savaliya - C.F.O.	Key Managerial Personnel (KMP)
Entities under direct or Indirect control or substantial Influence	
Anchor Daewoo Industries Limited Anchor Leasing Pvt.Ltd. Avatar Securities Pvt Ltd. Barindra Overseas Pvt.Ltd. Classic Electricals Limited Real Value Leasing Pvt.Ltd. Poddar Print Pvt.Ltd. Enicar Enterprises Poddar Infracon Pvt. Ltd. Java Tradevest Ltd DRM Corporation DRM Motors Anchor Enterprises Pvt.ltd. Good Value Financial Services Pvt. Ltd.	Entities under direct or Indirect control or substantial Influence

Note: related party relationship is as identified by the company and relied upon by the auditor.

Nature of Transaction	Opening Balance	Loan Taken	Interest paid/Credited	repayment	TDS	(in Rs.)
						Closing Balance
Loan Taken						
Anchor Daewoo Industries Limited	14,52,33,773	-	-	-	-	14,52,33,773
Anchor Leasing Pvt.Ltd.	5,81,32,984	-	46,50,639	-	4,65,064	6,23,18,559
Avtar Securities Pvt. Ltd.	-	30,00,000	1,07,507	-	10,751	30,96,756
Barindra Overseas Pvt.Ltd.	1,25,07,715	-	-	-	-	1,25,07,715
Classic Electricals Limited	2,67,33,089	30,00,000	22,08,346	-	2,20,835	3,17,20,600
Real Value Leasing Pvt.Ltd.	11,59,71,659	-	1,39,16,599	-	13,91,660	12,84,96,598
Dinesh Poddar	-	7,95,167	-	7,95,167	-	-
Good Value Financial Services Pvt. Ltd.	2,77,46,713	-	31,20,510	60,00,000	3,12,051	2,45,55,172

Nature of Transaction	DRM Motors	Amount (Rs.)
Rent Income	12,00,000	-
Paid for Repairs	9,530	
Renumeration paid -		
Anita Vyas (C.S.)		1,58,500
Mahendra Savaliya (C.F.O.)		78,515

31) Imports (Valued on the Cost, Insurance and Freight)

Particulars	2018-19	2017-18
	Rs.	Rs.
CIF value of Imports	Nil	Nil

32) Activity in Foreign Currency

Particulars	2018-19	2017-18
	Rs.	Rs.
Earnings in Foreign currency	Nil	Nil
Expenditure in Foreign currency	Nil	56,69,525

33) Remittance in Foreign currency

Particulars	2018-19	2017-18
	Rs.	Rs.
For payment of Dividend	Nil	Nil

34) FOB value of goods exported

Particulars	2018-19	2017-18
	Rs.	Rs.
FOB value of goods exported	Nil	Nil

35) Balances in respect of Trade receivables, Loans & advances and Liabilities in most of the cases are subject to confirmations, reconciliations and adjustments, if any.

36) In the opinion of the management, Loans & Advances and trade receivables have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated in the books of accounts.

37) In view of carried forward Business loss and unabsorbed depreciation, provision for taxation is not made in the financial statements.

38) As the Company does not fulfill the criteria specified in section 135 of the companies Act read with rule 3 of the Companies (Corporate Social Responsibility Policy) Rule, 2014 ('CSR Rules') CSR Provisions is not applicable to the company.

39) The operation of the Company represents wholly one segment of activity relating to construction. Accordingly all company's assets and liabilities relate to this activity only.

40) In accordance with the Ind AS 12 "Income Taxes" issued by the Institute of Chartered Accountants of India Deferred tax assets and liabilities should be recognised for all timing difference in accordance with the said standard. However considering the present financial position and the requirement of the accounting standard regarding certainty/virtual certainty the same is not provided for as an asset (Net). However the same will be reassessed at a subsequent balance sheet date and will be accounted for in the year of certainty/virtual certainty in accordance with the aforesaid accounting standard.

41) Computation of Net Profit under Section 197 of the Companies Act has not been given as no remuneration is paid to Directors.

42) The previous year's figures have been regrouped & recast wherever necessary to make them comparable.

As per our report of even dateFor **A.C.MODI & ASSOCIATES**

Chartered Accountants

Firm's registration number: 116555W

For and on behalf of the Board**Mehul J. Shah**

Chairman & MD

DIN: 00933528

Sanjay D. Shah

Director

DIN:00292226

ALPESH C.MODI

Proprietor

Membership number: 101342

Dinesh K. Poddar

Director

DIN: 00158597

Anita Vyas

Company

Secretary

M. No: FCS 3213

Mahendra K. Savaliya

Chief Financial

Officer

Place : Mumbai**Date: 15th May, 2019**

SHAH CONSTRUCTION COMPANY LIMITED

Annual Report 2018-19

Registered Office: 11, Shah Industrial Estate, Opp Anna Temple, New Link Road, Andheri (West), Mumbai 400053. Email : sccindia@yahoo.co.in

Phone:02266920678

PROXY FORM

Form No. MGT-11

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

CIN : U45202MH1949PLC007048

Name of the Company :SHAH CONSTRUCTION COMPANY LTD

Registered address : 11, Shah Industrial Estate, Opp Anna Temple, New Link Road, Andheri (West) Mumbai 400053.

Name of the member (s) :

Registered address :

E-mail ID :

Folio No./Client ID/DP ID :

I/We, _____ of _____ being the member(s) of SHAH CONSTRUCTION COMPANY LTD. hereby appoint the following as my/our proxy to attend vote(for me/us) on my/our behalf at the Annual General Meeting of the company to be held on Monday 30th September, 2019 at 11.00 A.M at Sabroso, The Premium Banquet, 601-603 A, Kotia Nirman, New Link Road, Andheri (West) Mumbai 400053 and at any adjournment thereof in respect of such resolutions as are indicated below:

Name : _____ Address :

E-mail ID : _____ Signature :

or failing him

Name : _____ Address :

E-mail ID : _____ Signature :

Or failing him

Name : _____ Address :

E-mail ID : _____ Signature :

Or failing him

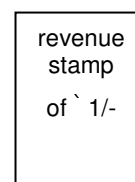
* I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

Sl.N o.	Resolution	For	Against
Ordinary Business			
1.	Adoption of audited Financial Statements for the financial year ended March 31, 2019 and reports of the Board of Directors and the Auditors thereon		
2.	Re-appointment of Mrs Jaywanti Jadavji Shah who retires by rotation		
3.	Re-appointment of Mr Sanjay Damji Shah who retires by rotation		

* This is optional. Please put a tick mark (√) in the appropriate column against the resolutions indicated in the box. If a member leaves the “For” or “Against” columns blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write “Abstain” across the boxes against the Resolution.

Signature (s) of Member(s)

1. _____
2. _____
3. _____



Signed this _____ day of _____ 2019

Notes:

1. The Proxy to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns “For” or “Against” as appropriate.

SHAH CONSTRUCTION COMPANY LIMITED

CIN : U45202MH1949PLC007048

Registered Office:11, Shah Industrial Estate, Opp Anna Temple,
New Link Road, Andheri (West) Mumbai 400053

E-mail:sccindia@yahoo.co.in

Tel: 91-22-66920678

BALLOT FORM
(In lieu of E-voting)

1. Name :
Registered Address
Of the sole/first named Shareholder :
2. Name(s) of the Joint Shareholder(s) :
if any
3. Registered Folio/DPID & Client ID No. :
4. No. of Shares held :

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the business stated in the Notice of the 71st Annual General Meeting of the Company to be held on 30th September, 2019 by convening my/our assent or dissent to the said Resolution(s) by placing the tick (✓) mark at the appropriate box below.

Item No.	Description	No. of Equity shares	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
	Ordinary Business			
1.	Adoption of audited Financial Statements for the financial year ended March 31, 2019 and reports of the Board of Directors and the Auditors thereon			
2.	Re-appointment of Mrs. Jaywanti Jadavji Shah who retires by rotation			
3.	Re-appointment of Mr.Sanjay Damji Shah who retires by rotation			

Place: _____

Date : _____

Signature of Shareholder

NOTE: Kindly read the instructions printed overleaf before filing the form.

INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Company.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. The right of voting by Ballot Form shall not be exercised by a proxy.
5. There will be only one Ballot Form for every Folio/DP ID/Client ID irrespective of the number of joint members.
6. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
7. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society, etc. a certified copy of the relevant authorization/Board resolution to vote should accompany the Ballot Form.
8. Instructions for the e-voting procedure are available in the Notice of the Annual General Meeting and are also placed on the website of the Company.

Road Map to Reach Meeting Place



BOOK POST

To

If Undelivered please return to:
SHAH CONSTRUCTION COMPANY LIMITED
11, Shah industrial Estate, New Link Road,
Opp. Anna Temple, Andheri (W),
Mumbai – 400 053.
Tel. : +91 22 66920678/79
Fax : +91 22 66920525
Email : scclindia@yahoo.co.in