

SHAH CONSTRUCTION COMPANY LIMITED

11 Shah Industrial Estate, Opp Anna Tenple, New Link Road, Andheri West ,Mumbai 400053
Email Id: scclindia@yahoo.co.in | Website: www.shah-construction.in | Ph No - 022-66920678
CIN: L45202MH1949PLC007048

Date: 03rd September, 2021

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,

Sub: 73rd AGM Notice, Book Closure and E-voting Details

This is to inform you that the 73rd Annual General Meeting of Shah Construction Company Limited will be held on Thursday, 30th September, 2021 at 01.00 P.M. IST through Video Conference ('VC') / other audio visual means ('OAVM').

Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2020-21 which is being sent to the members through electronic mode.

Further, we would like to inform you that pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42 of SEBI (LODR) Regulations, 2015, the Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 23rd September, 2021 to Thursday, 30th September, 2021 (both days inclusive) for the purpose of Annual General Meeting.

Pursuant to provisions of Section 108 of the Companies Act, 2013 read with Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is providing e-voting facility to its members. The members holding shares, in either physical form or dematerialized form, as on the cut-off date i.e. 23rd September, 2021 may cast their vote electronically to transact the business set out in the Notice of AGM.

The aforesaid documents are being dispatched electronically to those Members whose email IDs are registered with the Company/Purva Shareregistry (India) Private Limited (Registrar and Transfer Agents of the Company) or the Depositories.

The details of e- voting, required under Rule 20 of the Companies (Management and Administration) Rules, 2014, are given hereunder:

1. Cut-off date for E-voting: 23rd September, 2021.
2. Date and time of commencement of e-Voting: Monday, 27th September, 2021 at 9.00 A.M.
3. Date and time of end of e-Voting: Wednesday, 29th September, 2021 at 5.00 P.M.
4. The Notice of AGM and Annual Report is available on Company's website

SHAH CONSTRUCTION COMPANY LIMITED

11 Shah Industrial Estate, Opp Anna Tenple, New Link Road, Andheri West ,Mumbai 400053

Email Id: scclindia@yahoo.co.in | Website: www.shah-construction.in | Ph No - 022-66920678

CIN: L45202MH1949PLC007048

scclindia@yahoo.co.in

5. Name of the Agency providing E-voting Platform: National Securities Depository Limited (NSDL)

6. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

Please take a note of the same.

Thanking You,

Yours Faithfully,

For **SHAH CONSTRUCTION COMPANY LIMITED**

MEHUL J SHAH
MANAGING DIRECTOR
DIN: 00933528

Encl: as above

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr Mehul Jadavji Shah	Chairman & Managing Director
Mr Sanjay Premji Shah	Non-Executive & Independent Director
Mr Shachikumar Nandlal Adalja	Non-Executive & Independent Director
Mr Yogesh Janakrai Shah	Non-Executive & Independent Director (Resigned w.e.f 30 th June, 2021)
Mr Dinesh Keshardeo Poddar	Non-Executive Director
Mr Sanjay Damji Shah	Non-Executive Director
Mrs Jaywanti Jadavji Shah	Non-Executive Director
Mr Hitesh Papatlal Sanghoi	Non-Executive & Independent Director (Appointed w.e.f 30 th June, 2021)

CHIEF FINANCIAL OFFICER

Mr Mahendra Savaliya

COMPANY SECRETARY

Ms Anita Vyas

AUDITORS

Statutory Auditors
M/s. Mittal & Associates
Chartered Accountants

Secretarial Auditors
M/s. D. Kothari and Associates
Company Secretaries

BANKERS

Bank of India

REGISTERED OFFICE

11 Shah Industrial Estate, Opp Anna Temple,
New Link Road, Andheri West, Mumbai – 400053
CIN :L45202MH1949PLC007048
Tel:[022-66920678](tel:022-66920678) Email: scclindia@yahoo.co.in
Website: www.shah-construction.in

REGISTRAR & SHARE TRANSFER AGENT

Purva Sharegistry (India) Pvt. Ltd,
9 Shiv Shakti Ind. Estt., J. R. Boricha Marg,
Lower Parel (E), Mumbai - 400011

Shah Construction Company Limited
Annual Report 2020-2021

NOTICE

Notice is hereby given that the 73nd Annual General Meeting of Shah Construction Company Limited will be held on Thursday, September 30, 2021 at 01.00 P.M. IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

A. the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and the 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, 2021 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 a Director in place of Mr Sanjay Damji Shah (DIN : 00292226) who retires by rotation and, being eligible, offers herself for re-appointment 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”.

3. To appoint a Director in place of Mrs Jaywanti Jadavji Shah (DIN : 03327810) who retires by rotation and, being eligible, offers herself for re-appointment 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”.

Shah Construction Company Limited
Annual Report 2020-2021

4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to Section 139 of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013 (the Act) and the Companies Audit and Auditors Rule, 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to recommendation made by the Audit Committee of the Board, M/s. Mittal & Associates., Chartered Accountants having Registration No. 106456E, Mumbai, be and are hereby appointed as Statutory Auditors of the Company who shall hold office for the term of consecutive five years from the conclusion of this 73rd Annual General Meeting till the conclusion of the 78th Annual General Meeting to be held in the year 2026 and the Board be and is hereby authorised to fix the remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out of pocket expenses as may be incurred in connection with the audit of the accounts of the Company.

SPECIAL BUSINESS

5. To appoint Mr Hitesh Popatlal Sanghoi (DIN: 00507189) as a Non-Executive and Independent Director and in this regard pass the following resolution as Special Resolution

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

“RESOLVED that pursuant to the provisions of Section 149, 152, 160, and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014, the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 Mr Hitesh Popatlal Sanghoi (DIN: 00507189) who was appointed as an Additional Director and also as an Independent Director of the Company by the Board of Directors with effect from 30th June, 2021 and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the

Shah Construction Company Limited
Annual Report 2020-2021

Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for the term of five consecutive years commencing from 30th June, 2021 to 29th June, 2026.

BY ORDER OF THE BOARD
MEHUL JADAVJI SHAH
MANAGING DIRECTOR
DIN – 00933528

Registered Office:

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

Date: 14th August, 2021

Place: Mumbai

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No.02/2021 dated 13th January 2021 and 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Securities and Exchange Board of India (SEBI) circular No SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 11th January 2021 and SEBI Circular no SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 physical attendance of the Members to the EGM/AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders

Shah Construction Company Limited
Annual Report 2020-2021

Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.shah-construction.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 202
8. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
9. As per Regulation 40 of SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form
10. The Company has appointed **M/s. Purva Sharegistry India Private Limited**, Registrar and Transfer Agent ('RTA') of the Company, to provide VC/OVAM facility for the AGM of the Company.

Shah Construction Company Limited
Annual Report 2020-2021

11. Institutional/Corporate members are encouraged to attend and vote at the meeting through VC/OVAM. We also request them to send, a duly certified copy of the Board Resolution authorizing their representative to attend the AGM through VC/OAVM and vote through remote e-voting on its behalf at scclindia@yahoo.co.in and pursuant to Section 113 of the Companies Act, 2013.
12. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.shah-construction.in, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of NSDL <https://www.evoting.nsdl.com>.
13. The Register of Directors Shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
14. The Register of Members and Share Transfer Books of the Company shall be closed on from **23rd September, 2021 to 30th September, 2021 (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.
15. 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, and Circulars etc. from the Company electronically.
16. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s. Purva Share Registry India Private Limited for assistance in this regard.
17. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

Shah Construction Company Limited
Annual Report 2020-2021

A. VOTING THROUGH ELECTRONIC MEANS

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
 - ii. The remote e-voting period commences on **Monday, September 27, 2021 (9:00 a.m. IST) and ends on Wednesday, September 29, 2021 (5:00 p.m. IST)**. During this period, Members holding shares either in physical form or in dematerialized form, as on **Thursday, September 23, 2021** i.e. **cut-off date**, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
 - iii. The Board of Directors has appointed Ms. Dhanraj Kothari of M/s D. Kothari & Associates as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
 - iv. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
 - v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
18. The process and manner of participating in Annual General Meeting through Video conferencing mode and the process of e-voting is explained herein below:

Shah Construction Company Limited
Annual Report 2020-2021

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Monday, September 27, 2021 (9:00 a.m. IST) and ends on Wednesday, September 29, 2021 (5:00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select

Shah Construction Company Limited
Annual Report 2020-2021

“Register Online for IDEAS Portal” or click at <https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>

3. 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. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistra>

Shah Construction Company Limited
Annual Report 2020-2021

	<p>tion</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at [abovementioned website](#).

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Shah Construction Company Limited
Annual Report 2020-2021

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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

Shah Construction Company Limited
Annual Report 2020-2021

	101456001***
--	--------------

5. Password details for shareholders other than Individual shareholders 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, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
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 etc.
 - 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.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

<u>How to cast your vote electronically and join General Meeting on NSDL e-Voting system?</u>
--

- | |
|---|
| 1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status. |
|---|

Shah Construction Company Limited
Annual Report 2020-2021

2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

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 fcs.dhanraj@gmail.com 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.
3. 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 1020 990 and 1800 22 44 30 or send a request to at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self

Shah Construction Company Limited
Annual Report 2020-2021

attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to scclindia@yahoo.co.in

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to scclindia@yahoo.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

Shah Construction Company Limited
Annual Report 2020-2021

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.
6. Registration of Speaker related point needs to be added by company.

Shah Construction Company Limited
Annual Report 2020-2021

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES
ACT, 2013 (“THE ACT”)**

ANNEXURE 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.

1. Mr Sanjay Damji Shah (DIN : 00292226)

Name of the Director	Mr Sanjay Damji Shah
Date of Birth / Age	15/01/1967, 54 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	More than 31 years of experience
Board Membership of other Companies as on March 31, 2021	As given below
Chairperson/Member of the Committee of the Board of Directors of the Company as on March 31, 2021	-
Shareholding in the Company (as on 31/03/2021)	15670 Shares
No. of Board Meetings attended during the last financial year (2020-2021)	5
Terms and Conditions of appointment or re-appointment	Appointed as director liable to retire by rotation.

Shah Construction Company Limited
Annual Report 2020-2021

LIST OF DIRECTORSHIP OF MR SANJAY DAMJI SHAH

Sr No	CIN/FCRN	
1	U24249MH1992PTC068971	Anchor Consumer Products Private Limited
2	U85195MH2010PTC201766	Diagenic Diagnostic Private Limited
3	U65910MH2008PTC187592	Real Value Leasing Private Limited
4	U51900MH1993PTC073001	Indrajeet Exports Private Limited
5	U74120MH2012PTC227738	Acton Electronics And Electricals Private Limited
6	L45202MH1949PLC007048	Shah Construction Company Limited
7	U45209MH1995PTC085235	Good Value Builders Private Limited
8	U51900MH1995PTC086801	Etah Mines Private Limited
9	U67120MH1995PTC088433	Triple Securities Private Limited
10	U70100MH1995PTC088176	Godeshwar Estates Private Limited
11	U31400MH2008NPL186690	Association Of Electricals & Electronics Goods Manufacturers
12	U36911MH1995PTC092337	Bishakha Diamonds Private Limited
13	U67120MH1995PTC094447	Pratul Share Custodian Private Limited
14	U74999MH2011PTC218768	Anchor (India) Private Limited
15	U74120MH2011PTC212582	Kutchi Angel Network Private Limited
16	U45400MH2008PTC177711	Spenta Buildcon Private Limited
17	U92412MH2010PTC208381	Kochi Cricket Private Limited

Shah Construction Company Limited
Annual Report 2020-2021

ANNEXURE TO THE ITEM NO. 3 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, 78 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, 2021	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, 2021	-
Shareholding in the Company (as on 31/03/2021)	30706 Shares
No. of Board Meetings attended during the last financial year (2020-2021)	5
Terms and Conditions of appointment or re-appointment	Appointed as director liable to retire by rotation.

Shah Construction Company Limited
Annual Report 2020-2021

ANNEXURE TO THE ITEM NO 5

The Board of Directors of the Company has appointed Mr. Hitesh Popatlal Sanghoi as a Non-Executive and Independent Additional Director of the Company with effect from 30th June, 2021. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Hitesh Popatlal Sanghoi shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term of five years.

The Company has received notice under Section 160 of the Companies Act, 2013 from Mr. Hitesh Popatlal Sanghoi signifying his candidature as an Independent Director of the Company.

The Company has received a declaration of independence from Mr. Hitesh Popatlal Sanghoi. In the opinion of the Board, Mr. Hitesh Popatlal Sanghoi fulfills the conditions specified in the Companies Act, 2013 and the Listing Regulations, for appointment as Non-Executive and Independent Director of the Company.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended appointment of Mr Hitesh Popatlal Sanghoi as Non-Executive and Independent Director to hold office for the period of five consecutive years

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Hitesh Popatlal Sanghoi, is concerned or interested (financially or otherwise) in this Resolution. The Board commends the Special Resolution set out at Item no. 5 for approval of the Members.

Shah Construction Company Limited
Annual Report 2020-2021

**DETAILS OF INDEPENDENT DIRECTORS SEEKING APPOINTMENT
AT THE ENSUING ANNUAL GENERAL MEETING**

Particulars	Mr Hitesh Sanghoi
Age	53 years
Qualification	B.Com
Experience (including Expertise in specific functional area)/Brief Resume	More than 25 years of experience in field of Product Development and Marketing.
Date of first appointment on the Board	30/06/2021
Shareholding in the Company as on March 31, 2021	NIL
Relationship with other Directors/Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Number of meetings of the Board attended during the year	0
Directorships of Boards as on March 31, 2021	1. RAKSHA AQUA FARMS PRIVATE LIMITED 2. TATVAM CONSTRUCTIONS PRIVATE LIMITED 3. DHANISHTA EXPORTS PRIVATE LIMITED 4. MAHASWETA FINLEASE PRIVATE LIMITED 5. HANIMA INVESTMENTS PRIVATE LIMITED 6. QUICK STOCKTRADE PRIVATE LIMITED 7. VAIDEHI FISCAL PRIVATE LIMITED 8. CHITTA FINLEASE PRIVATE LIMITED 9. DEMAG REAL ESTATES PRIVATE LIMITED
Membership / Chairmanship of Committees of other Boards as on March 31, 2021	NIL

Shah Construction Company Limited
Annual Report 2020-2021

DIRECTORS' REPORT

Dear members,

The Board of Directors is pleased to present the Company's 73rd annual report and Company's Audited Financial Statements for the financial year ended March 31, 2021

1. FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2021 is summarized below:

Financial Results:

(Rupees in Lakhs)

Particulars	2020-21	2019-20
Revenue from operations	172.77	437.33
Other Income	15.64	268.98
Total Income	188.41	706.31
Project Expenses	27.27	45.87
Changes in inventories of Stock-in-Trade	(27.27)	(45.87)
Employee Benefits Expense	43.34	53.87
Finance Costs	297.67	269.33
Depreciation and Amortization Expense	23.59	27.59
Other Expenses	298.91	1432.06
Total Expenses	663.51	1782.85
Profit/ (Loss) before tax	(475.11)	(1076.54)
Less Income tax for earlier years	06.35	02.30
Profit/ (Loss) after tax	(481.46)	(1,078.84)

2. RESULTS OF OPERATIONS AND STATE OF AFFAIRS OF THE COMPANY

The total income has decreased to Rs.188.41 Lakhs from Rs.706.31 Lakhs in the previous year.

The loss before tax incurred to the company has decreased to Rs. 475.11 Lakhs for the year ended 31st March, 2021 compared to previous year Rs. 1076.54 Lakhs.

3. 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.

4. 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.

5. DIRECTOR'S RESPONSIBILITY STATEMENT

Your Directors state that:

a) in the preparation of the annual accounts for the year ended March 31, 2021, 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;

b) 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, 2021 and of the profit and loss of the Company for the year ended on that date;

c) 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;

d) the Directors have prepared the annual accounts on a going concern basis;

e) 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

f) 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.

6. 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 arm's 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.

Shah Construction Company Limited
Annual Report 2020-2021

Members may refer to Note No 29 to the financial statement which sets out related party disclosures pursuant to IND AS.

7. 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.

8. 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.

9. 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.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and Articles of Association of the Company, Mr Sanjay Damji Shah and Mrs Jaywanti Jadavji 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.

Mr Yogesh Janakrai Shah has resigned from the directorship of the company with effect from 30th June, 2021 .The Board accepted his resignation.

Mr Hitesh Sanghoi has been appointed as an Additional and Non-executive Independent Director of the company with effect from 30th June 2021 subject to the approval of members of the company in ensuing Annual General Meeting to hold office for the term upto five consecutive years commencing from 30th June, 2021 to 29th June, 2026 not liable to retire by rotation.

The Board of Directors recommends his appointment by the way of special resolution.

Declaration by Independent Directors:

All Independent Directors have given declarations to the effect that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 read with Regulation 16 of SEBI (Listing obligations and Disclosures Requirements), Regulations 2015. In the opinion of the Board, Independent Directors fulfil the conditions specified in the Act, Rules made there under and Listing Regulations.

Evaluation of Board's Performance:

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy.

The detailed programs for familiarization of Independent Directors with the Company, their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company are being discussed.

The Board carried out an annual performance evaluation of the Board, Committees, Individual Directors and the Chairman. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees.

The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors. Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued there under and the Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors / Board / Committees was carried out.

In a separate meeting of Independent Director's, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the view of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors at which the performance of

Shah Construction Company Limited
Annual Report 2020-2021

the Board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board excluding the independent directors being evaluated

11. AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. A. C. Modi & Associates, Chartered Accountants (Firm Registration No. 116555W) have tendered their resignation from the position of Statutory Auditors with effect from 16th April, 2021 resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013 ("Act").

The Board of Directors, on the recommendation of the Audit Committee of the Company has appointed M/s Mittal & Associates, Chartered Accountants (Firm Registration No – 106456W as the Statutory Auditors of the Company to carry out the audit for the financial year 2020 -2021 and the same was approved by the members of the company at its Extra Ordinary General Meeting held on 04th June 2021.

The board has now proposed the appointment of M/s. Mittal & Associates., Chartered Accountants having Registration No. 106456E, Mumbai, as Statutory Auditors of the Company in ensuing Annual General Meeting who shall hold office for the term of consecutive five years from the conclusion of this 73rd Annual General Meeting till the conclusion of the 78th Annual General Meeting to be held in the year 2026.

Secretarial Auditor

The Board has appointed M/s. D. Kothari & Associates, Practicing Company Secretary to conduct the Secretarial Audit for the period of five years . The Secretarial Audit report for the financial year ended March 31, 2021 is annexed herewith and marked as Annexure to this report. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

DISCLOSURES

(a) Meetings of the Board:

Five meetings of the Board of Directors were held during the year on the following dates i.e. 29/06/2020, 19/08/2020, 15/09/2020, 11/11/ 2020 and 12/02/2021.

(b) Constitution of Committees:

(1) Audit Committee:

The Company has constituted Audit Committee which comprises of following directors namely:

Mr. Yogesh Shah (Resigned with effect from 30th June , 2021) , Chairman & Independent Director

Mr. Sanjay Premji Shah, Independent Director

Mr. Dinesh Poddar, Non Independent Director

Mr Hitesh Sanghoi Independent Director (with effect from 30th June, 2021)

All the recommendations made by the Audit Committee were accepted by the Board.

(2) 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 following directors namely:

Mr. Yogesh Shah (Resigned with effect from 30th June , 2021) , Chairman & Independent Director

Mr. Sanjay Premji Shah, Independent Director

Mr. Dinesh Poddar, Non Independent Director

Mr Hitesh Sanghoi Independent Director (with effect from 30th June, 2021)

One Meeting of Nomination and Remuneration Committee was held on 12th February, 2021.

(3) Stakeholders Relationship Committee:

The Company has constituted stakeholders Committee comprises of following directors namely:

Mr. Yogesh Shah (Resigned with effect from 30th June , 2021) , Chairman & Independent Director

Mr. Sanjay Premji Shah, Independent Director

Mr. Dinesh Poddar, Non Independent Director

Mr Hitesh Sanghoi Independent Director (with effect from 30th June, 2021)

One Meeting of Stakeholders Relationship Committee was held on 12th February, 2021.

(c) 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.

The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the Annual Report 2020-21 Directors' Report candidates.

(d) Vigil Mechanism:

The Company has a robust Vigil Mechanism Policy of the Company, which also includes Whistle Blower Policy in accordance with provisions of the Act and Listing Regulations. The Vigil Mechanism is supervised by an Ethics and Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle-blower through an email, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee.

(e) Particulars of Loans given, Investments made, Guarantees given and Securities provided:

The full details of loans given, investments made, guarantees given have been provided in the notes to the financial statement for the year ended 31st March, 2021. The Company has not provided any security during the year.

(f) Conservation of Energy, technology absorption:

The Company is not engaged in manufacturing process. Wherever possible the Company has taken steps to conserve energy. The Company has not taken any technology domestically nor imported any technology and hence furnishing the details required doesn't arise.

(g) Foreign Exchange Earnings and Outgo

- 1) Foreign exchange earnings: NIL
- 2) Foreign exchange outgo : NIL

Shah Construction Company Limited
Annual Report 2020-2021

(h) Extract of Annual Return:

The Annual Return of the Company for the year ended 31st March, 2021 prepared in compliance with Section 92 of the Companies Act, 2013 and related Rules in prescribed Form No. MGT 7 is placed on the website of the Company and can be accessed at the web link: www.shah-construction.in.

(i) 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.

(j) Significant and Material Orders Passed By The Regulators Or Courts:

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

(k) Reporting of Frauds:

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

(l) Prevention of Sexual Harassment in the Company:

The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to providing an environment, which is free of discrimination, intimidation and abuse. All employees are covered under this policy. Your Directors state that during the year under review, there were no cases filed pursuant Shah Construction Company Limited Annual Report 2020-21 to the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013.

(m) General:

Your Directors state that no disclosure or reporting is required in respect of the following items as the provisions were not applicable to the company or there were no transactions on these items during the year under review: -

Shah Construction Company Limited
Annual Report 2020-2021

- Issue of Equity Shares with differential rights as to dividend, voting or otherwise. - Issue of shares (including sweat equity shares) to employees of the Company.
- The Company does not have any scheme of provision of money for the purchase of its own shares by the employees or by trustees for the benefit of employees.
- 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 subsidiary does not arise.
- The details of the top ten employees and employees who were drawing remuneration in excess of limits prescribed under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section 197 of the Companies Act, 2013.

ACKNOWLEDGEMENT

The Board of Directors would like to express the sincere appreciation for the assistance and cooperation received from banks, government authorities and members during the year under review.

The Board of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers

Date: 14th August, 2021

Place: Mumbai

For and on behalf of the Board of Directors

Mr Mehul Jadavji Shah
Managing Director
DIN:00933528

Mr Dinesh Keshardeo Poddar
Director
DIN: 00158597

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

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[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 COMPANY 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 COMPANY LIMITED CIN : L45202MH1949PLC007048** (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, 2021 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, 2021 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, 2018;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2014; (Not applicable to the company during the Audit Period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the Audit Period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the company during the Audit Period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the Audit Period);
and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the Audit Period);

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 is non-Compliant for dematerialization of Promoters shareholding.

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: 14th August, 2021

UDIN: F004930C000788504

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: 14th August, 2021



Independent Auditor's Report

To
The Members of Shah Construction Company Limited

Report on the Audit of the Financial Statements:

Opinion

We have audited the accompanying Financial Statements of Shah Construction Company Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flows and the statement of changes in Equity for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the Loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters
1	<p>Revenue Recognition</p> <p>We focused on this area as a key audit matter due to the risk of incorrect timing of revenue recognition. According to the financial statement' accounting principles revenue is recognized at a point in time when the Company has transferred to the buyer the significant risk and reward of ownership of goods, the Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold, the amount of revenue can be reliably measured, it is probable that future economic benefits associated with the transaction will flow to the Company.</p> <p>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.</p> <p>Auditor's Response</p> <p>To address this risk of material misstatement relating to revenue recognition, our audit procedures included:</p> <ul style="list-style-type: none"> - Assessing the compliance of company's revenue recognition policies with applicable Ind AS. - Assessing the adequacy of relevant disclosures.



2	<p>Inventory Valuation</p> <p>Inventory was considered as a key audit matters due to the size of the balance and because inventory valuation involves management judgment. According to company accounting policies inventory are measured at the lower of cost or net realizable value.</p> <p>In respect of Real Estate Development activity of the company ,the work in progress consist of the cost of materials, labour charges and other incidental expenses for the project till the date of the Balance sheet.</p> <p>Auditors Response</p> <ul style="list-style-type: none">- Assessing the compliance of the company's accounting policies over inventory with applicable Ind As.- Assessing the inventory valuation process.
---	--

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements 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.

The Board of Directors are 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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.



Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 including the statement of Other Comprehensive Income, the Statement of Cash Flows and the statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standard) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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, as amended 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 litigations on its financial position in its Financial Statements – Refer note 28 to the Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii. There were no amount which was required to be transferred to the Investor Education and Protection Fund by the company.



2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order .

**For Mittal & Associates
Chartered Accountants
FRN: 106456W**

**Sd
Hemant Bohra
Partner
M.No.165667
UDIN: 21165667AAAAER9900**

**Place: Mumbai
Date: 30th June, 2021**



Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **Shah Construction Company Limited** of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Shah Construction Company Limited (“the Company”) as of 31st March, 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting of the Company.

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

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, to the best of our information and according to the explanations given to us, 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 31st March, 2021, 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 Mittal & Associates
Chartered Accountants
FRN: 106456W**

Sd

**Hemant Bohra
Partner
M.No.:165667
UDIN: 21165667AAAAER9900**

**Place: Mumbai
Date: 30th June, 2021**



Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **Shah Construction Company Limited** of even date)

- 1) In case of the Company’s Fixed Assets:
 - (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Fixed Assets have been physically verified by the management in a phased manner which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- 2) The Company has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the frequency of verification is reasonable and no material discrepancies were noticed on such physical verification.
- 3) The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, the company has not given any loans or made any new investment and provided any guarantee and security. Accordingly, the provisions of clause 3 (vi) of the Order are not applicable to the Company.
- 5) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31st March, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- 6) The maintenance of cost records has not been specified by the central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the company. Accordingly, the provisions of clause 3 (vi) of the Order are not applicable to the Company.



- 7) **a)** According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has generally been regular in depositing undisputed statutory dues including Income-Tax, Goods and Services Tax and any other material statutory dues applicable to it with the appropriate authorities.
- b)** According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31st March, 2021 for a period of more than six months from the date on when they become payable.
- c)** According to the information and explanations given to us, there are no dues of income tax, duty of excise and service tax and value added tax have not been deposited with the appropriate authorities on account of any dispute except the following:

Nature of the Statute	Nature of the Dues	Due Amount (Rs. in Lakhs)	Period to which due relates	Forum where dispute is pending
Income Tax Act, 1961	Assessment Dues	10.62	A.Y. 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Assessment Dues	7.30	A.Y. 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Assessment Dues	1.46	A.Y. 2014-15	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Assessment Dues	12.61	A.Y. 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Assessment Dues	125.63	A.Y. 2018-19	Commissioner of Income Tax (Appeals)

- 8) The company has not taken any loans or borrowings from financial institutions, bank and government or has not issued any debentures. Therefore, the provisions of clause 4 (viii) of the Order are not applicable to the Company.
- 9) In our opinion, and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or term loan. Therefore, the provisions of clause 4 (ix) of the Order are not applicable to the Company.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.



- 11) Based upon the audit procedures performed and the information and explanations given by the management, the company has not paid/provided for managerial remuneration. Therefore, the provisions of clause 4 (xi) of the Order are not applicable to the Company.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16) The company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.

**For Mittal & Associates
Chartered Accountants
FRN: 106456W**

Sd

**Hemant Bohra
Partner
M.No.:165667
UDIN: 21165667AAAAER9900**

**Place: Mumbai
Date: 30th June, 2021**

SHAH CONSTRUCTION COMPANY LIMITED

Balance Sheet as at 31st March, 2021

(Amount in Rs.)

PARTICULARS	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non Current Assets			
(a) Property Plant and Equipment	5	164,657,554	166,101,161
(b) Financial Assets			
(i) Loans & Advances	6	3,479,478	3,574,813
(c) Other Non Current assets	7	20,101,659	23,895,785
Total Non Current Assets		188,238,691	193,571,758
Current Assets			
(a) Inventories	8	187,273,326	184,546,640
(b) Financial assets			
(i) Trade receivables	9	15,792,580	19,994,166
(ii) Cash and cash equivalents	10	248,605	89,089
(c) Other Current Assets	11	1,856,822	292,442
Total Current Assets		205,171,332	204,922,337
TOTAL ASSETS		393,410,023	398,494,095
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	16,125,000	16,125,000
(b) Other Equity	13	(837,605,514)	(789,459,874)
Total Equity		(821,480,514)	(773,334,874)
Liabilities			
Non Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	14	490,261,971	490,039,568
(b) Other Non Current Liabilities	15	2,482,647	2,695,391
Total Non Current Liabilities		492,744,618	492,734,959
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	467,100,764	433,446,876
(ii) Trade Payables	17	667,306	1,866,890
(iii) Other Financial Liability	18	233,599,825	233,117,825
(b) Other Current Liabilities	19	20,778,024	10,662,419
Total Current Liabilities		722,145,919	679,094,010
Total Liabilities		1,214,890,537	1,171,828,969
TOTAL EQUITY AND LIABILITIES		393,410,023	398,494,095

The accompanying notes form an integral part of the Standalone financial statements

<p>As per our report of even date attached For Mittal & Associates Chartered Accountants FRN: 106456W</p> <p style="text-align: center;">Sd</p> <p>Hemant Bohra Partner M.No.: 165667 UDIN : 21165667AAAAER9900</p> <p>Place : Mumbai Date : 30th June, 2021</p>	<p>For and on behalf of the Board of Directors of Shah Construction Company Limited</p> <p style="text-align: center;">Sd</p> <p>Mehul J. Shah Chairman & MD DIN: 00933528</p> <p style="text-align: center;">Sd</p> <p>Dinesh K. Poddar Director DIN: 00158597</p>	<p style="text-align: center;">Sd</p> <p>Mahendra K. Savaliya Chief Financial Officer</p> <p style="text-align: center;">Sd</p> <p>Anita Vyas Company Secretary</p>	<p style="text-align: center;">Sd</p> <p>Sanjay D. Shah Director DIN:00292226</p>
---	---	---	---

SHAH CONSTRUCTION COMPANY LIMITED
Statement of Profit and loss for the Year ended 31st March, 2021

(Amount in Rs.)

PARTICULARS	NOTE NO.	2020-21	2019-20
INCOME			
Revenue from Operations	20	17,276,982	43,733,391
Other Income	21	1,563,828	26,897,638
TOTAL INCOME		18,840,810	70,631,029
EXPENSES			
Project Expenses	22	2,726,686	4,586,773
Change in Inventories of Work in Progress & other Inventories	23	(2,726,686)	(4,586,773)
Employee benefits expense	24	4,333,860	5,386,549
Finance costs	25	29,767,463	26,933,080
Depreciation/ Amortization and Depletion expense	5	2,358,815	2,758,519
Other expenses	26	29,891,286	143,206,494
TOTAL EXPENSES		66,351,424	178,284,641
Profit/(Loss) before tax		(47,510,614)	(107,653,612)
Tax expense:			
(1) Current tax		-	-
(2) Income Tax of Earlier Year		635,026	230,186
PROFIT/(LOSS) FOR THE YEAR		(48,145,640)	(107,883,798)
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(48,145,640)	(107,883,798)
Earnings per equity share:	27		
(1) Basic		(298.58)	(669.05)
(2) Diluted		(298.58)	(669.05)

The accompanying notes form an integral part of the Standalone financial statements

<p>As per our report of even date attached For Mittal & Associates Chartered Accountants FRN: 106456W</p> <p>Sd</p> <p>Hemant Bohra Partner M.No.: 165667 UDIN : 21165667AAAAER9900</p> <p>Place : Mumbai Date : 30th June, 2021</p>	<p>For and on behalf of the Board of Directors of Shah Construction Company Limited</p> <p>Sd</p> <p>Mehul J. Shah Chairman & MD DIN: 00933528</p> <p>Sd</p> <p>Dinesh K. Poddar Director DIN: 00158597</p>	<p>Sd</p> <p>Mahendra K. Savaliya Chief Financial Officer</p> <p>Sd</p> <p>Anita Vyas Company Secretary</p>	<p>Sd</p> <p>Sanjay D. Shah Director DIN:00292226</p>
---	--	---	--

SHAH CONSTRUCTION COMPANY LIMITED
Cash Flow Statement for the year ended 31st March, 2021

(Amount in Rs.)

PARTICULARS	2020-20		2019-20	
A. Cash Flow arising from Operating Activities:				
Net Profit/(Loss) Before Taxation		(47,510,614)		(107,653,612)
<u>Add/(less)</u>				
Fixed Assets w/off/discared	-		138,132	
Interest accrued on Preference shares	482,000		482,000	
Depreciation Charge	2,358,815		2,758,519	
		2,840,815		3,378,651
Less:		(44,669,799)		(104,274,961)
Rent received	1,330,000		1,380,000	
Interest received	-		-	
		1,330,000		1,380,000
Operating Profit before Working Capital Changes		(45,999,799)		(105,654,961)
<u>Adjustment for:</u>				
(Increase)/Decrease in Trade Receivables	4,201,586		2,663,410	
(Increase)/Decrease in Inventories	(2,726,686)		(4,586,773)	
(Increase)/Decrease in Other Current assets	(1,564,380)		520,922	
(Increase)/Decrease in Non-Current Financial Assets	95,335		(292,851)	
Increase/(Decrease) in Current Liabilities - Borrowing	222,401		426,786	
Increase/(Decrease) in Trade Payables	(1,199,584)		1,216,638	
Increase/(Decrease) in Other Current Liabilities	10,115,605		5,489,396	
Increase/(Decrease) in Other Non-Current Liabilities	(212,744)		(25,387,250)	
(Increase)/Decrease in Non-Current Assets	3,794,126		102,339,694	
		12,725,660		82,389,972
Less: Income Tax for the Year	635,026	(33,274,140)	230,186	(23,264,989)
		635,026		230,186
Net Cash inflow/(Outflow) in course of Operating Activities:		(33,909,166)		(23,495,175)
B. Cash Flow Arising from Investing Activities:				
Adjustment for:				
Capital Work in Progress capitalised	-		-	
Purchase of Fixed Assets	(915,206)		(163,262)	
		(915,206)		(163,262)
Net Cash inflow/(Outflow) in course of Investing Activities:		(915,206)		(163,262)
C. Cash Flow Arising from Financial Activities:				
Cash Inflow				
a) Borrowings (Net)	33,653,888		25,517,702	
b) Interest received	-		-	
c) Rent received	1,330,000		1,380,000	
d) Other Advance received	-		(4,970,000)	
		34,983,888		21,927,702
Net Cash inflow/(Outflow) in course of Financial Activities:		34,983,888		21,927,702
Net Cash outflow (A+B+C):		159,516		(1,730,735)
Add: Balance at the beginning of the Year		89,089		1,819,824
Balance at the end of the Year		248,605		89,089

The accompanying notes form an integral part of the Standalone financial statements

As per our report of even date attached
For Mittal & Associates
Chartered Accountants
FRN: 106456W

For and on behalf of the Board of Directors of
Shah Construction Company Limited

Sd

Sd

Sd

Mehul J. Shah
Chairman & MD
DIN: 00933528

Mahendra K. Savaliya
Chief Financial
Officer

Hemant Bohra
Partner

Sd

Sd

Sd

M.No.: 165667
UDIN : 21165667AAAAER9900

Dinesh K. Poddar
Director
DIN: 00158597

Anita Vyas
Company
Secretary

Sanjay D. Shah
Director
DIN:00292226

Place : Mumbai
Date : 30th June, 2021

SHAH CONSTRUCTION COMPANY LIMITED
Statement of changes in equity for the year ended 31st March, 2021

A Equity Share Capital

Particulars	Amount in Rs.
Balance as at 31 March 2019	16,125,000
Changes in equity share capital during the year	-
Balance as at 31 March 2020	16,125,000
Changes in equity share capital during the year	-
Balance as at 31 March 2021	16,125,000

B Other Equity

Particulars	Balance as at 01 st April, 2020	Total Comprehensive Income for the year	Transfer to/(from) Retained Earnings	Balance as at 31 st March, 2021
	Rs.	Rs.	Rs.	Rs.
Reserves and Surplus				
Capital Reserve	3,645,300	-	-	3,645,300
General Reserve	6,312,746	-	-	6,312,746
Retained Earnings	(861,469,845)	(48,145,640)	-	(909,615,485)
Revaluation Surplus	62,051,925	-	-	62,051,925
	(789,459,874)	(48,145,640)	-	(837,605,514)

The accompanying notes form an integral part of the Standalone financial statements

As per our report of even date attached
For Mittal & Associates
Chartered Accountants
FRN: 106456W

Sd

Hemant Bohra
Partner
M.No.: 165667
UDIN : 21165667AAAAER9900

Place : Mumbai
Date : 30th June, 2021

For and on behalf of the Board of Directors of
Shah Construction Company Limited

Sd

Mehul J. Shah
Chairman & MD
DIN: 00933528

Sd

Dinesh K. Poddar
Director
DIN: 00158597

Sd

Mahendra K. Savaliya
Chief Financial
Officer

Sd

Anita Vyas
Company
Secretary

Sd

Sanjay D. Shah
Director
DIN:00292226

SHAH CONSTRUCTION COMPANY LIMITED

Notes to the Standalone financial Statements for the year ended March 31, 2021

(1) CORPORATE INFORMATION

Shah Constructions Company limited (the company) is a public limited company Incorporated in India. The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report. The company is engaged in the business of development of land and construction of building as Builders and developers.

(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 except the followings:

Particulars	Life as per Schedule II	Life taken by management
Welding Machine	15	5
Submersible water pump (2 nos)	10	5
Apple Watch	5	3
Apple Iphone - Mobile	5	3
SHARP AIR PURIFIER FU - A80EW	5	3
Apple Iphone - Mobile	5	3
Apple Iphone - 12 pro	5	3
Submersible Water Pump	10	5
LED light, Accessories with Labour	10	5
Water Pump (Owks52, G-48U, LSPA1TH000055, V32200)	10	3
Pressure Pump (CM 5-4 ARAE C with 24LT)	10	3

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.

Depreciation for assets purchased / sold during the year is proportionally charged.

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 consist 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 bias 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 t 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 t 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 t 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.

xi) Lease Transactions:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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.

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 2021	As at 31st March 2020
	Rs.	Rs.
(Unsecured and considered good)		
Loans & Advances given:		
Trade/Security Deposits given	3,479,478	3,574,813
Total	3,479,478	3,574,813

There are no any amount of Trade/Security deposit given to related parties.

7) Other Non Current Assets

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
(Unsecured and considered good unless otherwise stated)		
Advance Income Tax (Net of Provisions)	20,101,659	23,895,785
Considered Good		
Advances for goods and supplies - Overseas (#)	-	-
Others Non Current Assets-Overseas (#)	-	-
Considered doubtful		
Advances for goods and supplies - Overseas (#)	3,333,202	3,333,202
Others Non Current Assets-Overseas (#)	103,273,416	103,273,416
Less : Allowance on doubtful Assets	106,606,618	106,606,618
	-	-
Total	20,101,659	23,895,785

There are no any amount due from related parties.

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

Other Non-Current Assets-Overseas includes various deposits, retention money, receivables, inventories and balances with various bank which was stuck overseas since more than 35 years.

The company has put a claim of its assets and interest in projects situated at Iraq for which the company had applied for recovery of principal & interest thereon for said 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). Considering the delay in final outcome and ultimate recovery of the same, the company has made provision Rs. 1066.07 lakhs for doubtful recovery of its overseas assets situated at Iraq.

The company had also written back liabilities of Rs. 248.67 lakhs in respect of the said overseas projects at Iraq.

8) Inventories

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
(Valued at lower of cost or Net Realisable Value)		
Construction Work in Progress	186,573,326	183,846,640
Stores & Spares	700,000	700,000
Total	187,273,326	184,546,640
Note		
Inventories are taken as certified by the Management and is carried at lower of cost and net realisable value.		

9) Trade Receivables

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
<u>Unsecured, considered good</u>		
-From Related Parties (Refer Note No:29)	-	-
-From Others	974,505	2,834,000
<u>Unsecured, considered doubtful</u>		
-From Others	-	370,000
Less: Allowance for doubtful trade receivables	-	370,000
	974,505	2,834,000
Other receivables		
<u>Unsecured, considered good</u>		
-From Related Parties (Refer Note No:29)	484,750	216,000
-From Others	14,333,325	16,944,166
Total	15,792,580	19,994,166

10) Cash and Cash Equivalents

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
Cash on Hand	1,398	923
Balance with Banks - in current accounts	247,208	88,167
Total	248,605	89,089

11) Other Current Assets

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
(Unsecured and considered good)		
<u>Loans & Advances - Others</u>		
Advances to vendors	13,687	13,211
Balance With Government authority-GST receivables	26,900	210,166
Staff Advances	160,000	44,000
Others	1,656,234	25,065
Total	1,856,822	292,442

There are no any amount due from related parties.

12) Equity Share Capital

Share Capital	As at 31st March 2021		As at 31st March 2020	
	Number	Rs.	Number	Rs.
Authorised Share Capital				
<u>Equity Shares of Rs.100/- Each</u>				
	180,000	18,000,000	180,000	18,000,000
	180,000	18,000,000	180,000	18,000,000
<u>Preference Share of Rs.100/- Each</u>				
	4,820,000	482,000,000	4,820,000	482,000,000
	4,820,000	482,000,000	4,820,000	482,000,000
Issued, Subscribed & Paid up				
<u>Equity Shares of Rs.100/- Each, fully paid up</u>				
	161,250	16,125,000	161,250	16,125,000
Total	161,250	16,125,000	161,250	16,125,000

Reconciliation of Number of Equity Shares outstanding at the beginning and at the end of the year

Particulars	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	161,250	16,125,000	161,250	16,125,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	161,250	16,125,000	161,250	16,125,000

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.

The dividend proposed by board of directors is subject to approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

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 the number of equity shares held.

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 2021		As at 31st March 2020	
	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	13110	8.13	13110	8.13
6) Smt. Jayawanti J Shah	30706	19.04	30706	19.04

13) Other Equity

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
A) Capital Reserve		
As per Last Balance Sheet	3,645,300	3,645,300
Closing Balance	3,645,300	3,645,300
B) Revaluation Reserve		
As per Last Balance Sheet	62,051,925	62,051,925
Closing Balance	62,051,925	62,051,925
C) General Reserve		
As per Last Balance Sheet	6,312,746	6,312,746
Closing Balance	6,312,746	6,312,746
D) Retained Earning		
As per Last Balance Sheet	(861,469,845)	(753,586,047)
Add: Net Profit/(loss) For the Year	(48,145,640)	(107,883,798)
Closing Balance	(909,615,485)	(861,469,845)
Total	(837,605,514)	(789,459,874)

14) Borrowings-Non Current financial Liability

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
Unsecured		
Cumulative, Non convertible redeemable preference Shares (#)	482,000,000	482,000,000
Trade/Security Deposit received	8,261,971	8,039,568
Total	490,261,971	490,039,568

Terms/Rights attached to Preference Shares

(#) The company has issued Cumulative Non convertible, redeemable preference shares having face value of Rs.100/-each. These preference shares carry a fixed cumulative dividend of 0.1% p.a. (Till 31.03.2018 the company is liable to pay dividend @ 7% p.a. from the date of issue till 31.03.2018 cumulatively) 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 or before 14th May,2018. However, the said term is extended for further period of 7 years vide board meeting held on 25th may,2018 and accordingly the said preference share capital shall be redeemable on or before 14th May,2025.

There are no any amount of Trade/Security deposit received from related parties.

15) Other Non Current Liability

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
Advance received against sale of assets (Refer Note No:5)	2,394,000	2,394,000
Other Advance received	88,647	301,391
Advance received-Overseas	-	-
Trade payable -Overseas	-	-
Total	2,482,647	2,695,391

There are no any amount of advances received from related parties.

16) Borrowings-Current financial liability

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
Unsecured :		
Loans from related parties (Refer Note no. 29)	467,100,764	433,446,876
Total	467,100,764	433,446,876

Note

All loans from related parties are repayable on demand with/ without interest wherever applicable.

17) Trade Payables

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
(a) Dues outstanding of micro and small enterprises (#)	-	-
(b) Others (#)	667,306	1,866,890
Total	667,306	1,866,890

(#) 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 Financial Liability-Current

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
Unsecured:		
Other Advance received from related parties (Refer Note no. 29)	30,000	30,000
Other Advance received from others	-	-
unpaid Interest/dividend on Preference shares	233,569,825	233,087,825
Total	233,599,825	233,117,825

19) Other Current Liability

Particulars	As at 31st March 2021	As at 31st March 2020
	Rs.	Rs.
Statutory dues	2,931,239	6,113,918
Other payables including expenses payable at year end.	17,846,784	4,548,501
Total	20,778,024	10,662,419

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	2020-21	2019-20
	Rs.	Rs.
Sales and service revenue		
Income from Services		
Display (Hoarding) , Venue and Leasing Income Net of GST	17,276,982	43,733,391
Total	17,276,982	43,733,391

21) Other Income

Particulars	2020-21	2019-20
	Rs.	Rs.
Interest income comprises:		
Interest in IT refund	-	-
	-	-
Sundry Balance W/back	-	105,488
Trade payable and advances w/back	-	24,867,417
Rent Income	1,330,000	1,380,000
Interest on Financial Assets carried at amortised Cost	212,744	519,834
Other Income	21,084	24,900
Total	1,563,828	26,897,638

22) Project Expenses (#)

Particulars	2020-21	2019-20
	Rs.	Rs.
Civil Work & Labour		598,942
Electricity Charges	629,180	632,410
Professional Charges	-	816,000
Administration Charges & other Site Expenses	1,248,731	1,692,966
Interest on borrowings	848,775	846,455
Total	2,726,686	4,586,773

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

23) Changes in Inventories of construction Work In Progress & Other Inventories

Particulars	2020-21	2019-20
	Rs.	Rs.
Inventories at the end of the Year:		
(a) Stores & Spares	700,000	700,000
(b) Construction Work-in-Progress	186,573,326	183,846,640
	187,273,326	184,546,640
Inventories at the Beginning of the Year:		
(a) Stores & Spares	700,000	700,000
(b) Construction Work-in-Progress	183,846,640	179,259,867
	184,546,640	179,959,867
Decrease/(Increase) in stocks	(2,726,686)	(4,586,773)

24) Employee Benefits Expenses

Particulars	2020-21	2019-20
	Rs.	Rs.
Salary, Wages, Bonus & other allowances etc.	3,585,482	4,693,880
Contribution to Provident Fund and other fund	337,917	255,480
Workmen and Staff welfare expenses	410,461	437,189
Total	4,333,860	5,386,549

As per Indian Accounting Standard-19 "Employee Benefits", the disclosures of Employee Benefits as defined in the Indian Accounting Standard are given below:

Plan:

The Company makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Contribution to Defined Contribution Plans, recognised as expense (Net of amount Capitalised to CWIP) for the year is as under :

Particulars	2020-21	2019-20
	Rs.	Rs.
Employer's Contribution to Provident Fund	300,589	213,884
Employer's Contribution to ESIC	37,328	41,596
Total	337,917	255,480

Defined retirement Benefit Plan:

Provision of gratuity has been made during the years for those employees who have completed 5 years of service with the organisation. No employee has completed 5 years of service with the organization till 31.03.2021, therefore no provision is made.

25) Finance Cost

Particulars	2020-21	2019-20
	Rs.	Rs.
Interest & other borrowing cost on Borrowings from banks and others	29,350,434	26,464,115
Interest on Lease Liabilities	222,403	526,788
Interest/Dividend on preference Shares	482,000	482,000
Other Interest	561,401	306,632
	30,616,238	27,779,534
Less : capitalised to construction work in progress	848,775	846,455
Total	29,767,463	26,933,080

26) Other Expenses:

Particulars	2020-21	2019-20
	Rs.	Rs.
Power & Fuel	492,310	874,176
Insurance	41,026	63,627
Audit & Tax Audit Fees		
a) Audit fee (including limited review)	250,000	315,000
b) For Tax Audit fee	60,000	55,000
Lease rent	1,434,363	1,379,195
Rates & Taxes	21,031,501	27,082,451
Communication Expenses	36,070	82,356
Compensation for Settlement of Dispute(#)	1,000,000	-
Legal & Professional Fees	1,065,955	1,616,279
Repairs & Maintenance -Building	3,120	154,828
Repairs & Maintenance -Plant & Machinery	190,334	200,921
Repairs & Maintenance - Others	2,112,645	2,532,036
Security Charges	448,881	358,053
Travelling, Conveyance & Motor Car Expenses	324,094	492,740
Allowance for doubtful Trade receivables	-	370,000
Allowance for doubtful Assets	-	106,606,619
Property, Plant & Equipment Discarded/written off	-	138,132
Miscellaneous Expenses (*)	1,400,987	885,082
Total	29,891,286	143,206,494

(*) includes Donation of Rs. 10,000/-

(#) It is compensation for settlement of dispute in the matter of Keselec Lighting Pvt. Ltd. V/s Enicar Enterprise. We have takenover the Hoarding Business from Enicar enterprise with their Existing Liability from the year 01/04/2015. We are aware that their is court case going on with Keselec Lighting Pvt. Ltd but we have not booked any liability since it was contingent liability. But currently party is creating Huge nucence & hence we agreed to settle the matter.

27) Earning per share

Particulars	2020-21	2019-20
	Rs.	Rs.
Net Profit/(Loss) after tax	(48,145,640)	(107,883,798)
Weighted average No. of Shares	161,250	161,250
Nominal value per Share	10	10
Earnings per Share	(298.58)	(669.05)
Diluted Earnings per Share	(298.58)	(669.05)

28) Contingent Liabilities and commitments:

Particulars	2020-21	2019-20
	Rs.	Rs.
Contingent Liabilities:		
Guarantees furnished by Bank on behalf of the company to MCGM (pending for Renewal)	24,257,000	24,257,000
Disputed demand relating to tax against which the company has preferred appeal. (#)	18,810,890	6,562,400
Tax paid under protest or refund adjusted against disputed demand	6,013,564	5,392,590
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for in respect of Amboli Project is not ascertainable in view of non availability of final project working statement and other relevant data.		
The Income -Tax Assessments of the Company have been completed up to Assessment Year 2018-2019. The total outstanding demand upto AY 2018-2019 is Rs. 188.11 Lakhs as on date, against the same refund of earlier and past assessment was adjusted/demand paid by the company Rs.60.14 Lakhs as on date. Based on the decisions of the Appellate authorities and the interpretations of relevant provisions of the Income tax Act, the company has been legally advised that the additional demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.		

b)

Sr. No.	CASE NO.	BETWEEN	REMARKS	Amount
1	1479/07	SCCL V/S SURESH GORADIA	Notice of Motion for arguement	Not Ascertainable
2	248/16	BPT VS COLGATE	BPT has to file reply	Not Ascertainable

29) 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 - Shri Mehul J. Shah - Shri Sanjay D.Shah - Shri Sanjay P. Shah - Shri Yogesh J. Shah - Shri Sacchikumar N. Adalja - Smt Jaywanti J Shah - Smt Anita Vyas - Company Secretary - Shri Mahendra K. Savaliya - C.F.O.	Key Managerial Personnel (KMP) Key Managerial Personnel (KMP) Key Managerial Personnel (KMP) Key Managerial Personnel (KMP) Key Managerial Personnel (KMP) Key Managerial Personnel (KMP) Key Managerial Personnel (KMP) Key Managerial Personnel (KMP) Key Managerial Personnel (KMP)
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. DRM Corporation DRM Motors Locobuddy Mobile technology Pvt.Ltd. Chitrakoot Garden Good Value financial services pvt.ltd.	Enterprises over which Key Managerial Personnel are able to exercise significant 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	(Amount in Rs.)
						Closing Balance
Loan Taken						
Anchor Daewoo Industries Limited	145,233,773	-	-	-	-	145,233,773
Anchor Leasing Pvt.Ltd.	66,865,959	200,000	4,159,644	35,700,000	311,973	35,213,630
Avtar Securities Pvt. Ltd.	3,432,122	-	411,855	-	30,889	3,813,088
Barindra Overseas Pvt.Ltd.	12,507,715	-	-	-	-	12,507,715
Classic Electricals Limited	34,010,740	35,500,000	3,911,018	-	293,326	73,128,432
Real Value Leasing Pvt.Ltd.	144,182,170	6,500,000	17,602,189	-	1,320,164	166,964,195
Dinesh Poddar	-	157,853	-	139,550	-	18,303
Good Value Financial Services Pvt. Ltd.	27,214,397	-	3,265,728	-	244,930	30,235,195

Nature of Transaction			DRM Motors	Chitrakoot Garden
Income				
Rent Income Net of GST	-	-	1,150,000	-
Venue Charges Received net of GST	-	-	-	-
Expenses				
Purchase of repairs and maintenance materials	-	-	-	-
Motor car Expenses	-	-	155,695	-
Balances as at 31.03.2021				
Trade Receivables	-	-	484,750	-
Other Advance received	-	-	-	30,000
Nature of Transaction			Amount	
Remuneration paid				
Anita Vyas (C.S.)				186,000
Mahendra Savaliya (C.F.O.)				609,700

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

Particulars	2020-21	2019-20
	Rs.	Rs.
CIF value of Imports	Nil	Nil

31) Activity in Foreign Currency

Particulars	2020-21	2019-20
	Rs.	Rs.
Earnings in Foreign currency	Nil	Nil
Expenditure in Foreign currency	Nil	Nil

32) Remittance in Foreign currency

Particulars	2020-21	2019-20
	Rs.	Rs.
For payment of Dividend	Nil	Nil

33) FOB value of goods exported

Particulars	2020-21	2019-20
	Rs.	Rs.
FOB value of goods exported	Nil	Nil

34) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company has elected not to apply the requirements of Ind AS 116 as there is no any contract in writing, further pending litigation with the lessor the company has treated the transactions as short-term leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense in the profit & loss account.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

Transition to IndAS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees

The Company is not required to make any adjustments on transition to IndAS 116 for leases in which it acts as a lessor. The Company accounted for its leases in accordance with IndAS 116 from the date of initial application. The Company does not have any significant impact on account of lease on the application of this standard.

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 fulfil 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 date attached
For Mittal & Associates
Chartered Accountants
FRN: 106456W**

Sd

**Hemant Bohra
Partner
M.No.: 165667
UDIN : 21165667AAAAER9900**

**Place : Mumbai
Date : 30th June, 2021**

**For and on behalf of the Board of Directors of
Shah Construction Company Limited**

Sd

Mehul J. Shah
Chairman & MD
DIN: 00933528

Sd
Dinesh K. Poddar
Director
DIN: 00158597

Sd

Mahendra K. Savaliya
Chief Financial
Officer

Sd
Anita Vyas
Company
Secretary

Sd
Sanjay D. Shah
Director
DIN:00292226

SHAH CONSTRUCTION COMPANY LIMITED

NOTE NO: 5 : PROPERTY, PLANT AND EQUIPMENTS

(Amount in Rs.)

SR	PARTICULARS	GROSS BLOCK				DEPRICIATION/AMORTISATION/DEPLETION				NET BLOCK	
NO.		AS AT 01/04/2020	ADDITION	DEDUCTION	AS AT 31/03/2021	AS AT 01/04/2020	FOR THE YEAR	AMORTISATION/DE DUCTION	TOTAL DEP. 31/03/2021	AS AT 31/03/2021	AS AT 01/04/2020
	TANGIBLE ASSETS										
1	LAND (Refer Note Below)	153,521,963	-	-	153,521,963	-	-	-	-	153,521,963	153,521,963
2	BUILDING	9,403,446	-	-	9,403,446	3,405,415	585,425	-	3,990,840	5,412,606	5,998,031
3	ELECTRICAL INSTALLATION	1,826,661	47,902	-	1,874,563	965,798	383,247	-	1,349,045	525,518	860,863
4	PLANT & MACHINERY	11,360,104	706,306	-	12,066,410	7,841,051	905,005	-	8,746,056	3,320,354	3,519,053
5	OFFICE EQUIPMENT	266,514	126,500	-	393,014	225,047	41,223	-	266,270	126,744	41,467
6	COMPUTER	132,000	34,500	-	166,500	114,590	7,931	-	122,521	43,979	17,410
7	FURNITURE & FITTINGS	3,061,459	-	-	3,061,459	2,572,414	136,672	-	2,709,086	352,373	489,045
8	VEHICLES	2,539,382	-	-	2,539,382	886,054	299,312	-	1,185,366	1,354,017	1,653,329
	TOTAL (Current Year)	182,111,529	915,208	-	183,026,737	16,010,368	2,358,815	-	18,369,183	164,657,554	166,101,161
	TOTAL (Previous Year)	262,478,689	163,262	80,530,422	182,111,529	93,644,139	2,758,519	80,392,290	16,010,368	166,101,161	-

Note :

The Company had sold Plot No. M-1 & M-2 of the land at Amboli for Rs. 4,00,000/- as recorded in Agreement dated 18th August, 1980, Plot No. U-1 & U-2 of the land at Amboli for Rs. 8,00,000/- as recorded in Agreement dated 15th April, 1981 and Plot No. K, L & T3 of the land at Amboli for Rs. 11,94,000/- as recorded in Agreement dated 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 statutory formalities of the sold property, the amount received from the purchasers is shown as advance payments towards the sale of the said plots of land at Amboli, Andheri.