

Date: 06/09/2021

To  
The Manager  
Listing & Compliance Department,  
National Stock Exchange of India Limited  
Exchange Plaza, s<sup>th</sup> Floor, Plot No. C/1,  
G Block, Bandra-Kurla Complex, Bandra,  
Mumbai- 400051.

(Company ID: NITIRAJ ISIN: INE439T01012)

**Sub: Submission of Notice of the 22<sup>nd</sup> Annual General Meeting of the Company and Annual Report 2020-2021 for the year ended on 31st March. 2021.**

Dear Sir/Madam,

In compliance with Regulation 34 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) we hereby submit copy of the Annual Report for the financial year 2020-21 along with Notice of the 22<sup>nd</sup> Annual General Meeting scheduled to be held on 28<sup>th</sup> September, 2021.

In pursuant to compliance of MCA circular No. 14/2020 dated April 8, 2020, and 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 02/2021 dated January 13, 2021, SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and all other relevant circulars issued from time to time, the 22<sup>nd</sup> Annual General Meeting (AGM) of Nitiraj Engineers Limited will be held on Tuesday, 28<sup>th</sup> September, 2021 at 12:00 P.M. via. Video conference (VC)/other audio-visual means (OAVM).

The details on the manner of attending the AGM and casting votes by the shareholders via. Electronic Mode is set out in the notice of the AGM attached herewith.

The annual report will be sent to the shareholders of company whose email ids are registered with the company/Depository participant. The shareholders whose email ids are not registered with the company may demand copy of the Annual Report through email [investor@nitiraj.net](mailto:investor@nitiraj.net).

The Annual report is also available at the website of company at [www.nitiraj.net](http://www.nitiraj.net).  
We request you to please take on record aforesaid information.

Thanking You,  
Yours Faithfully,  
FOR NITIRAJ ENGINEERS LIMITED



DEEPIKA DALMIYA  
Company Secretary & Compliance Officer  
M. No.: A58029





# **NITIRAJ ENGINEERS LIMITED**

**(CIN: - L31909MH1999PLC119231)**

**Electronic Weighing Scales & Systems**

**Currency Counting Machines**

**Digital Fare Meters**

**Home & Hotel Automation Products**

**Health Measurement Products**

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## **ANNUAL REPORT 2020-21**

### **22<sup>nd</sup> ANNUAL GENERAL MEETING**

**On Tuesday, the 28<sup>th</sup> day of September 2021 AT 12.PM**

Through Video Conferencing (“VC”) /  
Other Audio Visual Means (“OAVM”)

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#### **Registered Office:**

**306 A, BABHA BUILDING MARG**

**NEAR POLICE STATION, MUMBAI - 400011 (MH) INDIA**

**Contact No: - +91-2562-239080**

**Website :- [www.nitiraj.net](http://www.nitiraj.net) E-Mail Id :- [investor@nitiraj.net](mailto:investor@nitiraj.net)**

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## COMPANY INFORMATION

### BOARD OF DIRECTORS

- Chairman & Managing Director : MR. RAJESH RAGHUNATH BHATWAL
- Whole Time Director & Women Director : MRS. SHAKUNTALA RAJESH BHATWAL
- Whole Time Director : MR. HUNG SIN CHUNG HUANYI
- Independent Director : MR. ANIL NANDKISHOR BANGAD
- Independent Director : MR. PRADEEP CHANDRAKANT SHAH
- Independent Director : MR. SHABBIR SADRUDDIN MASANI
- Chief Financial Officer : MR. KAILAS MADANLAL AGRAWAL  
E-mail: [expenses@nitiraj.net](mailto:expenses@nitiraj.net)
- Company Secretary & Compliance Officer : CS. DEEPIKA AMIT DALMIYA  
E-mail: [investor@nitiraj.net](mailto:investor@nitiraj.net)
- Registered Office : 306 A Babha Building,  
N. M. Joshi Marg, Near Police Station,  
Mumbai-400011  
Maharashtra, India.  
Website: [www.nitiraj.net](http://www.nitiraj.net)  
E-mail: [investor@nitiraj.net](mailto:investor@nitiraj.net)
- Corporate Office : City Survey No. 496 A/3, 4,  
Behind Gurudwara, Mumbai - Agra  
Road, Dhule-424001  
E-mail: [investor@nitiraj.net](mailto:investor@nitiraj.net)
- Statutory Auditors : **P. D. DALAL & CO.,**  
Chartered Accountants  
102, B Wing, Lake Florence, Phasel,  
Adishankaracharya Marg, Powai,  
Mumbai – 400076. MH IN,  
E-mail Id: [auditpdd@gmail.com](mailto:auditpdd@gmail.com)
- Secretarial Auditors : **D. SAGAR & ASSOCIATES**  
Office No.10, 2nd Floor, Malan Plaza, Besides Durga  
Mata Temple, Javahar colony road, Vishnu nagar,  
Aurangabad-431001  
E-mail Id:- [deo.sagar@rediffmail.com](mailto:deo.sagar@rediffmail.com)
- Shares listed with : National Stock Exchange of India Limited,  
Main Board NSE
- Registrar & Share Transfer Agents : **BIGSHARE SERVICES PRIVATE LIMITED**  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, AndheriEast, Mumbai 400059

- Bankers : **HDFC Bank Limited**

## BOARD COMMITTEES

- **Audit Committee**

Mr. Pradeep Chandrakant Shah : Chairman  
Mr. Rajesh Raghunath Bhatwal : Member  
Mr. Anil Nandkishor Bangad : Member

- **Nomination and Remuneration Committee**

Mr. Pradeep Chandrakant Shah : Chairman  
Mr. Shabbir Sadruddin Masani : Member  
Mr. Anil Nandkishor Bangad : Member

- **Stakeholders Relationship Committee**

Mr. Pradeep Chandrakant Shah : Chairman  
Mr. Rajesh Raghunath Bhatwal : Member  
Mr. Anil Nandkishor Bangad : Member

- **Corporate Social Responsibility Committee**

Mr. Pradeep Chandrakant Shah : Chairman  
Mr. Rajesh Raghunath Bhatwal : Member  
Mr. Anil Nandkishor Bangad : Member

- **Internal Complaints Committee**

Mr. Pradeep Chandrakant Shah : Chairman  
Mr. Rajesh Raghunath Bhatwal : Member  
Mr. Anil Nandkishor Bangad : Member

- **Sexual Harassment Committee**

Mr. Rajesh Raghunath Bhatwal : Chairman  
Mrs. Shakuntala Rajesh Bhatwal : Member  
Mr. Pradeep Chandrakant Shah : Member

## **NOTICE OF THE 22<sup>ND</sup> ANNUAL GENERAL MEETING**

**To,  
The Members,  
NITIRAJ ENGINEERS LIMITED,  
(CIN- L31909MH1999PLC119231),  
306 A BABHA BLD M MARG,  
NEAR POLICE STATION,  
MUMBAI – 400011.**

**NOTICE** is hereby given that the 22<sup>nd</sup> Annual General Meeting of **NITIRAJ ENGINEERS LIMITED** will be held on Tuesday, 28<sup>th</sup>, September 2021 at 12.00 PM. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:-

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### **ORDINARY BUSINESS:**

**TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTIONS:**

**1. TO RECEIVE, CONSIDER AND ADOPT STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS AND REPORT THERON ON WITH DIRECTOR REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021.**

- a) **"RESOLVED THAT** the Standalone Audited Financial Statements of the Company for the year 2020-21 together with the Reports of the Board of Directors' and Auditors' thereon of the Company for the year 2020-21 as presented to the meeting, be and hereby, adopted."
- b) **"RESOLVED THAT** the Consolidated Financial Statements of the Company for the year 2020-21 together with the Reports of the Auditors' thereon of the Company for the year 2020-21 as presented to the meeting, be and hereby, approved and adopted."

**2. TO RE-APPOINT OF STATUTORY AUDITORS AND FIX THEIR REMUNERATION AND THIS REGARDS PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION.**

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141 and 142 of the Companies Act, 2013, M/s. P. D. Dalal & Co., Chartered Accountants, Mumbai (Firm Registration No: 102047W), be and is hereby re-appointed as the Statutory Auditor of the Company and have confirmed their eligibility to be appointed as Auditor in terms of Provision of Section 141 of the Act, and Rule 4 of the Rules to audit the accounts up-to the conclusion of the forthcoming Annual General Meeting of the Company, on a remuneration to be decided by the Board or its Committee with the Audit of the Account of the Company for the Financial Year ended March 31<sup>st</sup> 2022.

## SPECIAL BUSINESS

### 3. TO RE-APPOINT ROTATIONAL DIRECTOR –

To consider re-appointment of Mr. YI HUNG SIN, Whole Time Director holding (DIN : 01953871), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offers himself for re- appointment. For details of Director seeking re- appointment at the Annual General meeting please refer Annexure I.

**By order of the Board of Directors,  
NITIRAJ ENGINEERS LIMITED**

**(RAJESH RAGHUNATH BHATWAL)**  
Managing Director  
DIN- 00547575

**Place :** Dhule, Maharashtra

**Date :** 04/09/2021

(Corporate Office)

Registered Office:- 306A Bhabha Building,  
N.M. Joshi Marg, Delisle Road, Near Police  
Station, Mumbai – 400 011

### **NOTES:**

#### **1. GENERAL INSTRUCTIONS FOR ACCESSING AND PARTICIPATING IN THE AGM THROUGH VC/OAVM FACILITY AND VOTING THROUGH ELECTRONIC MEANS INCLUDING REMOTE E-VOTING.**

- a.** 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. 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 Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting 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.
- b.** 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 there at and cast their votes through e-voting.

- c.** 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 Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
- d.** 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.
- e.** 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.
- f.** 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.nitiraj.net](http://www.nitiraj.net). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively 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](http://www.evoting.nsdl.com).
- g.** 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, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
- h.** Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.

- i. Attendance of the Members participating in the 22<sup>nd</sup> AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. NSDL Limited will be providing facility for voting through remote e-Voting, for participation in the 22<sup>nd</sup> AGM through VC/OAVM Facility and e-Voting during the 22<sup>nd</sup> AGM. Members may note that the VC/OAVM Facility, provided by NSDL limited, allows participation on a on a first-come-first-served basis. The large shareholders (i.e. 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 Relationship Committee, auditors, etc. can attend the 22<sup>nd</sup> AGM without any restriction on account of first-come first-served principle.
  - j. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 22<sup>nd</sup> AGM and facility for those Members participating in the 22<sup>nd</sup> AGM to cast vote through e-Voting system during the 22<sup>nd</sup> AGM.
  - k. In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars, the Notice of AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2020-21 has been uploaded on the website of the Company at [www.nitiraj.net](http://www.nitiraj.net). The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively. Members may join the 22<sup>nd</sup> AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 10.45 p.m. IST i.e. 15 minutes before the time scheduled to start the 22<sup>nd</sup> AGM and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 22<sup>nd</sup> AGM.
2. All the documents referred to in the accompanying notice and the annexures to it are open for inspection at the Registered Office of the Company during business hours from Monday to Friday up to the date of this Annual General Meeting of the Company.
3. In-terms of Section 101 and 136 of the Companies Act, read together with Rules made there under electronic copy of the Annual Report and the notice of the Annual General Meeting of the Company along with attendance slip are being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes, unless any member has requested for a hard copy of the same on our e-mail ID [investor@nitiraj.net](mailto:investor@nitiraj.net) For members who have not registered their email address, physical copies of the above documents are being sent in the permitted mode.
4. Members desiring any information relating to the Accounts are requested to write to the

Company well in advance so as to enable management to keep the information ready.

5. Members are requested to notify any change in their addresses to the Company immediately. Members holding shares in electronic form are requested to advise change of addresses to their Depository Participants.
6. Members are requested to affix their signatures at the space provided on the attendance slip annexed to proxy form and handover the slip at the entrance of the meeting hall
7. Members may also note that the notice of the Annual General Meeting and the Annual Report will also be available on the Company's website for their download (**www.nitiraj.net**). The physical copies of the aforesaid documents will also be available at the Company's Registered Office at 306 A Babha Building, M Marg, Near Police Station, Mumbai - 400011, during office hours on working days except Saturdays between 11.00 a.m. to 1.00 p.m. for inspection. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost.
8. Pursuant to provision of Section 91 of the Companies Act, 2013 and Listing Agreement, the Register of Members and Share Transfer Book will remain closed from 22<sup>nd</sup> September 2021 to 28<sup>th</sup> September 2021 (Both days inclusive).
9. Notice of AGM along with Annual Report 2020-21 is being sent by electronic mode to those members who is registered as a members as on 27<sup>th</sup> August, 2021 as per list provided by Registrar and Share Transfer Agent, M/s. Bigshare Services Private Limited.
10. SEBI & the Ministry of Corporate Affairs encourage paperless communication as a Contribution to greener environment. Members holding shares in physical mode are requested to register their e-mail ID's with the Bigshare Services Pvt. Ltd., the Registrars & Share Transfer Agents of the Company and Members holding shares in de-mat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered.  
If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
11. The Board of Directors has appointed CA Piyush Agrawal, Chartered Accountants (Membership No. 135041) as scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair transparent manner.
12. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have de-mat accounts.

13. Members are requested to bring their copy of Annual report of the meeting as the same shall not be circulated thereat.
14. Members are requested to intimate their email id at [investor@nitiraj.net](mailto:investor@nitiraj.net) in order to meet the requirement of green initiatives.
15. Electronic copy of Notice of the AGM along with Annual Report 2020-21 including remote E Voting Instruction, attendance slip is being sent by electronic mode to those members who is registered as a member as on 27<sup>th</sup> August, 2021 on their registered E mail ID. For those shareholders whose name stands registered in the register of member as on Friday 27<sup>th</sup> August, 2021 and who have not registered mail Address, Physical copy of notice of the Annual general Meeting along with Annual reports, including Remote E voting instructions s being sent to them in the permitted mode.
16. Shareholders are also informed that voting shall be by E-voting.
17. The company has set Friday, August 27, 2021 as the Cutoff date for taking record of the shareholders of the company who will be eligible for casting their vote on the resolution to be passed in the ensuing AGM for both E-Voting and Physical mode through Polling Paper.

#### **18. General Information of E Voting :-**

- I. The e-voting period commences on Friday, 25<sup>th</sup> September 2021 at 9:00 a.m. and ends on Sunday, September 27<sup>th</sup>, 2021 at 5.00 p.m. During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

#### **19. How do I vote electronically using NSDL e-Voting system?**

The way to below:

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

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

Details on Step 1 is mentioned below:

#### **How to Log-into NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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 ..... then user ID is 101456001***

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

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

**Details on Step 2 are given below:**

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for 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 email to [piyushragrawal@gmail.com](mailto:piyushragrawal@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto: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](http://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](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

## ANNEXTURE 1

### Details of the Directors seeking re-appointment at the AGM of the Company Pursuant to Regulation 36(3) of the (Listing Obligation and Disclosure Requirement) Regulation, 2015

<b>Name of the Director</b>	Mr. YI Hung Sin
<b>DIN</b>	01953871
<b>Date of Birth</b>	15/11/1964
<b>Date of Appointment of the Board</b>	01/07/2003
<b>Brief Resume, Qualification and nature of expertise in functional areas</b>	Mr. YI Hung Sin is the Whole Time Director of our Company. Having 28 years of experience in business management. He is well-known for his planning skills with respect to production and Marketing and also liaison with the government agencies. He has been a strong relationship developer for the company with various agencies over the time.
<b>Directorship in other Public Companies</b>	NIL
<b>Membership/Chairmanship of Committee of other Public Companies</b>	NIL
<b>No. of Shares held in the Company</b>	832500

**1. Factory Entrance**



**2. Hi-tech Manchinery**



### 3. Workspace



### 4. Huge Storage



## Chairman's Letter

Dear valued Shareholders,

I would like to begin by expressing my happiness of moving to the NSE Main board which will help our Company to be more visible and reach out to a larger stakeholder community. We believe that our Company is ready to accept this larger platform and reach newer heights in the foreseeable future.

This entire year we have all been suffering and recovering from the pandemic. We have followed all the norms and guidelines mentioned by the Government to make sure our employees have a safe working environment. Our Company had to shut down its operations for a few months but luckily post that most of our employees are local residents, so we did not face any labour related issues. While this has been both a very difficult and challenging time for most of the B2C businesses in India, I would like to say that we have been fortunate that our B2C business has not only been gaining good traction, but it is also growing well. To make better use of the manufacturing facility, we started manufacturing protective face shields, which is also the need of the hour. We are working towards coming out robust and strong post this pandemic and grow multifold as per our plans and expectations.

On our financial performance for the year, however, our company inspite had a muted year. We, recorded an increase in sales by 12.45% from Rs. 47.86 Cr in FY2020 to Rs 53.82 Cr in FY2021. This was mainly on account of increased market demand especially commercial sales and growing B2C business. Increase in EBITDA by 117.12% and margin by 701 bps mainly due to increase in sales and sale of products with lower stamping fees. PAT has increased by 40.58% from Rs. 2.59 Cr in FY2020 to Rs. 3.64 Cr in FY2021 due to higher sales and cost cutting measures due to innovation because of our R&D facilities.

Companies in the market are increasingly focusing on the introduction of compact and portable products in order to gain market share and focusing on the integration of advanced technology to achieve higher precision. Home-based business owners are the major consumers of portable weighing machines owing to the space-saving option, ease of portability, and similar accuracy.

The offline segment dominated the market with a share of 94.5% in 2019. Brick and mortar retail stores, including distributors, specialty stores, hypermarkets, and supermarkets, are the most preferred distribution channels. Most consumers prefer buying an electronic weighing machine from offline stores as they can check the quality and functionality of the products before buying them. In addition, offline stores offer after-sales support pertaining to issues related to products. Moreover, it is easier to communicate to these stores for claiming guarantees or warranties. Thus,

the abovementioned factors attract consumers to purchase products from offline retail outlets.

Along with branch offices and dealer networks, our Company has also entered online spaces to capture the untapped customers who prefer buying products online. For this, the Company has employed specialized personals in the digital marketing team to create awareness online and proceed online orders. This segment is picking up and we believe will contribute significantly in the coming years.

I, would like to thank, our employees for their persistent efforts, Board for their guidance and support and all our stakeholders, for their consistent support and encouragement, in all our endeavours. We continue to look forward, to your guidance and support, motivating us to reach newer heights.

**With warm regards,  
Yours sincerely,**

**Sd/-  
Rajesh Bhatwal  
Managing Director**

## DIRECTOR'S REPORT

**To,**  
**The Members,**  
**NITIRAJ ENGINEERS LIMITED,**  
 306, Babha Building, N M. Joshi Marg,  
 Near Police Station, Mumbai – 400011 INDIA

Your Directors have a pleasure in presenting the **22<sup>nd</sup> Annual Report** on the business and operation of the Company together with the Audited Financial Accounts for the year ended **31<sup>st</sup> March, 2021.**

### **1. FINANCIAL HIGHLIGHTS**

Financial results of your Company for the year ended 31<sup>st</sup> March 2021 are summarized below.  
 (Standalone)

Particulars	(Amount in Lac's)	
	Financial Statement	
	2020-21	2019-20
Income from Operations	5,382.15	<b>4,786.37</b>
Other Income	20.64	<b>187.64</b>
Total revenue	<b>5,402.78</b>	4,974.01
Operating Costs	4,622.42	<b>4,470.91</b>
Profit before depreciation	<b>780.36</b>	503.10
Depreciation	288.41	<b>142.14</b>
Profit before exceptional item and Tax	<b>491.95</b>	360.96
Exceptional Item	0.00	<b>0.00</b>
Profit before Tax (PBT)	<b>491.95</b>	360.96
Tax expense	128.43	<b>102.36</b>
Profit for the year (PAT)	<b>363.52</b>	258.60
Basic EPS	3.55	2.52

### **2. HIGHLIGHTS OF PERFORMANCE:-**

Total Revenue for the year 2020-21 has increased to Rs. 5,382.15 lacs as compared to Rs. 4,786.37 lac's in the previous year. Profit before Tax for the year was Rs. 491.95 lac's as compared to profit of Rs. 360.97 lac's in the previous year. Profit after Tax for the year was Rs. 363.52 Lac's as compared to profit of Rs. 258.60 lac's in the previous year.

### **3. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There is no change in the nature of business carried out by the Company in the Year 2020-21.

### **4. SHARE CAPITAL**

Company issued bonus shares, thus there is an addition in Share Capital of the company during financial year 2020-21.

### **5. DIVIDEND**

In order to plough back the profits for the activities of the company and strategy of growth in the business through enhancing manufacturing capacity, your directors do not recommend any dividend for the financial year.

### **6. CHANGE IN NAME**

The company has not changed its name during financial year 2020-21.

### **7. RESERVES**

The Board of the Company has decided to carry Rs. 363.52 Lac's to the Reserves of the Company as on 31<sup>st</sup> March 2021.

### **8. THE BOARD AND KMP :**

#### **(a) Composition of the Board of Directors :**

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. As on the date of this report, the Board comprises of 6(Six) Directors, out of which 3 are Executive Directors, 3 is Independent Non-Executive Director and is that includes one Woman Director. The Chairman of the Board is an executive director.

The Company has following composition of the Board:-

1	Mr. Rajesh Bhatwal	Managing Director and Executive Director
2	Mrs. Shakuntala Bhatwal	Whole Time and Women Director
3	Mr. Hung Sin Chung Huanyi	Whole Time Director
4	Mr. Anil Nandkishor Bangad	Independent Director Non-Executive Director
5	Mr. Pradeep Chandrakant Shah	Independent Director Non-Executive Director

6 Mr. Shabbir Sadruddin Masani

Independent Director Non-Executive Director

### **Director Retiring by Rotation**

Pursuant to Section 152 of the Companies Act, 2013 and in accordance with the Article of Association of the Company, Mr. YI Hung Sin (DIN No- 01953871), Whole Time Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. The Board of Directors recommends her re-appointment.

### **Company Secretary & Compliance Officer.**

There was no change in the post of company secretary and compliance officer.

## **9. MEETINGS OF BOARD OF DIRECTOR AND SHAREHOLDERS**

Twelve board meetings were held during the year 2020-21 and four audit committee meetings and two nomination and remuneration committee meetings and two stakeholders' relationship committee meetings and the intervening gap between meetings was within the period prescribed under Secretarial Standards applicable to the company.

## **10. BOARD EVALUATION**

Pursuant to the provision of the companies Act, 2013, Listing regulation along with other rules and regulation applicable, if any, the company has carried out the annual performance evaluation of its own performance, the director individually as well as the evaluation of the working of its committees, A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspect of the board functioning such as adequacy of the composition of the board and its committees, board culture, execution and performance of specific duties, obligation and governance.

A separate exercise was carried out to evaluate the performance of the individual director including the Chairman of the Board, who were evaluated on parameter such as level of engagement and contribution, independence of judgment, Safeguarding interest of the company and its minority shareholders, etc. The performance evolution of Independent Director was carried out by entire board. The performance evolution of the chairman and non-Independent Director was carried out by the Independent Director who also reviewed the performance of the secretarial Department. The Director expresses their satisfaction with the evaluation process.

## **11. COMPANY POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**

The policy of the company on Director's appointment and remuneration including criteria for determining qualification, positive attributes, independence of Director and other matters provided under Sub - section (3) 178, is explained in the corporate governance report.

## **12. DETAILS OF REMUNERATION TO DIRECTORS :-**

The remuneration paid to the Directors is in accordance with the recommendations of Nomination and Remuneration Committee formulated in accordance with Section 178 of the Companies Act, 2013 and any other re-enactment(s) for the time being in force.

The information relating to remuneration of Directors and details of the ratio of the remuneration of each Director to the median employee's remuneration and other details as required pursuant to section 197(12) of the Act read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure.

## **13. DECLARATION BY INDEPENDENT DIRECTORS:-**

Every Independent Director, at the first meeting of the Board in which he participates as a Director and hereafter at the first meeting of the Board in every Financial Year, gives a declaration that he meets the criteria of independence as provided under law.

## **14. COMMITTEES OF THE BOARD**

Currently, the Board has Six Committees:- The Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Internal Complaints Committee, Sexual Harassment Committee. All Committees, except the Corporate Social Responsibility Committee, Internal Complaints Committee and, Sexual Harassment Committee consist of Independent Directors.

### **(a) Audit Committee**

The Board has constituted Audit Committee as required under Companies Act, 2013. The Composition of the Committee is as under:

<b>Name of the Member</b>	<b>Designation</b>
MR. PRADEEP CHANDRAKANT SHAH	Chairman
MR. ANIL NANDKISHOR BANGAD	Member
MR. RAJESH RAGHUNATH BHATWAL	Member

### **(b) Nomination and Remuneration Committee**

The Board has constituted Nomination and Remuneration Committee as required under Companies Act, 2013. The Composition of the Committee is as under:

<b>Name of the Member</b>	<b>Designation</b>
MR. PRADEEP CHANDRAKANT SHAH	Chairman

MR. ANIL NANDKISHOR BANGAD	Member
MR. SHABBIR SADRUDDIN MASANI	Member

During the financial year 2020-21, Mr. Shabbir Sadruddin Masani was added to the committee and Mr. Rajesh Raghunath Bhatwal was resigned from the Nomination and Remuneration Committee. In terms of the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee is responsible for formulating the criteria for determining the qualifications, attributes and Independence of a Director. The Nomination and Remuneration Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management. In line with the requirement, the Board has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management which is as follows.

**(c) Stakeholder Relationship Committee:-**

The Board has constituted Stakeholder Relationship Committee as required under Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”).

**(d) Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee is constituted in compliance with the requirements of Section 135 of the Companies Act, 2013, to undertake the below mentioned tasks:

- A. To recommend, the policy on Corporate Social Responsibility (CSR) and Implementation of the CSR Projects or program to be undertaken by the company, as per the CSR Policy for consideration and approval by the Board of Directors.
- B. Recommend, the amount of expenditure to be incurred on the corporate social responsibility activities; and
- C. Monitor the implementation of the Company’s corporate social responsibility policy.

During the financial year ended 31st March, 2021, provision for CSR Expenses is Rs. 16,37,595. However, Company has not spent any amount on CSR due to non-availability of good projects.

The Corporate Social Responsibility Committee comprises the following:

**The Composition of the Committee is as under:**

Name of the Member	Designation
MR. PRADEEP CHANDRAKANT SHAH	Chairman
MR. ANIL NANDKISHOR BANGAD	Member
MR. RAJESH RAGHUNATH BHATWAL	Member

Four meetings were held during the year 2020-21 on 22/05/2020, 15/09/2020, 12/12/2020 and 23/02/2021.

The Company's CSR Policy statement and Annual Report on the CSR activities undertaken during the financial year ended 31st March, 2021, in accordance with section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in "Annexure B" to this Report.

**(e) Investor Grievance Redressal Policy**

The Company has adopted an internal policy for Investor Grievance handling, reporting and solving.

**15. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES :**

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013. Employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. Any incidents that are reported are investigated and suitable action taken in line with the Whistle Blower Policy.

**16. RISK MANAGEMENT POLICY**

The Company has formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board.

The Company has adequate internal control systems and procedures to combat the risk.

The Risk management procedure will be reviewed by the Audit Committee and Board of Directors on time to time basis.

**17. POLICY ON PRESERVATION OF THE DOCUMENTS**

The Company has formulated a Policy pursuant to Regulation 9 of the Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") on Preservation of the Documents to ensure safekeeping of the records and safeguard the Documents from getting manhandled, while at the same time avoiding superfluous inventory of Documents.

## **18. POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS**

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations).

The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

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

The company has always believed in providing a safe and harassment free workplace for every individual working in premises and always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

During the year ended 31<sup>st</sup> March, 2021, the company has not received any complaint pertaining to sexual harassment.

In order to prevent Sexual Harassment of Women at Workplace a new act “The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013” has been notified on 9<sup>th</sup> December, 2013. Under the said Act every Company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The Company has adopted “Anti-Sexual Harassment Policy” constituted “Redressed Committee” as required under section 4 (1) of Sexual harassment of women at work place (prevention, prohibition and redressal ) Act, 2013. During the year under review, no complaint of harassment at the workplace was received by the Committee.

## **20. AUDITORS :**

### **a. Statutory Auditors:-**

M/s. P. D. Dalal & Co, Chartered Accountants, Mumbai, Firm Registration Number 102047W, were re-appointed as Statutory Auditors of the Company in the Annual General Meeting held on 28<sup>th</sup> September 2020 to hold office until the conclusion of the upcoming Annual General Meeting. It has been recommended to re-appoint M/s. P. D. Dalal & Co., Chartered Accountants, as Statutory Auditors of the Company until the conclusion of the forthcoming next Annual General Meeting of the Company.

In this regard, the Company has received certificate from the Auditors to the effect that, if they are appointed, it would be in accordance with the provisions of section 141 of the Companies Act, 2013.

Accordingly, proposal for their re-appointment as Statutory Auditors is being placed before the shareholders for approval at the 22<sup>nd</sup> Annual General Meeting.

**b. Secretarial Auditors:**

M/s. D. Sagar & Associates, Aurangabad, Firm of Practicing Company Secretaries, having Membership No. F9518 and Certificate Practice No. 11547 was appointed as Secretarial Auditors of the Company as per provisions of Section 204 of the Companies Act, 2013 and Rules made there under for the Financial Year 2020-21. The Secretarial Audit Report for the Financial Year 2020-21 form part of the Annual Report, as Annexure to the Board Report. As the Board is satisfied with the performance of these Secretarial Auditors, the Board proposes to re-appoint them as secretarial Auditors for the Financial Year 2021-22 also.

**21. AUDITORS' REPORT**

**Statutory Audit Report:-**

M/s. P. D. Dalal and Co., Chartered Accountants, Mumbai, Firm Registration Number 102047W have issued their Report for the Financial Year ended 31<sup>st</sup> March 2021.

There is one qualification, reservation, adverse remark or disclaimer by the Statutory Auditors in their report.

According to Note 2A(I) on the Significant Accounting Policies the accounting of provision of Gratuity Liability and Leave Encashment Liability is not recorded fully and thus is not in accordance with Accounting Standard 15 on "Employee Benefits" issued by the Institute of Chartered Accountants of India.

**Clarification:** - The Company has started making provision from current year in the books of accounts as reported to board by the company official.

**Disclosure about Cost Audit**

The Central Government has not prescribed the maintenance of Cost records under section 148(1) of the Companies Act, 2013, for any of the services rendered by the Company.

**22. MANAGEMENT DISCUSSION ANALYSIS:-**

**MANAGEMENT DISCUSSION AND ANALYSIS**

Forward looking statement: Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives,

expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that, these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the Act) and comply with the Accounting Standards. The management of Nitiraj Engineers Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs and profit for the year.

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

## **ECONOMIC OVERVIEW**

### **Global Industry**

Global Electronic Weighing Scales Market to Reach \$5.8 billion by 2027. Amid the COVID-19 crisis, the global market for Electronic Weighing Scales estimated at US \$ 4.6 Billion in the year 2020, is projected to reach a revised size of US\$5.2 Billion by the end of 2027. Tabletop Scale is projected to record a 3% CAGR and reach US\$2.2 Billion by the end of 2027. After an early analysis of the business implications of the pandemic and its induced economic crisis, growth in the Platform Scale segment is readjusted to a revised 4.4% CAGR for the next 7-year period. The U.S. Market is Estimated at \$1.2 Billion, While China is Forecast to Grow at 6.2% CAGR. The Electronic Weighing Scales market in the U.S. is estimated at US\$1.2 Billion in the year 2020. China, the world's second largest economy, is forecast to reach a projected market size of US\$1.2 Billion by the year 2027 trailing a CAGR of 6.2% over the analysis period 2020 to 2027. Among the other noteworthy geographic markets are Japan and Canada, each forecast to grow at 1% and 2.6% respectively over the 2020-2027 period. Within Europe, Germany is forecast to grow at approximately 1.7% CAGR. Precision Scale Segment to Record 3.4% CAGR.

In the global Precision Scale segment, USA, Canada, Japan, China and Europe will drive the 2.9% CAGR estimated for this segment. These regional markets accounting for a combined market size of US\$552.2 Million in the year 2020 will reach a projected size of US\$676.8 Million by the close of the analysis period. China will remain among the fastest growing in this cluster of regional markets. Led by countries such as Australia, India, and South Korea, the market in Asia-Pacific is forecast to reach US\$817.8 Million by the year 2027, while Latin America will expand at a 4.3% CAGR through the analysis period. We bring years of research experience to this 8th edition of our report. The 297-page report presents concise insights into how the pandemic has impacted production and the buy side for 2020 and 2021. A short-term phased recovery by key geography is also addressed.

Demand for electronic weighing machines is increasing in the commercial and residential sectors owing to increasing economic activities, technological advancements in laboratory balances and scales, and growing need to maintain precisions in process. Reliability, accuracy, durability, portability, ease of calibration, and extra features are acting as major factors for increasing adoption and penetration of electric weighing machine. Moreover, these weighing machines have multiple units of measure so that units can be measured and converted into different units, such as grams and ounces. This aforementioned factor is shifting consumers' preference from traditional to digital/electronic weighing machines.

The laboratory-scale category is expected to expand at the fastest CAGR of 3.6% from 2020 to 2027. The segment is majorly driven by technological advancements in lab scales and growing research projects in the pharmaceutical and biotech companies.

In terms of revenue, the online segment is expected to expand at the fastest CAGR of 3.8% from 2020 to 2027. Online channels are hosted by businesses that are into e-commerce as well as by manufacturers that have realized the potential of these channels, and thus have hosted their websites to better cater to the customer needs. The availability of a wide range of products with an option to compare them based on features and prices, coupled with swift product delivery and easy returns policies, is anticipated to drive the segment. Consumers prefer multi-brand online retailers to save time.

Source: <https://www.globenewswire.com/newsrelease/2020/08/11/2076089/0/en/Global-Electronic-Weighing-Scales-Industry.html>  
<https://www.grandviewresearch.com/industry-analysis/electronic-weighing-machines-market>

### **Indian Industry**

The economy of India is characterized as a middle income developing market economy. It is the world's sixth-largest economy by nominal GDP and the third-largest by purchasing power parity (PPP). According to the International Monetary Fund (IMF), on a per capita income basis, India ranked 142nd by GDP (nominal) and 124th by GDP (PPP) in 2020. The long-term growth perspective of the Indian economy remains positive due to its young population and corresponding low dependency ratio, healthy savings, and investment rates,

increasing globalisation in India and integration into the global economy. Early 60% of India's GDP is driven by domestic private consumption and continues to remain the world's sixth-largest consumer market.

India is one of the largest center's for polishing diamonds and gems and manufacturing Jewellery; it is also one of the two largest consumers of gold. After crude oil and petroleum products, the export and import of gold, precious metals, precious stones, gems and Jewellery accounts for the largest portion of India's global trade. The industry contributes about 7% of India's GDP, employs millions, and is a major source of its foreign-exchange earnings. The gems and jewellery industry created \$60 billion in economic output on value-added basis in 2017 and is projected to grow to \$110 billion by 2022.

Healthcare has become one of India's largest sector, both in terms of revenue and employment. Healthcare comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services and increasing expenditure by public as well private players. The healthcare market can increase three-fold to Rs. 8.6 trillion (US\$ 133.44 billion) by 2022. Between April 2000 and September 2020, FDI inflows for drugs and pharmaceuticals sector stood at US\$ 16.87 billion, according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

Source: [https://en.wikipedia.org/wiki/Economy\\_of\\_India](https://en.wikipedia.org/wiki/Economy_of_India)  
<https://www.ibef.org/industry/healthcare-india.aspx>

### **About Nitiraj Engineers Ltd**

Established in 1989, Nitiraj Engineers Ltd. is one of the leading manufacturers of wide range of Electronic Weighing Scales and Systems, Currency Counting Machines and Electronic Fare Meters catering to both industrial and domestic consumption. These products are classified according to their applications and utilities in the categories of Industrial, Commercial, Jewellery, Healthcare, Household and Automobile. The Company supplies machines to various state governments under Child Growth Monitoring Systems (CGMS) program. These machines have advanced technology support in form of data collection, plotting, MIS and dissemination.

The new manufacturing facility is a sophisticated, state-of-the-art facility located at Dhule, Maharashtra for continuous research, stringent quality control and consistent production with a capacity to produce around six lakh scales per annum. The products are supplied under brand name 'PHOENIX', through a well-connected sales and service network of 17 branches in the states of Chhattisgarh, Maharashtra and Odisha and about 400 dealers across India as well as abroad. The Company is an ISO 9001:2015 certified company and has more than one million customers. The Company caters to customers 'evolving needs effectively with a team of qualified and experienced engineers equipped with modern facilities are engaged in designing and developing electronic hardware and software. The Company has a well-equipped Research & Development Department and Corporate Office situated at Dhule, Maharashtra.

## FINANCIAL OVERVIEW –

The consolidated performance of the Company for the financial year ended March 31<sup>st</sup>, 2021, is as follows:

- Total revenue from operations at Rs 53.82 crore for the year ended March 31, 2021, as against Rs. 47.86 crore for the corresponding previous period, increase of 12.45%, mainly on account of increased market demand, especially commercial sales and growing B2C business.
- The EBIDTA (earnings before interest, depreciation and tax, excluding other income) was Rs. 7.82 crore for the year ended March 31, 2021, as against Rs. 3.60 crore for the corresponding previous period, increase of 117.12% mainly due to increase in sales and sale of products with lower stamping fees.
- EBITDA margins increased by 701 basis points to 14.53% in FY21 from 7.52% in FY20.
- Net Profit was at Rs. 3.63 crore in FY21 as against Rs. 2.58 crore in FY20, YoY increase of 46.84% mainly on account of higher sales and cost cutting measures due to innovation because of our R&D facilities.
- Net Profit margin increased by 154 basis points to 6.58 % in FY21 from 5.04% in FY20.
- EPS increased by 46.81% to Rs. 3.45 in FY21 from Rs. 2.35 in FY20.

## RESOURCES AND LIQUIDITY

As on March 31, 2021, the consolidated net worth stood at Rs. 72.75 crore.

The cash and cash equivalents at the end of March 31, 2021 were Rs. 2.31 crore.

### Segment wise Business Performance

The Company is operating in five broad segments i.e., Electronic Weighing Scales and Systems, Electronic Currency Counting Machines and Digital Fare Meters, Home & Hotel Automation and Mechanical Scales. The diverse product portfolio caters to various sectors - industrial range, commercial range, jewellery range, healthcare range, household range, automobile range and home and hotel.

Revenue share of five broad segments are stated below:

<b>Name and Description of main products / services</b>	<b>% to total turnover of the Company</b>
Electronic Weighing Scales & Systems	94.02%
Electronic Currency Counting Machines	3.04%
Digital Fare Meters	0.01%
Home & Hotel Automation	0.06%
Mechanical Scales	2.79%
COVID Protection range	0.08%

#### **Key Recent Developments:**

- Migrated from NSE SME to NSE Main Board in April'21

#### **Technological Updates:**

- Developed and launched "Door / Shutter Alarm" system under Security and Automation Products range - used for home or workplace security and gives out a loud siren on intrusion.
- Developed "Platform Weighing Scale with RF Indicator" for wireless data transmission from platform to indicator.
- Updated Electromagnetic Weighing Balances with latest technology and software, enables machines to give best performance - highly sensitive weighing balances measuring weights of 0.1 mg accurately.

#### **Marketing Updates:**

- Started online sales through e-commerce platforms like Amazon.
- Participated in "Divya Marathi Shopping Utsav & Auto Expo" Jalgaon from 10<sup>th</sup> - 14<sup>th</sup> February 2021.
- Advertised on TV, newspaper ads for Home Automation and Security products.

## RISKS AND CONCERNS

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

The Company faces the following Risks and Concerns:

- **Credit Risk**

To manage its credit exposure, Nitiraj has determined a credit policy with credit limit requests and approval procedures. Company does its own research of client's financial health and project prospects before bidding for a project. Timely and rigorous process is followed up with clients for payments as per schedule. The company has suitably streamlined the process to develop a focused and aggressive receivables management system to ensure timely collections.

- **Interest Rate Risk**

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

- **Competition Risk**

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

- **Input Cost Risk**

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

- **Liability Risk**

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

### **OPPORTUNITIES**

- Huge potential in marketing of specialized weighing scales for Infant and Childcare run by Aanganwadis and other Government establishments.
- Demand of weighing scale systems spurred by high growth in retail and logistics sector.
- Growth in financial sector and preference for automated currency counting and detection machines

### **THREATS**

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

### **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

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

### **HUMAN RESOURCES**

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

performance to realize the full potential of our personnel. As on March 31, 2021, Company is giving direct employment to 359 employees and 144 contractual employees. Industrial relations are cordial and satisfactory.

## **OUTLOOK**

Our Company like every company in the world was impacted by the pandemic, but it utilized its resources to the fullest during such time of need and manufactured protective face shields at its manufacturing facility. Our Company is receiving plentiful orders from the Government as well as non-Government institutions. With the new launch of the NLB series last year, our Company expects rise in its demand in the near future which will help the company achieve and reach its anticipated targets.

One of the major factors acting as a restraint for the electronic weighing scale market growth is the requirement of electricity for the operation of the product and without electricity, the usage of the electronic weighing machines is not possible. This factor is influencing consumers to opt for a manual or spring weighing machine. Hence, developing countries facing a shortage of electricity may not have a higher adoption rate of the product. High maintenance costs, electricity bills, and high prices, when compared to the traditional and manual weighing machines, are acting as major challenges for the market in developing countries.

However, our Company is highly focused on its dealer networks and after sales service to boost brand image and build better brand image of the brand 'Phoenix' in the market. After sales, service is the most important aspect a customer uses to measure brand image, and for these customers to become repeat customers, it is necessary to keep them happy, not only by providing best quality products at reasonable pricing, but also taking care of them after the product is sold. Besides this, the Company has also built a digital marketing team by hiring professionals to spread awareness about brand Phoenix online and increase its reach to newer customers.

In such difficult times, with the help of dedicated employees and experienced Management team, our Company believes that, it is well suited to take advantage of the anticipated growth in the industry.

## **23. CREDIT & GUARANTEE FACILITIES :-**

The Company has been availing secured loans, overdraft facilities and bank guarantee facilities from HDFC Bank Limited, from time to time for the business requirements.

## **24. INTERNAL AUDIT CONTROLS AND THEIR ADEQUACY**

The Company has a proper and adequate system of internal controls, commensurate with the size scale and complexity of its operations. This ensures that, all transactions are authorized, recorded

and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls.

To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the audit committee of the Board and to the Chairman and Managing Director.

The internal Audit department monitors and evaluate the efficiency and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit functions, process owner undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the audit committee of the Board.

### **Adequacy of internal financial controls with reference to the financial statements**

The Company has internal Auditors and the Audit Committee constituted are in place to take care of the same. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

## **25. CORPORATE GOVERNANCE**

Your Company has been complying with the principles of good Corporate Governance over the years. In compliance with Regulation 34 of the SEBI (LODR) Regulations 2015, a separate report on Corporate Governance forms an integral part of this report as Annexures.

### **Board diversity**

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us, retain our competitive advantage.

## **26. DETAILS OF ASSOCIATES**

The Company has following associated Company as per accounting standard 23 of ICAI. **HYPER**

**DRIVE INFORMATION TECHNOLOGIES PRIVATE LIMITED** (CIN U72200KA2005PTC036535) as the holding of the company directly exceeding 25% of the Share Holding and also the same is disclosed in Part B of Annexure and also in related party as per AS 18 of the ICAI Act.

**27. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE .:**

There were no significant and material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

**28. DEPOSITS FROM PUBLIC**

The Company has not accepted any Deposits within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

**29. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

**30. CONSOLIDATED FINANCIAL STATEMENTS:**

In accordance with Accounting Standard AS-21, the Consolidated Financial Statements are furnished herewith and form part of this Report and Accounts. The same is separately attached with Audit Report.

**31. INSURANCE:**

All the assets of the Company wherever necessary and to the extent required have been adequately insured.

**32. EMPLOYEE RELATIONS:**

The relationship with the staff and workers continued to be cordial during the entire year. The Directors wish to place on record their appreciation of the valuable work done and co-operation

extended by them at all levels. Further, the Company is taking necessary steps to recruit the required personnel from time to time.

### **33. STATUS OF UTILIZATION OF PROCEEDS RAISED FROM IPO :**

The Company has raised an amount of Rs. 2,200.80 Lacs through Initial Public Offer by getting itself listed on the Emerge Platform of National Stock Exchange of India Limited. The table below depicts the status of the utilization of the proceeds raised by the Company from IPO:

Pursuant to the provisions of clause 43 of the listing agreement with the exchange, the disclosure is as follows:

#### **The utilization of the issue proceeds as on 31<sup>st</sup> March 2021 is as under:**

Utilization of money raised through Initial Public Offer. The utilization of the issue proceeds as on 31<sup>st</sup> March 2021 is as under: Utilization planned as per prospectus [Amt. Rs. Lac's]

Particulars	Utilization planned as per prospectus	Balance Amount to be utilized as on 31 <sup>st</sup> March, 2019	Utilization of IPO proceeds as during the FY 2019-20	Balance Amount to be utilized as on 31 <sup>st</sup> March, 2020	Utilization of IPO proceeds as during the FY 2020-21	Balance Amount to be utilized as on 31 <sup>st</sup> March, 2021
Development of new products	525.00	365.04	141.95	223.09	147.12	75.97
Setting up manufacturing Unit for the existing and new range of products	575.00	0	575.00	0	0	0
Expansion of Marketing Network and Brand building	500.00	451.44	25.00	426.44	66.43	360.01
General Corporate Purposes	500.00	0	0	0	0	0
Issue Expenses	100.80	22.92	0	22.92	0	22.92
<b>Total</b>	<b>2,200.80</b>	<b>839.40</b>	<b>741.95</b>	<b>672.45</b>	<b>213.55</b>	<b>458.90</b>

### **34. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All transactions entered into with the related parties, as defined under the Companies Act, 2013,

during the financial year, were in the ordinary course of business and on arm's length pricing basis, as per the management representation certificate provided to auditor of the company and do not attract the provisions of Section 188 of the Companies Act, 2013. There are no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company and hence, enclosing of form AOC- 2 is required, Suitable disclosure as required by the Accounting Standards (AS 18) has been made in the notes to the Financial Statements.

### **35. CERTIFICATION**

Company has obtained ISO 9001:2015.

### **36. PARTICULARS OF EMPLOYEES**

There are no employees drawing remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Information as required under the provisions of Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in **Annexures** to the Directors' Report.

### **37. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

There are no material changes and commitments affecting the financial position of the Company from the financial year ended 31<sup>st</sup> March, 2021 to the date of signing of the Director's Report.

### **38. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there are no funds which are required to be transferred to Investor Education and Protection Fund (IEPF).

### **39. CORPORATE SOCIAL RESPONSIBILITY**

The key philosophy of all CSR initiatives of the Company is guided by three core commitments of Scale, Impact and Sustainability. Your Company's CSR Policy Statement and Annual Report on the

CSR Activities undertaken during the Financial Year ended 31<sup>st</sup> March, 2021, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this report as Annexures.

#### **40. INSIDER TRADING REGULATIONS**

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992 read with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prevention of insider trading and the Code for Corporate Disclosures ("Code"), as approved by the Board from time to time, are in force by the Company. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees and other employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees and other employees from trading in the securities of NITIRAJ ENGINEERS LIMITED at the time when there is unpublished price sensitive information.

#### **41. ENHANCING SHAREHOLDERS VALUE :**

Your Company believes that, its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building or growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socioeconomic and environmental dimensions and contribute to sustainable growth and development.

#### **42. OUR VISION**

To be a most adorable global partner to all the stake holders in every aspect of weighing manufacturing.

#### **43. OUR MISSION :**

By offering quality bales & premium weighing machines and timely service embedded with value driven culture resulting in finding new avenues to surpass global standards in every activity that needs to nurture the society to the better tomorrow.

**44. EXTRACT OF ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an Extract of the Annual Return as per Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies(Management and Administration) Rules, 2014 in the prescribed Format MGT-9 is appended as Annexure - 7 to the Board's Report.

**45. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (5) of the Companies Act, 2013, Board of Directors of the Company,

- (a) In preparation of the Annual Accounts for the financial year ended 31st March 2021, the applicable Accounting Standards have been followed along with proper explanation to material departures;
- (b) The Directors have selected Accounting Policies, consulted the Statutory Auditors 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 end of the financial year and of the profit or loss of the Company, for that period.
- (c) The Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and
- (d) The Directors have prepared the Annual Accounts of the company on a going concern basis;
- (e) The Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**46. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :-**

The particulars as prescribed under Sub Section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.

**A. Conservation of Energy:**

The Company's core activity is Production of Weighing Scales and related which is core

consuming sector. The Company is making every effort to conserve the usage of electricity. Also in the year April 2016 Company has installed solar Electricity Plant in its Corporate Office Dhule, by which Company is trying to save electricity.

## **B. Technology Absorption (R&D, Adaptation and Innovation):**

### **1. Efforts, in brief, made towards technology absorption, adaptation and innovation:**

- (i) Continuous research to upgrade existing products and to develop new products and services.
- (ii) To enhance its capability and customer service the Company continues to carry out R & D activities in house.

### **2. Benefits derived as a result of the above efforts :**

- (i) Introduction of new and qualitative products.
- (ii) Upgrade of existing products.

### **3. Future plan of action:**

Nitiraj will continue to invest in and adopt the best processes and methodologies suited to its line of business and long-term strategy. Training employees in the latest appropriate technologies will remain a focus area. The Company will continue to leverage new technologies and also on the expertise available.

## **C. Foreign Exchange Earnings and Outgo**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual Outflows

<b>Particulars</b>	<b>(Amount In Rs)</b>	
	<b>2020-21</b>	<b>2019-20</b>
Foreign Exchange Earnings	31,61,313	39,46,921
Foreign Exchange Outgo	4,09,02,310	2,18,83,463

#### **47. ACKNOWLEDGMENTS**

Your Directors express their sincere gratitude for the assistance and co-operation extended by Banks, Government Authorities, Shareholders, Suppliers and Customers. Your Directors also wish to place on record their appreciation of the contribution made by the employees at their levels towards achievements of the Company's goals.

For and on behalf of Board of Directors,  
**NITIRAJ ENGINEERS LIMITED**

**Date : 04/09/2021**  
**Place : Dhule**

**RAJESH BHATWAL**  
**Managing Director**  
**DIN-00547575**

**SHAKUNTALA BHATWAL**  
**Whole Time Director**  
**DIN - 01953906**

**PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- I.** The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:

Sr. No.	Name	Ratio
1.	Mr. Rajesh Bhatwal (Managing Director)	4.48
2.	Mrs. ShakuntalaBhatwal (Whole time Director)	0.89
3.	Mr. Hung Sin (Whole Time Director)	1.06

- II.** The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year :

Sr. No.	Name	Designation	% in Increase
1.	Mr. Rajesh Bhatwal	Managing Director	(-) 2.08 %
2.	Mrs. ShakuntalaBhatwal	Whole time Director	(-) 2.08 %
3.	Mr. Hung Sin	Whole time Director	(+) 16.67 %
3.	Mr. Kailas Agrawal	Chief Finance Officer	(+) 3.18%
4.	Mrs. Deepika Dalmiya	Company Secretary	NA

- III.** The number of permanent employees on the rolls of company: 359

- IV.** If remuneration is as per the remuneration policy of the company: Yes

**CEO AND CFO CERTIFICATION**

**To,  
NITIRAJ ENGINEERS LIMITED,  
306 A BabhaBuilding N M Marg,  
Near Police Station,  
Mumbai - 400011.**

Dear Members of the Board,

We have reviewed the Financial Statements and the cash flow statement of Nitiraj Engineers Limited for the year ended 31<sup>st</sup> March, 2021 and to the best of our knowledge and belief:

- (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting and we have not come across any reportable deficiencies in the design or operation of such internal controls. We have indicated to the Auditors and the Audit Committee:

- (a) that there are no significant changes in internal control over financial reporting during the year;
- (b) that there are no significant changes in accounting policies during the year; and
- (c) that there are no instances of significant fraud of which we have become aware

**FOR NITIRAJ ENGINEERS LIMITED**

Place :-Dhule  
Date :-04/09/2021

Sd/-  
Mr. Rajesh Bhatwal  
Managing Director

Sd/-  
Mr. Kailas Agrawal  
Chief Financial Officer

**DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

Dear Members of the Nitiraj Engineers Limited,

I, hereby declare that, all the Members of the Board and Senior Management Personnel of the Company are aware of the provisions of the Code of Conduct laid down by the Board. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

**FOR NITIRAJ ENGINEERS LIMITED**

Sd/-  
**MR. RAJESH BHATWAL**  
Managing Director  
DIN- 00547575

Place :- Dhule  
Date :- 04/09/2021

**ANNEXURES**

**Form AOC-1**

**(Pursuant to first proviso to sub-section (3) of Section 129  
read with Rule 5 of Companies (Accounts) Rules, 2014)**

Statement containing salient features of the financial statement of  
Subsidiaries/Associate Companies/Joint Ventures

**ASSOCIATE**

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

<b>Sr. No.</b>	<b>Name of Associate</b>	<b>HYPER DRIVE INFORMATION TECHNOLOGIES PRIVATE LIMITED - Associate Company</b>
<b>1.</b>	Latest Audited Balance Sheet date	31.03.2021
<b>2.</b>	Shares of Associate/Joint Ventures held by the company on the year end	3,334 Equity Shares face value of Rs. 10/- each
	Amount of Investment in Associates/Joint Venture (3,334 Equity Shares of Rs. 10/- each at premium of Rs. 5,990/- each unquoted investment. It includes goodwill paid on acquisition Rs. 3,12,557)	Rs. 2,00,04,000/-
	Extent of Holding%	25 %
<b>3.</b>	Description of how there is significant influence	Common Promoters and Directors.
<b>4.</b>	Reason why the associate/joint venture is not consolidated	NA
<b>5.</b>	Net worth attributable to our (25%) shareholding as per latest audited Balance Sheet as on 31 <sup>st</sup> March 2021.	Rs. 1,59,39,805
<b>6.</b>	Profit/Loss for the year	
	i. Considered in Consolidation	Rs. (9,49,070)/-
	ii. Not Considered in Consolidation	NA

In terms of our report attached  
**For P.D. DALAL & Co.**  
Chartered Accountants

**FOR NITIRAJ ENGINEERS LIMITED**

**Aashish S. Kakaria**  
*Partner*  
Membership No.102915

**Rajesh Bhatwal**  
*Managing Director*

**Shakuntala Bhatwal**  
*Whole Time and Women Director*

**Kailas Agrawal**  
*Chief Financial Officer*

## ANNEXURES

### FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

#### 1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sr. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	HYPER DRIVE INFORMATION TECHNOLOGIES PRIVATE LIMITED
2.	Nature of contracts/arrangements/transaction	1. Development of ERP Software for operation of Company.
3.	Duration of the contracts/arrangements/transaction	1 year or extended as maybe applicable
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
5.	Justification for entering into such contracts or arrangements or transactions'	NA
6.	Date of approval by the Board	NA
7.	Amount paid as advances, if any	NA
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

In terms of our report attached

#### **For P.D. DALAL & Co.**

Chartered Accountants

Firm Registration 102047W

**SD/-**

**(Aashish S. Kakaria)**

Partner

Membership No.102915

#### **FOR NITIRAJ ENGINEERS LIMITED**

**SD/-**

**Rajesh Bhatwal**

Managing Director

**SD/-**

**Shakuntala Bhatwal**

Whole Time and

Women Director

**SD/-**

**Kailas Agrawal**

Chief Financial

Officer

## ANNEXURES

### Annual Report on Corporate Social Responsibility (CSR) [Pursuant to Section 135 of the Companies Act, 2013]

Over the years, we have been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover our business, but also that of the communities around us. Our Corporate Social Responsibility (CSR), thus, is not limited to philanthropy, but also includes large initiatives that lead to social development.

#### REPORTING:-

The period for which CSR is been reported is from 01/04/2020 to 31/03/2021. It does not include any information about the associate company. The Company has its own CSR policy. During the year, CSR provisions were applicable to the company. The amount to be spent towards CSR was provided in the books amounting to Rs. 16,37,595. Due to the non-availability of viable projects company has not spent any amount towards CSR and the company is planning to spend the provided amount in near future.

The Company has a Board Committee (CSR committee) that provides oversight of CSR policy execution to ensure that the CSR objectives of the Company are met. CSR committee comprises:

Name of the Member	Designation
MR. PRADEEP CHANDRAKANT SHAH	Chairman
MR. ANIL NANDKISHOR BANGAD	Member
MR. RAJESH RAGHUNATH BHATWAL	Member

## DECLARATION OF INDEPENDENCE

To,  
The Board of Directors,  
NITIRAJ ENGINEERS LIMITED,  
Mumbai.

Subject: Declaration of independence under sub-section (6) of section 149 of the Companies Act, 2013 and the Regulation 16 of SEBI(LODR), Regulation, 2015

I, **ANIL NANDKISHOR BANGAD** (DIN: 07186755), hereby certify that I am a Non-Executive Independent Director of Nitiraj Engineers Limited, Mumbai and I comply with all the criteria of independent director as envisaged in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013.

### I certify that:

1. I possess relevant expertise and experience to be an independent director in the Company;
2. I am/was not a promoter of the company or its holding, subsidiary or associate company;
3. I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
4. Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
5. Not any of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or 50 Lac's or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
6. Neither me nor any of my relatives:
  - holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
  - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
  - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
  - holds together with my relatives 2% or more of the total voting power of the company; or

- Is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
7. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
  8. I am not less than 21 years of age.

### **Declaration**

I undertake that, I shall seek prior approval of the Board, if and when, I have any such relationship/ transactions, whether material or non-material. If I fail to do so, I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that, the above said information are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any, imposed on the Company, its directors, if the same found wrong or incorrect in future. I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

**Thanking You,  
Yours faithfully,**

**Sd/-  
Anil Nandkishor Bangad  
(DIN: 07186755)  
Non-Executive and Independent Director**

**Date: 04/09/2021  
Place: Dhule**

## DECLARATION OF INDEPENDENCE

**To,  
The Board of Directors,  
NITIRAJ ENGINEERS LIMITED,  
Mumbai.**

Subject: Declaration of independence under sub-section (6) of section 149 of the Companies Act, 2013 and the Regulation 16 of SEBI(LODR), Regulation, 2015

I, Pradeep Chandrakant Shah (DIN: 07186761), hereby certify that I am a Non-Executive Independent Director of Nitiraj Engineers Limited, Mumbai and I comply with all the criteria of independent director as envisaged in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013.

### **I certify that:**

1. I possess relevant expertise and experience to be an independent director in the Company;
2. I am/was not a promoter of the company or its holding, subsidiary or associate company;
3. I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
4. Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
5. Not any of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
6. Neither me nor any of my relatives:
  - holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
  - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
  - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
  - holds together with my relatives 2% or more of the total voting power of the company; or

- Is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
7. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
  8. I am not less than 21 years of age.

### **Declaration**

I undertake that, I shall seek prior approval of the Board, if and when, I have any such relationship/ transactions, whether material or non-material. If I fail to do so, I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that, the above said information are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future. I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

**Thanking You,  
Yours faithfully,**

**Sd/-  
Pradeep Chandrakant Shah  
(DIN: 07186761)  
Non-Executive and Independent Director**

**Date: 04/09/2021  
Place: Dhule**

## DECLARATION OF INDEPENDENCE

To,  
The Board of Directors,  
NITIRAJ ENGINEERS LIMITED,  
Mumbai.

Subject: Declaration of independence under sub-section (6) of section 149 of the Companies Act, 2013 and the Regulation 16 of SEBI(LODR), Regulation, 2015

I, Shabbir Sadruddin Masani (DIN: 07553206), hereby certify that, I am a Non-Executive Independent Director of Nitiraj Engineers Limited, Mumbai and I comply with all the criteria of independent director as envisaged in the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013.

### I certify that:

1. I possess relevant expertise and experience to be an independent director in the Company;
2. I am/was not a promoter of the company or its holding, subsidiary or associate company;
3. I am not related to promoters / directors / persons occupying management position at the board level or level below the board in the company, its holding, subsidiary or associate company;
4. Apart from receiving director sitting fees / remuneration, I have/had no pecuniary relationship / transactions with the company, its promoters, its directors, its senior management or its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
5. Not any of my relatives has or had any pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
6. Neither me nor any of my relatives:
  - holds or has held the position of a key managerial personnel or is or has been employee/executive of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year;
  - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
  - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
  - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
  - holds together with my relatives 2% or more of the total voting power of the company; or
  - Is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors

or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

7. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
8. I am not less than 21 years of age.

### **Declaration**

I undertake that I shall seek prior approval of the Board if and when I have any such relationship/ transactions, whether material or non-material. If I fail to do so I shall cease to be an independent director from the date of entering in to such relationship / transactions.

Further, I do hereby declare and confirm that the above said information are true and correct to the best of my knowledge as on the date of this declaration of independence and I shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future. I further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

**Thanking You,  
Yours faithfully,**

**Sd/-  
Shabbir Sadruddin Masani  
(DIN: 07553206)  
Non-Executive and Independent Director**

**Date: 04/09/2021  
Place: Dhule**

**ANNEXURE- C TO THE DIRECTORS' REPORT  
FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

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

To,  
The Members,  
NITIRAJ ENGINEERS LIMITED,  
306 A BABHA BLD M MARG,  
NEAR POLICE STATION,  
MUMBAI 400011 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NITIRAJ ENGINEERS LIMITED** (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 Company's books, papers, registers, 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 March 31, 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:

**COVID Impact**

**Covid-19 has put significant accounting and auditing challenges due to the Government's restrictions imposed during the lockdown for safety concerns. We have performed alternate audit procedures based on documents and information made available and relied upon the same by us.**

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 March 31, 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 there under;

- iii. The Depositories Act, 1996 and the Regulations and Bye-law framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment; *(No specific transactions was found during the reporting period, to which the above guideline shall applicable.)*
- 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; *(No specific transactions was found during the reporting period, to which the above guideline shall applicable.)*
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *(No specific transactions was found during the reporting period, to which the above guideline shall applicable.)*
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(No specific transactions was found during the reporting period, to which the above guideline shall applicable.)*
  - 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. *(No specific transactions were found during the reporting period, to which the above guideline shall applicable.)*
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(No specific transactions was found during the reporting period, to which the above guideline shall applicable.)*
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. *(No specific transactions were found during the reporting period, to which the above guideline shall applicable.)*
  - i) Other laws applicable to the Company as per the representations made by the Management.

(1) The Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above except to the extent as mentioned below:

- 1) The company is not able to identify the MSME vendors and outstanding dues of MSME vendors more than 45 days. Accordingly, Company has not filed MSME 1 form in regarding outstanding payments to MSME vendors.
- 2) The company has not filed FORM-DPT-3 for exempt deposits outstanding as on 31<sup>st</sup> March, 2020.
- 3) As per section 149 of the Companies Act, 2013 and the related rules, the term of Independent director is for a period of five years. The company has appointed Mr. ANIL NANDKISHOR BANGAD (DIN: 07186755) and PRADEEP CHANDRAKANT SHAH (DIN: 07186761) on dated 15/05/2015 and regularized them in AGM held on 30/09/2015 but in which terms of appointment was silent. The management has clarified that the Company has rectified the error and reappointed them for five years w.e.f. dated 01/12/2016 , the said fact was also reported to Corporate Governance report filed with stock exchange. Hence I am unable to conclude that there is irregularities & non-compliance in appointment & reappointment of directors during period under review.
- 4) The company every year appointing the auditor for a term of one year, which is not as per the section 139 of the Companies Act, 2013. The provisions of section 139 with respect to appointment of auditors was not followed with true spirit.
- 5) The compliances with respect to section 135 is not strictly observed. The company has made provision of Rs. 16,37,595/- towards CSR. As explained to us the management is identifying suitable projects for spending the CSR amount of the current financial year and would be spending the same in subsequent years.
- 6) The company has not provided for Gratuity and Leave encashment as per AS 15 "Employee Benefits" issued by the Institute of Chartered Accountants of India, hence Contingent Liability arising from post-employment benefit obligations cannot be quantified. Contingent Assets are neither recognized nor disclosed in the financial statements. Compliances with respect to AS-15 , regarding actuarial certification is not complied by the Company.
- 7) Based upon the internal audit report, It was observed at many of the employees accounts were still having balances due to the employees and which are outstanding till date.

- 8) Based upon the internal audit report, it was observed that directors Sitting fee is not provided to Independent Directors as per the policy of the company which amounts to irregularities towards observation of policy.
- 9) We also adhere the “*remarks or observations*” as pointed out by the statutory Auditor in his report and the company in financial statements as on date 31.03.2021
- 10) Some of the board meeting has conducted through the Video conferencing mode due to Covid Pandemic. But the Video recording was not available during the inspection.
- 11) Company has filled form XBRL AOC-4 forms with late fees, this should be reported as compliances by reference of payment of Additional fees.
- 12) The Company has complied few stock exchange compliances as per as per SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 after due date.

**I further report that,**

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors subject to point no 3 as mentioned above. There are no changes in the composition of the Board of Directors that took place during the period under review.
- b) Provision of section 173 of The Companies Act 2013 regarding notice of a meeting of the Board director has been followed properly as there are 12 Board meetings held between the reporting periods some of the meetings of the Board may be called at shorter notice. However, the documentation of short notices has not available with the Company hence I can conclude that inadequate notices are given to all Directors to schedule the Board Meetings.
- c) Majority decision is carried through while the dissenting members’ views are not captured and recorded as part of the minutes.
- d) I further report that there is scope to improve the systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no specific events / actions having a major bearing on the company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**FOR D. SAGAR & ASSOCIATES**

SD/-  
CS SAGAR R.DEO  
(Practicing Company Secretaries)  
CP No: 11547

Place: Aurangabad  
Date: 02/09/2021

UDIN: F009518C000880795  
Peer Review NO.: 1192/2021

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE-I" & "ANNEXURE-II" and forms an integral part of this report.

## ANNEXURE-I

To  
The Members  
NITIRAJ ENGINEERS LIMITED,  
306 A Babha Bldg., N M Marg,  
Near Police Station Mumbai,  
Mum 400011

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.
3. 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.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. 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.
7. 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 and non-compliance reported shall not be conclude as complete & final.

### **FOR D. SAGAR & ASSOCIATES**

SD/-  
CS SAGAR R.DEO  
(Practicing Company Secretaries)  
CP No: 11547  
UDIN: F009518C000880795  
Peer Review NO.: 1192/2021

Place: Aurangabad  
Date: 02/09/2021

### Annexure

**FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31.03.2021  
[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company)  
(Management & Administration) Rules, 2014]**

#### I. REGISTRATION & OTHER DETAILS:

CIN	L31909MH1999PLC119231
Registration Date	01/04/1999
Name of the Company	NITIRAJ ENGINEERS LIMITED
Category/Sub-category of the Company	Company Limited by Shares/Public Company
Address of the Registered office & contact details	306-A, BABHA BLDG, N M JOSHI MARG, NEAR POLICE STATION, MUMBAI-400011
Whether Listed Company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>BIGSHARE SERVICES PRIVATE LIMITED,</b> SEBI Registration No: INR000001385 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra. Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

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

(All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	<b>WEIGHING MACHINERY</b>	<b>C</b>	<b>100 %</b>
2.	<b>OTHER OFFICE MACHINES</b>	<b>C</b>	

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	<b>HYPER DRIVE INFORMATION TECHNOLOGIES PRIVATE LIMITED,</b> Bangalore, Karnataka	<b>U72200KA2005PTC 036535</b>	Associate	25%	Section 2(6) of Companies Act, 2013

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise Share-Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01/04/2020]				No. of Shares held at the end of the year [As on 31/03/2021]				% Change during the year
	De-mat	Physical	Total	% of Tot. Shares	De-mat	Physical	Total	% of Tot. Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	6976500	0	6976500	68.06	7080000	0	7080000	69.07	1.01
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1):	6976500	0	6976500	68.06	7080000	0	7080000	69.07	<b>1.01</b>
(2) Foreign									
a) NRIs -Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	<b>6976500</b>	<b>0</b>	<b>6976500</b>	<b>68.06</b>	<b>7080000</b>	<b>0</b>	<b>7080000</b>	<b>69.07</b>	<b>1.01</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0

b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt. (s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Clearing Members)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):</b>	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	828000	0	828000	8.08	714000	0	714000	6.97	(1.11)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual sh. holders holding nominal sh. capital up to Rs. 1 lakh	812622	0	812622	7.93	805125	0	805125	7.85	(0.08)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1515000	0	1515000	14.78	1543500	0	1543500	15.06	(0.28)
c) Others (specify)	0	0	0	0	0	0	0	0	0
Hindu Undivided Family	91875	0	91875	0.90	84375	0	84375	0.82	(0.08)
Non Resident Indians	22500	0	22500	0.22	22500	0	22500	0.22	0

Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	4500	0	4500	0.04	1500	0	1500	0.01	(0.03)
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies-D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1) + (B)(2)	3274497	0	3274497	31.94	3171000	0	3171000	30.93	(1.27)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	10250997	0	10250997	100.00	10251000	0	10251000	100.00	

(ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total sh.	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total sh.	
1	Mr. Rajesh Bhatwal	4260375	41.98		4303875	41.9849	0	0
2	Mrs.Shakuntala Bhatwal.	2350500	23.37		2395500	23.3685	0	0
3	Mrs. Meerabai Bhatwal	62375	0.6085		62375	0.6085	0	0
4	Mr. Aalok Bhatwal	300000	2.9265		300000	2.9265	0	0
5	Mrs. Deepa Bhatwal	3125	0.0305		3125	0.0305	0	0

	(Khatri)							
6	Ms. Prachi Bhatwal	125	0.0012		15125	0.2136	0	121
	<b>TOTAL</b>	6976500	68.0568		7080000	69.0652		

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

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	69,76,500	68.0568	69,76,500	68.0568
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.) : Purchase from Open Market.	1,03,500	1.0084	1,03,500	1.0084
At the end of the year	70,80,000	69.0652	70,80,000	69.0652

**(iv) Shareholding Pattern of top ten Shareholders:**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	Name of the Shareholders	Shareholding at the beginning of the year 01.04.2020		Increase / Decrease in Shareholding		Cumulative Shareholding at end of the year 31.03.2021	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
1.	ALACRITY SECURITIES LIMITED	252000	2.46	-		252000	2.46
2.	ARIHANT CAPITAL MKT. LTD.	432000	4.21		-	432000	4.21
3.	PANKAJ JAJU	97500	0.95	-	-	97500	0.95
4.	SURESH JUGRAJ MUTHA	69600	0.85	-	20100	49500	0.48
5.	SHANTA BHERULAL	60000	0.58	-	-	60000	0.58

	PASARI						
6.	PRASHANT PRITHVIRAJ JAIN	42000	0.41	12000	-	54000	0.53
7.	LATISH M. NAIR	40500	0.40	-	-	40500	0.40
8.	SIDDHARTHA GAUTAM SHAH	42000	0.41	-	-	39000	0.38
9.	JATEEN MADHUKAR DOSHI	-	-	39000	-	39000	0.38
10	SURESH JUGRAJ MUTHA	-	-	37500	-	37500	0.37

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Name of Directors/ Key Managerial Personnel	Shareholding at the beginning of the year 01.04.2020		Increase / Decrease in shareholding		Cumulative Shareholding at end of the year 31.03.2021	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
1	Mr. Rajesh Bhatwal	43,03,875	41.98	-	-	43,03,875	41.98
2	Mrs. Shakuntala Bhatwal	23,95,500	23.37	-	-	23,95,500	23.37
3	Mr. Yi Hung Sin	8,32,500	8.12	-	-	8,32,500	8.12

(VI) Indebtedness of the Company including interest outstanding/accrued but not due for payment.  
(Amount in Rupees)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial Year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial Year</b>	-	-	-	-

* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

- As per Audited Balance Sheet there was no indebtedness in the Books of Accounts.

## V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Rupees)

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Rajesh Bhatwal	Mrs. Shakuntala Bhatwal	Mr. Yi Hung Sin	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	23,54,998	4,74,998	5,64,998	33,94,994
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit - others, specify – Sales Incentive	18,09,994	-	-	18,09,994
5	Others, please specify (Professional Fees)	19,00,000	19,00,000	4,80,000	42,80,000
	<b>Total (A)</b>	<b>60,64,992</b>	<b>23,74,998</b>	<b>10,44,998</b>	<b>94,84,988</b>

The remuneration is within the limits as per section 197 of the Companies Act, 2013 read along with Schedule V and is approved by the Shareholders by way of a Special Resolution.

**B. Remuneration to other Directors.**

(Amount in Rupees)

S.No	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Anil Bangad	Mr. Pradeep Shah	Mr. Shabbir Masani	
1	Independent Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	<b>Total Managerial Remuneration (A+B)</b>	-	-	-	-

The remuneration is within the limits as per section 197 of the Companies Act, 2013 read along with Schedule V and is approved by the Shareholders by way of a Special Resolution.

**C. Remuneration to key managerial personnel other than MD/Manager/WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS*	CFO*	Total (in Rs)
		Mrs. Deepika A Dalmiya	Mr. Kailas Agrawal	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,97,087	5,03,500	8,00,587
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act,1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit others, specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>2,97,087</b>	<b>5,03,500</b>	<b>8,00,587</b>

**VI. Penalties/Punishment/Compounding of Offences:**

There were no penalties/punishment/compounding of offences for breach of any section of Companies Act as against the Company or its Directors or other officers in default, if any during the year.

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment /Compounding fees imposed	Authority(RD/ NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY / DIRECTORS / OTHER OFFICER IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

## REPORT ON CORPORATE GOVERNANCE ON 2020-21

### ❖ INTRODUCTION

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that Corporate Governance signifies ethical business behavior in every sphere and with all constituents. This ethical business behavior can be ingrained in the character of the organization through tradition, value, systems and commitment to the letter as much as the spirit of laws and regulations. Corporate Governance emerges as the cornerstone of the Company's governance philosophy of the trusteeship, transparency, accountability and ethical corporate citizenship.

#### 2. BOARD COMPOSITION AND PARTICULARS OF DIRECTORS:

i. Composition & Category of Directors [as on 31<sup>st</sup> March, 2021].

The Board comprises of Six Directors, one of them is The Managing Director, 3 directors are Non – Executive Independent Directors and 1 Executive director, 1 is Women Director.

Sr. No	Name of Director	Position
1	RAJESH RAGHUNATH BHATWAL	Managing Director & CEO
2	SHAKUNTALA RAJESH BHATWAL	Whole Time Director and Woman Director
3	HUNG SIN CHUNG HUANYI	Whole Time Director
4	ANIL NANDKISHOR BANGAD	Non – Executive Independent Directors
5	PRADEEP CHANDRAKANT SHAH	Non – Executive Independent Directors
6	SHABBIR SADRUDDIN MASANI	Non – Executive Independent Directors

The Company does not have a Nominee Director on the Board.

The Company held **Twelve** Board Meetings during the year on 06-04-20, 11-05-20, 20-05-20, 27-05-20, 29-06-20, 16-07-20, 17-08-20, 26-08-20, 28-09-20, 06-10-20, 14-11-20, 14-11-20, 25-11-20

Every board meeting, the matters specified under Section 17 read with Schedule II (Part A) of Listing Regulations were placed and discussed.

The notice of each Board meeting is given in writing to each Director. The Agenda along with relevant notes and others material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting. This ensures timely and informed decision by the Board. The Board reviews the performance of the Company vis a vis the budget/targets. The previous Annual General Meeting (AGM) of the Company was held on Saturday, 28<sup>th</sup> September, 2020 at 11:00 A.M.

The attendance of directors at the Board meeting, their Directorships in other Companies and Membership / Chairmanship in the Committees constituted by other Companies are given below:

Name	Number of Board Meeting attended	Directorship in other companies as on 31 <sup>st</sup> March 2021	Member/Chairman of committees of other company(s) (as on 31/03/21)
RAJESH RAGHUNATH BHATWAL	12	0	0
SHAKUNTALA RAJESH BHATWAL	10	0	0
HUNG SIN CHUNG HUANYI	11	0	0
PRADEEP CHANDRAKANT SHAH	11	0	0
SHABBIR SADRUDDIN MASANI	10	0	0
ANIL NANDKISHOR BANGAD	11	0	0

- ii. None of the directors on the Board is a Member of more than 10 board or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary disclosures regarding committee positions in other public companies as of March 31, 2021 have been made by the Directors.
- iii. None of the Independent Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

Among other important information, minutes of all the Committee meetings, are regularly placed before the Board in their meetings.

- iv. Separate Meeting of Independent Directors As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

### 3. Committees of Board

During the year in accordance with the companies Act, 2013, there is change in constitution of Nomination and Remuneration committees of the Board as Follows:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder Relationship Committee
4. Corporate Social Responsibility Committee
5. Internal Complaints Committee
6. Sexual Harassment Committee

**a. Audit Committee:**

The constitution, role and the powers of the Audit Committee of the Company are as per the guidelines set out in the Listing Agreement with Stock Exchange read with the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014. The Committee also acts as a link between the Statutory and Internal Auditors and the Board of Directors. It reviews the various reports placed before it by the Management and addresses itself to the larger issues and examines and considers those facts that could be of vital concern to the Company including adequacy of internal controls, reliability of financial statements and other management information, adequacy of provisions of liabilities and adequacy of disclosures and compliance with all relevant statutes. All the members of the committee have requisite financials. The Committee meets periodically and reviews Audited and un-audited financial results;

- Internal audit reports and report on internal control systems of the Company;
- Discusses the larger issues that could be of vital concern to the Company;
- Auditors' report on financial statements and their findings and suggestions and seeks clarification thereon;
- All other important matters within the scope and purview of the committee.

**As on 31<sup>st</sup> March 2021, the Audit Committee comprised of the following:  
(Audit Committee)**

S. R.	Name	Designation	No. Of meetings Attended
1.	PRADEEP SHAH	Chairman	4
2.	RAJESH BHATWAL	Member	4
3.	ANIL NADKISHOR BANGAD	Member	4

Details of Audit Committee meeting held during the year under review

Sr. No	Date
1	18/05/2020
2	20/08/2020
3	06/11/2020
4	05/03/2021

Note:

The company secretary of the company act as the secretary to the committee.

**b. Nomination and Remuneration Committee**

Company has formed the Nomination and Remuneration Committee as per Section 178 another applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of the Nomination and Remuneration

**Committee includes the following:**

1. Appointment, re-appointment, determination, fixation of the remuneration (including salaries and salary adjustments, incentives/benefits bonuses, stock options) and revision in the remuneration payable to the Managing Director of our Company from time to time.
2. Compensation and performance targets.
3. Other key issues / matters as may be referred by the Board or as may be necessary in view of the provisions of the Listing Agreement or any statutory provisions.

**As on 31st March, 2021, the Committee Comprises of the following Members:**

S. R.	Name	Designation	No. of meetings Attended
1.	PRADEEP SHAH	Chairman	2
2.	SHABBIR SADRUDDIN MASANI	Member	2
3.	ANIL NADKISHOR BANGAD	Member	2

Committee meeting held during the year under review

Sr. No	Date
1	18/04/2020
2	07/12/2020

**Directors' Appointment Criteria / Policy**

The Board of Directors is collectively responsible for selection of a Member on the Board The Compensation / Nomination and Remuneration Committee of the Company follows a defined criteria for identification, screening, recruiting and recommending candidates for election as a Director on the Board.

**The criteria for Appointment to the Board includes:**

1. Composition of the Board which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
2. Desired age and diversity on the Board;
3. Size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with requirements of the law;
4. Professional qualifications, expertise and experience in specific area of business;
5. Balance of skills and expertise in view of the objectives and activities of the Company;
6. Avoidance of any present or potential conflict of interest;
7. Availability of time and other commitments for proper performance of duties; and
8. Personal characteristics being in line with the Company's values, such as integrity, honesty, transparency and pioneering mindset.

**Remuneration Policy**

1. The reward policy of the Company shall be to pay market competitive reward with a strong linkage to performance, which ensures the effective recognition of performance and encourages a focus on achieving the operational results.

## 2. The appointment and remuneration of the Executive Directors, Key Managerial

Personnel and Senior Management are by virtue of their employment with the Company as management employees and therefore their terms of employment viz. salary, variable pay, service contract, notice period and severance fee, if any, shall be governed by the applicable HR policies at the relevant period. The total reward package for Executive Directors, Key Managerial Personnel and Senior Management are intended to be market competitive with a strong linkage to the performance.

The Company does not have any Employee Stock Option Scheme.

### a. Details of Remuneration paid to Managing Director for the period from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021.

S. R.	Name	(Amount in Rs.)	
		Salary	Professional Fees
1	Rajesh Raghunath Bhatwal	Rs. 23,54,998	Rs. 19,00,000

The aforesaid remuneration was paid to the Managing Director in compliance with the Provisions of Section II of Part II of Schedule V of the Companies Act, 2013.

### b. Non-Executive Directors' Compensation

The Non-Executive Directors do not draw any remuneration from the Company. The company secretary of the company act as the secretary to the committee.

### c. Stakeholders Relationship Committee

The Company had constituted Stakeholders Relationship Committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares to demat accounts, non-receipt of dividend/notices/annual reports etc.

The Stakeholders Relationship Committee comprised of

S. R.	Name	Designation	No. Of meetings Attended
1.	PRADEEP SHAH	Chairman	2
2.	RAJESH BHATWAL	Member	2
3.	ANIL NADKISHOR BANGAD	Member	2

Also the same committee will be act for resolving shareholder grievances. If any shareholder have query, compliant on any matter including Annual report, this committee is responsible to resolve the same. Members can lodge their query/ complaint on [investor@nitiraj.net](mailto:investor@nitiraj.net).

### Committee meeting held during the year under review

Sr. No	Date
1	15/06/2020
2	24/12/2020

**i. Investor Grievance Redressal:**

During the Financial Year 202-21, the Company has not received any complaints from the Shareholders. There were no complaints outstanding as on 31<sup>st</sup> March, 2021.

**d. Corporate Social Responsibility Committee**

The Company constituted the Corporate Social Responsibility of Directors to look into the following:

- Matters specified in section 135 of the Companies Act 2013 which inter-alia includes:
  - (a) Formulate and recommend to the Board, a Corporate social responsibility policy which shall indicate the activities to be undertaken by company as specified in schedule VII;
  - (b) recommend the amount of expenditure to be incurred on activities referred to in clause (a)
  - (c) Monitor the Corporate Social Responsibility policy of the company from time to time.

**As on 31<sup>st</sup> March, 2021, the Committee Comprises of the following Members:**

S. R.	Name	Designation	No. of meetings Attended
1.	RAJESH BHATWAL	Chairman	4
2.	SHAKUNTALA BHATWAL	Member	4
3.	PRADEEP SHAH	Member	4

Committee meeting held during the year under review

Sr. No	Date
1	22/05/2020
2	15/09/2020
3	12/12/2020
4	23/02/2021

**Name and Designation of Compliance Officer**

Mrs. Deepika Dalmiya, Company Secretary.

**Note:**

1. The company secretary of the company act as the secretary to the committee.
2. There was no complaint received from the shareholder during the year under review as per reports provided by Registrar and Transfer Agent, hence no there is no pending complaint

**i. MEANS OF COMMUNICATION:**

Shareholding Pattern, Corporate governance report and Financial Results are electronically transmitted to the National Stock Exchange. And documents which are require being upload on the website of the company as per SEBI (LODR) Regulation, 2015 and other applicable regulation.

**GENERAL SHAREHOLDER INFORMATION****i) Annual General Meeting:**

<b>AGM : Date , Time and Venue</b>	28 <sup>th</sup> September 2021, at 12.00 P.M.
<b>Financial Year</b>	2020-21
<b>Date of Book Closure</b>	22 <sup>nd</sup> September 2021 to 28 <sup>th</sup> September 2021
<b>Dividend Payment Date</b>	NA
<b>Listing on Stock Exchange</b>	<b>NATIONAL STOCK EXCHANGE- Main Board</b>
	<b>NSE</b>
<b>Stock Code</b>	NITIRAJ
<b>Registrar and Transfer Agent</b>	BIG SHARE SERVICES PVT LTD
<b>Outstanding GDR/ADR /warrants or any convertible instruments conversion date and likely impact on equity</b>	NOT ISSUED
<b>Address for Correspondence</b>	306A BABHA BLDG N M MARG NEAR POLICE STATION MUMBAI 400011

**Non mandatory Requirements****a. Shareholders Right – Re; Half Yearly Result**

A Half Yearly declaration of financial performance including summary of the significant events in last six months is uploaded on the website of the company.

**b. Audit Qualification –**

The financial statements of the company are unqualified

**c. Evaluation of the board performance**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations And Disclosure Requirements) Regulation 2015, the Board has carried out an annual performance evaluation of its own, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committee. The result of the evaluation done by Independent Directors was reported to the Chairman of the Board.

It was reported that the performance evaluation of the Board & Committee's was satisfactory. The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. The Directors expressed their satisfaction with the evaluation process.

For and on Behalf of the Board of Directors  
**NITIRAJ ENGINEERS LIMITED**

Sd/-  
**Rajesh Bhatwal**  
**Managing Director**  
**DIN: 00547575**

## ANNEXURES

### Annual Report on Corporate Social Responsibility (CSR) [Pursuant to Section 135 of the Companies Act, 2013]

Over the years, we have been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover our business, but also that of the communities around us. Our Corporate Social Responsibility (CSR), thus, is not limited to philanthropy, but also includes large initiatives that lead to social development.

#### REPORTING:-

The period for which CSR is been reported is from 01/04/2020 to 31/03/2021. It does not include any information about associate company. The Company has its own CSR policy. During the year, CSR provisions were applicable to the company. The amount to be spent towards CSR was provided in the books amounting to Rs. 16,37,595. Due to non-availability of viable projects company has not spent any amount towards CSR and the company is planning to spend the provided amount in near future.

The Company has a Board Committee (CSR committee) that provides oversight of CSR policy execution to ensure that, the CSR objectives of the Company are met. CSR committee comprises:

Name of the Member	Designation
MR. PRADEEP CHANDRAKANT SHAH	Chairman
MR. ANIL NANDKISHOR BANGAD	Member
MR. RAJESH RAGHUNATH BHATWAL	Member



## Independent Auditor's Report

To  
The Members,  
Nitiraj Engineers Limited,  
Mumbai

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

#### **Opinion**

We have audited the accompanying Standalone financial statements of **M/s. Nitiraj Engineers Limited** (*"the Company"*) which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements 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 31st March 2021 and profit/loss, and its cash flows for the year ended on that date.

#### **Basis for Qualified Opinion**

The Company's provision of Gratuity Liability and Leave Encashment Liability is not recorded fully and thus is not in accordance with Accounting Standard 15 on "Employee Benefits" issued by the Institute of Chartered Accountants of India.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and 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 qualified opinion.

### **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 whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report *except for*

**Covid Impact – In view of the highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent on the circumstances, as they evolve.**

### **Information Other than the Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises the Board’s Report including Annexures to the Board’s Report 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 in the 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 Standalone Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)<sup>i</sup> and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has an 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone 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.

#### COVID Impact

Since there are increasing restrictions on travel & meetings, as a result we faced practical issues for access to the audit location in carrying out the audit.

#### **Challenges in carrying audit at audit location**

During this pandemic, challenges never before faced by auditors in performing audits are emerging. In response we need to be more agile and creative in performing audits and complying with the auditing standards. Now, more than ever, auditors might rely on technology in performing audit procedures. Performing auditing procedures in the middle of this pandemic is troublesome and we as auditor have encountered challenges in:

- Physical verification of inventory, fixed assets etc
- Assessing records
- Understanding and testing internal control
- Account and balance confirmations
- Performing subsequent event procedures

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

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

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(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 B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company has Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For and on behalf of  
**P.D.Dalal & Co.**  
*Chartered Accountants*  
Firm Registration No.102047W

(Aashish S. Kakaria)  
*Partner*  
Membership No.102915  
UDIN: 21102915AAAAEF2023

*Mumbai*  
*22<sup>nd</sup> June, 2021*

## **Annexure A to the Independent Auditors Report**

The Annexure referred to in our Independent Auditors' Report to the members of Nitiraj Engineers Limited on the standalone financial statements for the year ended 31<sup>st</sup> March, 2021, we report that:

- (i)(a) In our opinion the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
  - (b) As informed to us the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us the title deeds of the Immovable properties are held in the name of the company.
- (ii) As explained to us the inventory has been physically verified by the management during the year at reasonable intervals. In our opinion the frequency of such verification is reasonable. No material discrepancies noticed on physical verification of inventories as compared to the book record.
- (iii) In our opinion the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Therefore, sub clauses (a), (b) and (c) are not applicable.
- (iv) In our opinion and according to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us the company has not accepted any deposits during the year from the public within the meaning of provisions of section 73 to 76 of the companies act 2013 and the rules framed there under and therefore, the provisions of clause (v) of the Order are not applicable to the company.
- (vi) The maintenance of cost records under sub section(1) of section 148 of the Companies Act, 2013 is not applicable in view of rule 3 of the Companies Act (Cost Records and Audit) Amendment Rules 2014 and therefore, the provisions of clause (vi) of the Order are not applicable to the Company.

- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Goods and Services tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.
  - (b) According to the information and explanations provided to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales Tax, Goods and Service tax, Duty of custom, Duty of excise, Value added tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - (c) According to the information and explanations given to us, there are no material dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has not defaulted in repayment of dues to financial institutions or banks. The company did not have borrowings by way of debentures.
- (ix) In our opinion the Company did not raise any money by way of Debt Instruments and term loans during the year.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations provided by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and the explanations given to us, the Company is not a Nidhi company and therefore, the provisions of clause (xii) of the order are not applicable to the company.
- (xiii) In our opinion and according to the information and the explanations given to us, and based on our examination of the records of the company, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.



- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For and on behalf of  
**P.D.Dalal & Co.**  
*Chartered Accountants*  
Firm Registration No.102047W

(Aashish S. Kakaria)  
*Partner*  
Membership No.102915  
UDIN: 21102915AAAAEF2023

*Mumbai*  
*22<sup>nd</sup> June, 2021*

## **Annexure “B” to the Independent Auditors Report**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Nitiraj Engineers Limited as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ( the, “ Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act,2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting with reference to these Standalone Financial Statements were operating effectively as at March 31, 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 and on behalf of  
**P.D.Dalal & Co.**  
*Chartered Accountants*  
Firm Registration No.102047W

(Aashish S. Kakaria)  
*Partner*  
Membership No.102915  
UDIN: 21102915AAAAEF2023

*Mumbai*  
22<sup>nd</sup> June, 2021



## Nitiraj Engineers Limited

Standalone Balance Sheet as at 31<sup>st</sup> March, 2021

[Amount Rs.]

Particulars	Note No.	As at 31.03.2021		As at 31.03.2020	
<b>EQUITY AND LIABILITIES</b>					
<b>Share Holders Funds</b>					
Share Capital	" 3 "	10,25,10,000	<b>73,10,44,789</b>	10,25,10,000	<b>69,46,92,418</b>
Reserves & Surplus	" 4 "	62,85,34,789		59,21,82,418	
<b>Non-Current Liabilities</b>					
Deferred Tax Liabilities (Net)		34,65,333	<b>34,65,333</b>	43,46,221	<b>43,46,221</b>
<b>Current Liabilities</b>					
Short Term Borrowings	" 5 "	-	<b>5,41,64,682</b>	5,35,16,520	<b>8,81,16,441</b>
Trade Payables	" 6 "	5,41,64,682		3,45,99,920	
<b>TOTAL</b>			<b>78,86,74,804</b>		<b>78,71,55,080</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Fixed Assets			<b>38,66,11,078</b>		<b>37,52,93,322</b>
Tangible Assets	" 7 "	32,65,09,536		32,84,92,755	
Intangible Assets		6,01,01,542		4,68,00,567	
Non-Current Investments	" 8 "	2,01,14,925	<b>14,86,52,776</b>	2,01,09,925	<b>11,56,46,403</b>
Long Term Loans And Advances	" 9 "	12,85,37,851		9,55,36,478	
<b>Current Assets</b>					
Inventories	"10"	13,68,21,335	<b>25,34,10,950</b>	14,22,63,679	<b>29,62,15,356</b>
Trade Receivables	"11"	9,10,21,545		9,71,67,125	
Cash And Cash Equivalents	"12"	2,30,67,349		5,22,28,873	
Other Current Assets	"13"	25,00,721		45,55,679	
<b>TOTAL</b>			<b>78,86,74,804</b>		<b>78,71,55,080</b>

See accompanying notes forming part of the financial statements

**For P.D.Dalal & Co.,**  
Chartered Accountants,  
Firm Registration No.102047W

**For Nitiraj Engineers Limited,**

(Aashish S. Kakaria)  
Partner  
Membership No.102915  
UDIN : 21102915AAAAEF2023

(Rajesh R. Bhatwal)  
Managing Director  
Din No.00547575

(Shakuntala R. Bhatwal)  
Director  
Din No.01953906

Mumbai  
22nd June, 2021

(Deepika Dalmiya)  
Company Secretary  
Membership No A58029

(Kailas Agrawal)  
Chief Financial Officer



## Nitiraj Engineers Limited

Standalone Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2021

[Amount Rs.]

Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Continuing Operations</b>			
Revenue from Operations (Net)	" 14 "	53,82,14,657	47,86,37,221
Other Income	" 15 "	20,63,714	1,87,63,822
<b>Total Revenue</b>		<b>54,02,78,371</b>	<b>49,74,01,043</b>
<b>Expenses</b>			
Cost of Materials Consumed	" 16 "	28,09,94,786	22,54,00,537
Changes in Inventory	" 17 "	42,45,675	3,59,54,708
Employee Benefit Expenses	" 18 "	5,24,47,333	4,83,22,320
Finance Cost	" 19 "	22,14,481	44,65,354
Depreciation	" 20 "	2,88,40,645	1,42,14,034
Other Expenses	" 21 "	12,23,39,968	13,29,47,598
<b>Total Expenses</b>		<b>49,10,82,888</b>	<b>46,13,04,552</b>
Profit before Tax		<b>4,91,95,483</b>	<b>3,60,96,491</b>
Net profit after exceptional items		<b>4,91,95,483</b>	<b>3,60,96,491</b>
Tax Expenses			
Current Tax		1,37,24,000	77,92,734
Deferred Tax		(8,80,888)	24,42,965
<b>Total Tax Expenses</b>		<b>1,28,43,112</b>	<b>1,02,35,699</b>
<b>Profit for the year</b>		<b>3,63,52,371</b>	<b>2,58,60,792</b>
<b>Earnings per share (of Rs.10 each):</b>			
Basic / Diluted Earnings per share		3.55	2.52

See accompanying notes forming part of the financial statements

**For P.D.Dalal & Co.,**  
Chartered Accountants,  
Firm Registration No.102047W

**For Nitiraj Engineers Limited,**

(Aashish S. Kakaria)  
Partner  
Membership No.102915  
UDIN : 21102915AAAAEF2023

Mumbai  
22nd June, 2021

(Rajesh R. Bhatwal)  
Managing Director  
Din No.00547575

(Shakuntala R. Bhatwal)  
Director  
Din No.01953906

(Deepika Dalmiya)  
Company Secretary  
Membership No A58029

(Kailas Agrawal)  
Chief Financial Officer

**Nitiraj Engineers Limited**

 Standalone Cash Flow Statement for the year ended 31<sup>st</sup> March, 2021

[Amount in Rs.]

	For the year ended 31st March 2021		For the year ended 31st March 2020	
<b>A.) CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit after tax and extraordinary items adjustments for:		3,63,52,371		2,58,60,792
Depreciation on Fixed Assets	2,88,40,645		1,42,14,034	
(Profit)/Loss on Sale of assets	(35,368)		(91,80,531)	
Interest Expense	19,19,046		39,43,748	
Others (Dividend, Taxes & CSR )	1,53,61,595		77,92,734	
Sundry balances written off / written back	39,24,140		3,03,443	
Preliminary Expenses written off	18,45,279	5,18,55,337	18,45,280	1,89,18,708
<b>Operating profit before working capital changes</b>		8,82,07,708		4,47,79,500
<b>Adjustments for :</b>				
Decrease (Increase) in Investments	(5,000)		-	
Decrease (Increase) in Loans & Advances	(3,30,01,374)		(66,30,711)	
Decrease (Increase) in Receivables	22,21,440		5,63,79,335	
Decrease (Increase) in Inventories	54,42,344		3,23,47,021	
Decrease (Increase) in Other Current Assets	2,09,679		8,36,754	
Increase / (Decrease) in Deferred Tax Liabilities	(8,80,888)		24,42,966	
Increase / (Decrease) in Trade Payables	42,03,167		(3,11,93,286)	
<b>Operating profit after working capital changes</b>		(2,18,10,632)		5,41,82,079
		6,63,97,076		9,89,61,579
<b>B.) CASH FLOW FROM INVESTING ACTIVITIES</b>				
(Purchase) Of Fixed Assets	(2,71,14,991)		(10,63,97,246)	
Sale of fixed assets	2,92,933		1,16,36,662	
(Investment) in Intangibles	(1,33,00,975)		(1,41,95,289)	
<b>Net cash from investing activities</b>		(4,01,23,034)		(10,89,55,873)
<b>C.) CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
Proceeds from current borrowings	-		5,94,04,041	
Repayment of current borrowings	(5,35,16,520)		(99,20,755)	
Interest Paid	(19,19,046)		(32,42,239)	
<b>Net cash used in financial activities C</b>		(5,54,35,567)		4,62,41,047
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>		(2,91,61,524)		3,62,46,754
Cash and cash equivalent at the beginning of the year		5,22,28,873		1,59,82,119
Cash and cash equivalent at the end of the year		2,30,67,349		5,22,28,873

See accompanying notes forming part of the financial statements

In terms of our report attached

**For P.D.Dalal & Co.,**  
 Chartered Accountants,  
 Firm Registration No.102047W

**For Nitiraj Engineers Limited,**

 (Aashish S. Kakaria)  
 Partner  
 Membership No.102915  
 UDIN : 21102915AAAAEF2023

 Mumbai  
 June 22, 2021

 (Rajesh R. Bhatwal)  
 Managing Director  
 Din No.00547575

 (Deepika Dalmiya)  
 Company Secretary  
 Membership No A58029

 (Shakuntala R. Bhatwal)  
 Director  
 Din No.01953906

 (Kailas Agrawal)  
 Chief Financial Officer


**Nitiraj Engineers Limited**

 Notes on the standalone financial statements for the year ended 31<sup>st</sup> March, 2021

Particulars	As at 31.03.2021	As at 31.03.2020
<b>NOTE 3 - SHARE CAPITAL</b>		
Authorised Share Capital 1,10,00,000 Equity Shares of Rs. 10 each	11,00,00,000	11,00,00,000
Pursuant to the members resolution the authorised capital of the company was increased from Rs. 9 crore to Rs. 11 crores by creation of additional 20,00,000 shares		
<b>Issued, Subscribed &amp; Paid - up</b> 60,00,000 Equity Shares of Rs. 10 each, fully paid- up	6,00,00,000	6,00,00,000
The Company had issued 22,00,800 fresh equity shares of face value of Rs.10 each by way of an Initial Public Offering during 2016 - 2017 at a premium of Rs.90 per share	2,20,08,000	2,20,08,000
The company has allotted 20,50,200 fully paid up shares of face value Rs.10 each during the period ended 31st March 2020, pursuant to bonus issue approved by the shareholders at the AGM conducted on 31st August 2019.	2,05,02,000	2,05,02,000
All Shares are Equity Shares of a Single Class having equal voting rights and other rights, preferences and restrictions including restrictions on distribution of dividend and repayment of capital.		-
	<b>10,25,10,000</b>	<b>10,25,10,000</b>
Reconciliation of shares - (No. of shares)		
Equity shares at the beginning of the year	1,02,51,000	82,00,800
Add : Issue of shares during the year (Bonus)	-	20,50,200
Less : Shares forfeited / cancelled during the year	-	-
Equity shares at the end of the year	<b>1,02,51,000</b>	<b>1,02,51,000</b>
More than 5% shares held by each shareholders at the end		
<b>Name of shareholder</b>	<b>No of shares held</b>	
1. Shri Rajesh Raghunath Bhatwal	43,03,875	42,60,375
2. Mrs. Shakuntala Rajesh Bhatwal	23,95,500	23,50,500
3. Shri Yi Hung Sing	8,20,500	8,20,500
<b>NOTE 4 - RESERVES &amp; SURPLUS</b>		
I Securities Premium Account Balance at The Beginning of The Year	17,75,70,000	19,80,72,000
Add : Amount received on Public Issue of Equity Shares		2,05,02,000
Less : Utilised During The Year for Issue of Bonus Shares		
Balance at The End of The Year	<b>17,75,70,000</b>	<b>17,75,70,000</b>
II GENERAL RESERVE Balance at the beginning of the year		-
Add : Additions / Transfer during the year		-
Less : Utilised / during the year	-	-
Balance at the end of the year	-	-
III SURPLUS / (DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS Balance at the beginning of the year	41,32,06,872	38,73,46,080
Add : Profit / (Loss) during the year	3,63,52,371	2,58,60,792
Add : MAT Credit available		
	44,95,59,243	41,32,06,872
Less : Transfer to Reserve during the year		
Interim Dividend paid during the year		
Tax on the above Dividend		
Bonus Shares Issued during the year	-	-
	-	-
Balance at the end of the year	<b>44,95,59,243</b>	<b>41,32,06,872</b>
IV CAPITAL RESERVES Cash Subsidy	14,05,546	14,05,546
	<b>62,85,34,789</b>	<b>59,21,82,418</b>


**Nitiraj Engineers Limited**

Notes on the standalone financial statements for the year ended 31st March, 2021

Particulars	As at 31.03.2021	As at 31.03.2020
<b>NOTE 5 - SHORT TERM BORROWINGS</b>		
Secured loans (Term Loan) HDFC.BANK LTD DHULE	-	5,35,16,520
Term loans from HDFC Bank Ltd, has been taken for setup of new production unit, and is secured by hypothecation of MIDC Unit. The rate of interest 10.50%. The loans is repayable in 60 structured monthly installments. As at 31 Mar 2020, the balance of loan Rs.5,35,16,520/- is outstanding.		
The above term loan has been repaid on 7th June 2020 for which request letter was given by the management to the bank on 31.03.2020.		
	-	<b>5,35,16,520</b>
<b>NOTE 6 - TRADE PAYABLES</b>		
Sundry Creditors	2,47,77,789	2,37,14,589
Advances from Customers	92,87,001	1,12,64,589
Provision	37,75,731	(1,85,08,584)
Other Liabilities	1,63,24,161	1,81,29,326
	<b>5,41,64,682</b>	<b>3,45,99,920</b>
<b>NOTE 8 - NON CURRENT INVESTMENTS</b>		
OTHER INVESTMENTS		
INVESTMENTS (Unquoted) (Long Term ) (At cost)		
690 Shares of 10 each of Merchant Co-op. Bank Ltd	6,905	6,905
In Associates		
Equity Shares of Hyper Drive Information Technologies Private Limited 3334 Equity Shares of Rs.10 each at a premium of Rs.5990 per share (Unquoted) (Long Term )	2,00,04,000	2,00,04,000
National Savings Certificate	1,04,020	99,020
	<b>2,01,14,925</b>	<b>2,01,09,925</b>
<b>NOTE 9 - LONG TERM LOANS AND ADVANCES</b>		
[Unsecured, considered good, except otherwise stated]		
Loans & Advances		
Advances recoverable in cash or kind or for value to be received	11,46,93,846	8,92,48,063
Deposits	1,21,74,355	46,18,764
Stock of Gold	16,69,650	16,69,650
Advance Payment of Taxes (Net of Provisions)	-	-
	<b>12,85,37,851</b>	<b>9,55,36,478</b>
<b>NOTE 10 - INVENTORIES</b>		
[As Valued, Verified and Certified by the Management]		
Raw Materials	10,62,41,671	10,74,38,340
Work in progress	1,21,37,329	95,65,546
Stock in Trade	-	-
Finished Goods	1,84,42,335	2,52,59,794
	<b>13,68,21,335</b>	<b>14,22,63,679</b>
<b>NOTE 11 - TRADE RECEIVABLES</b>		
SUNDRY DEBTORS		
[Unsecured, considered good except otherwise stated]		
Over Six Months	4,46,65,377	1,95,40,622
Others	4,63,56,168	7,76,26,503
	<b>9,10,21,545</b>	<b>9,71,67,125</b>
<b>NOTE 12 - CASH AND CASH EQUIVALENTS</b>		
Cash in hand and remittance in transit	29,69,203	26,74,621
Balances with Banks :		
Scheduled Banks		
Current Account	1,25,60,440	4,21,30,571
Fixed Deposit Accounts	75,37,705	74,23,680
	-	-
	<b>2,30,67,349</b>	<b>5,22,28,873</b>
<b>NOTE 13 - OTHER CURRENT ASSETS</b>		
Interest Accrued	45,199	3,96,325
Unamortized Expenditure	24,55,522	41,59,354
	<b>25,00,721</b>	<b>45,55,679</b>

**Notes on the standalone financial statements for the year ended 31st March, 2021**
**Note 7 : Fixed Assets**

Assets	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at April 1, 2020	Additions	WIP Additions	Disposals	As at March 31, 2021	As at April 1, 2020	For the period	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2020
<b>Tangible Assets</b>										
LAND	4,19,52,037	-	-	-	4,19,52,037	-	-	-	4,19,52,037	4,19,52,037
FACTORY BUILDING	10,96,77,399	77,996	-	-	10,97,55,395	20,62,382	1,07,75,699	-	9,69,17,314	10,76,15,017
OFFICE BUILDING	83,06,081	2,09,910	-	-	85,15,991	8,27,833	7,46,479	-	69,41,679	74,78,248
GUEST HOUSE	2,13,85,913	-	-	-	2,13,85,913	10,69,285	10,15,831	-	1,93,00,787	2,03,16,618
PLANT & MACHINERY	8,31,74,915	66,19,418	-	1,66,715	8,96,27,618	70,86,640	1,15,87,594	39,979	7,09,93,363	7,60,88,275
OFFICE EQUIPMENT	36,40,365	3,01,677	-	-	39,42,042	4,29,424	4,31,458	-	30,81,160	32,10,941
ELECTRIC INSTALLATION	1,20,64,474	42,08,045	-	-	1,62,72,520	3,43,080	12,30,797	-	1,46,98,643	1,17,21,394
FURNITURE & FIXTURES	1,10,99,357	37,89,236	-	-	1,48,88,592	6,64,584	7,78,748	-	1,34,45,260	1,04,34,773
COMPUTERS	41,24,260	12,61,789	-	-	53,86,049	7,22,378	14,57,389	-	32,06,282	34,01,882
VEHICLE	59,34,834	-	-	1,59,897	57,74,937	7,78,018	6,78,410	29,068	43,47,577	51,56,816
SOLAR SYSTEM	5,76,000	-	-	-	5,76,000	2,30,400	1,38,240	-	2,07,360	3,45,600
<b>Total</b>	<b>30,19,35,635</b>	<b>1,64,68,071</b>	<b>-</b>	<b>3,26,612</b>	<b>31,80,77,094</b>	<b>1,42,14,034</b>	<b>2,88,40,645</b>	<b>69,047</b>	<b>4,29,85,632</b>	<b>27,50,91,462</b>
<b>Capital Work in Progress</b>										
LAND	-	-	-	-	-	-	-	-	-	-
FACTORY BUILDING	4,07,71,155	1,06,46,919	-	-	5,14,18,074	-	-	-	5,14,18,074	4,07,71,155
PLANT & MACHINERY	-	-	-	-	-	-	-	-	-	-
OFFICE EQUIPMENT	-	-	-	-	-	-	-	-	-	-
ELECTRIC INSTALLATION	-	-	-	-	-	-	-	-	-	-
COMPUTERS	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4,07,71,155</b>	<b>1,06,46,919</b>	<b>-</b>	<b>-</b>	<b>5,14,18,074</b>	<b>-</b>	<b>2,88,40,645</b>	<b>69,047</b>	<b>4,29,85,632</b>	<b>4,07,71,155</b>
<b>Grand Total</b>	<b>34,27,06,790</b>	<b>2,71,14,990</b>	<b>-</b>	<b>3,26,612</b>	<b>36,94,95,168</b>	<b>1,42,14,034</b>	<b>2,88,40,645</b>	<b>69,047</b>	<b>4,29,85,632</b>	<b>32,84,92,756</b>
<b>Previous Year</b>	<b>23,54,33,949</b>	<b>10,88,45,785</b>	<b>9,48,13,616</b>	<b>9,63,86,560</b>	<b>34,27,06,790</b>	<b>1,42,14,034</b>	<b>1,42,14,034</b>	<b>1,42,14,034</b>	<b>32,84,92,755</b>	<b>23,54,33,949</b>
<b>Intangible Assets</b>										
Software Development	49,95,520	1,33,00,975	-	-	49,95,520	-	-	-	49,95,520	49,95,520
Research & Development	4,18,05,047	-	-	-	5,51,06,022	-	-	-	5,51,06,022	4,18,05,047
<b>Total</b>	<b>4,68,00,567</b>	<b>1,33,00,975</b>	<b>-</b>	<b>-</b>	<b>6,01,01,542</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,01,01,542</b>	<b>4,68,00,567</b>
<b>Previous Year</b>	<b>3,26,05,278</b>	<b>1,41,95,289</b>	<b>-</b>	<b>-</b>	<b>4,68,00,567</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,68,00,567</b>	<b>3,26,05,278</b>

## Nitiraj Engineers Limited

Notes on the standalone financial statements for the Year ended 31st March, 2021

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>NOTE 14 - REVENUE FROM OPERATIONS</b>		
<b>Sales of Manufactured Goods</b>	53,82,14,657	48,38,86,709
<i>Less : Inter Unit Sales</i>		50,75,773
<i>Less : Local and Central Sales Tax</i>		(1,73,715)
<b>Net Sales of Manufactured Goods</b>	<b>53,82,14,657</b>	<b>47,86,37,221</b>
<b>NOTE 15 - OTHER INCOME</b>		
Gain on Mutual Fund		
Profit on Sale of Assets	35,368	91,80,531
Other Income	20,28,346	95,83,291
	<b>20,63,714</b>	<b>1,87,63,822</b>
<b>NOTE 16 - COST OF MATERIALS CONSUMED</b>		
Raw Material Consumption	28,09,94,786	22,54,00,537
	<b>28,09,94,786</b>	<b>22,54,00,537</b>
<b>NOTE 17 - CHANGES IN INVENTORY</b>		
Inventories at the end of the year		
Finished Goods	1,84,42,335	2,52,59,794
Material - in - Progress	1,21,37,329	95,65,546
	3,05,79,664	3,48,25,339
Inventories at the beginning of the year		
Finished Goods	2,52,59,794	5,10,42,965
Material -in-progress	95,65,546	1,97,37,083
	3,48,25,339	7,07,80,048
<b>Net ( Increase ) / Decrease</b>	<b>42,45,675</b>	<b>3,59,54,708</b>
<b>NOTE 18 - EMPLOYEE BENEFIT EXPENSES</b>		
Payments to & Provision for Employees :		
Salaries, Wages and Bonus	2,99,98,839	3,04,84,550
Contribution to Provident & Other Funds	34,19,393	30,65,179
Other Benefits	1,59,70,406	1,37,54,597
Salary to Managing Director & Directors	30,58,694	10,17,994
	<b>5,24,47,333</b>	<b>4,83,22,320</b>
<b>NOTE 19 - FINANCE COST</b>		
Interest Expenses	19,19,046	39,43,748
Bank Charges	2,95,435	5,21,606
	<b>22,14,481</b>	<b>44,65,354</b>

## Nitiraj Engineers Limited

Notes on the standalone financial statements for the Year ended 31st March, 2021

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>NOTE 20 - DEPRECIATION</b>		
Depreciation on		
Buildings	1,25,38,009	39,59,510
Plant and Machineries	1,15,87,594	70,86,640
Solar System	1,38,240	2,30,400
Electric Installation	12,30,797	3,43,080
Office Equipments	4,31,458	4,29,424
Furniture and Fixtures	7,78,748	6,64,584
Computers	14,57,389	7,22,378
Vehicles	6,78,410	7,78,018
	<b>2,88,40,645</b>	<b>1,42,14,034</b>
<b>NOTE 21 - OTHER EXPENSES</b>		
<b>MANUFACTURING EXPENSES</b>		
Power & Fuel	30,21,340	14,52,180
Labour and Processing Charges	4,49,10,915	4,37,11,664
	4,79,32,255	4,51,63,843
<b>SELLING AND OTHER EXPENSES</b>		
Commission to Selling Agents	44,65,892	19,39,621
Stamping Fee	97,48,594	2,41,34,432
Brokerage	50,28,907	23,68,746
Advertisement	20,45,328	27,40,083
Transportation & Handling Charges [Net]	2,26,72,874	2,16,85,403
Tender Expenses	6,62,763	8,19,971
	4,46,24,357	5,36,88,256
<b>OTHER EXPENSES</b>		
Repairs & Maintenance of :		
Buildings	36,817	
Plant & Machinery	6,68,206	4,34,929
Others	6,00,172	5,89,676
Rent	12,97,001	12,17,428
Rates & Taxes	9,20,080	15,43,930
Insurance [Net]	11,56,071	12,75,524
Telephone Exp.	9,41,199	10,45,522
CSR and Donations	18,33,395	6,96,098
Software & Computer Exp.	12,16,411	19,26,559
Professional Fees	28,91,250	45,16,576
Travelling	70,94,552	1,15,31,442
Sundry balances written off / written back	39,24,140	3,03,443
Preliminary Expenses written off	18,45,279	18,45,280
Miscellaneous Expenses	50,08,782	67,09,091
	2,94,33,356	3,36,35,499
<b>Payment to Auditor comprises of -</b>		
As Auditor	3,50,000	3,50,000
For Taxation Matters	-	1,10,000
	3,50,000	4,60,000
	<b>12,23,39,968</b>	<b>13,29,47,598</b>

## Nitiraj Engineers Limited

Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March, 2021

1. Corporate Information:

Nitiraj Engineers was incorporated in April 1999 as a private limited company. The company is engaged in the manufacturing and selling of a variety of Electronic Weighing Scales, Currency Counting Machines, Taxi Fare Meters etc. The company launched its Initial Public Offer of equity shares during the F.Y. 2016 – 2017 and got listed on the NSE Emerge [SME] Exchange. Company migrated from SME Platform (EMERGE) and admitted to dealings on the National Stock Exchange (Capital Market Segment - Main Board) with effect from April 22, 2021
  2. The Significant Accounting Policies followed by the company are as stated below
- A. BASIS OF ACCOUNTING POLICIES:
- a) Account Convention:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements are prepared under the historical cost convention on an accrual basis in accordance with applicable accounting standards, **except** for accounting of liability of Gratuity & Leave encashment which is not fully provided in the books of accounts.

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
  - b) Fixed Assets :-

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Intangible Assets

The company has debited the Research & Development expenditure incurred on development on new technologies and products under the Intangible assets.
  - c) Borrowing costs
- Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.
- Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily take substantial period of time to get ready for its intended

use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

- d) Depreciation  
Depreciation on fixed assets is calculated on a written-down-value basis using the rates arrived at based on the useful lives estimated by the management.
- e) Translation of Foreign Currency Items:  
Transactions in foreign currency are recorded at the rate of exchange in force at the date of transaction. Gains and losses resulting from the settlement of such transactions are recognized in the statement of profit & loss.
- f) Investments:  
Long term Investments are stated at cost.
- g) Inventories  
Inventories are valued at the lower of the cost and estimate net realizable value. Cost of inventories is computed on FIFO Basis. Finished goods and work in progress include costs of conversion and other cost incurred in bringing the inventories to their present location and condition. Obsolete, defective and unserviceable stocks are duly provided for.
- h) Retirement Benefits:  
Retirement benefits viz. Gratuity and Leave encashment are being accounted as and when paid. The company has not provided fully for Gratuity as per AS 15 "Employee Benefits" issued by the Institute of Chartered Accountants of India. In the absence of information the effect on the profitability cannot be quantified.
- i) Taxes on Income  
Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same
- j) Dividend  
During the year the company has not declared any dividend.
- k) Research & Development Expenditure  
Revenue Expenditure is charged to the Profit & Loss Account and capital expenditure is added to the cost of Fixed Assets in the year in which it is incurred. The company is pursuing development of new technologies and has capitalized the expenditure incurred on the R&D.
- l) Provisions, Contingent liabilities and Contingent Assets  
Provisions are recognized only when:
  - i) The company has a present obligation as a result of past events
  - ii) A probable outflow of resources is expected to settle the obligation and
  - iii) The amount of obligation can be reliably estimated

Since the company has not provided for Gratuity and Leave encashment as per AS 15 "Employee Benefits" issued by the Institute of Chartered Accountants of India,



Contingent Liability arising from post-employment benefit obligations cannot be quantified.

Contingent Assets are neither recognized nor disclosed in the financial statements.

m) Remuneration to Auditors

	<u>2020 – 2021</u>	<u>2019-2020</u>
Audit Fees	Rs. 3,50,000	Rs. 3,50,000
Taxation Matters	Rs. Nil	Rs. 1,10,000
Certifications & Other Services	Rs. Nil	Rs. Nil
Out of Pocket Expenses	Rs. Nil	Rs. Nil

n) Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity share

Earnings Per Share [Basic and Diluted]

	<u>2020 – 2021</u>	<u>2019-2020</u>
Net Profit after tax	Rs.3,63,52,371	Rs. 2,58,60,792
Number of Equity Shares	10,25,10,000	10,25,10,000
Nominal Value of Shares	Rs.10 per share	Rs.10 per share
Basic Earnings per Share	Rs.3.55	Rs. 2.52

B. Segment Reporting

The company is operating one manufacturing unit in Himachal Pradesh and another at Dhule Maharashtra producing Electronic Weighing scales and other products. Hence there are no reportable segments under Accounting Standard 17. The conditions prevailing in India being uniform no separate geographical disclosures are considered necessary.

C. In the opinion of the Board, subject to the debts considered doubtful, Current Assets and Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

D. Relate Party Disclosure.  
Transactions during the year ended March 31, 2021

Particulars	Relations	Amount Rupees	Amount Rupees	Balance as on
		2020-2021	2019-2020	31.03.2021
<b><u>Salary</u></b>				
Rajesh Raghunath Bhatwal	Director	23,50,000	24,00,000	1,70,000
Shakuntala Rajesh Bhatwal	Director	4,70,000	4,80,000	28,000
Yi Hung Sin	Director	5,60,000	4,80,000	43,350
Kailash Madanlal Agrawal	CFO	5,03,500	4,88,000	36,863
Preeti Rohit Bhala	Company Secretary	-	90,006	
Deepika Amit Dalmiya	Company Secretary	2,97,087	1,51,704	25,084
Prachi Rajesh Bhatwal	Relative of Director	4,54,500	4,16,000	22,700
<b><u>Bonus</u></b>				
Rajesh Raghunath Bhatwal	Director	4,998	4,998	4,998
Shakuntala Rajesh Bhatwal	Director	4,998	4,998	4,998
Yi Hung Sin	Director	4,998	4,998	4,998
Kailash Madanlal Agrawal	CFO	4,998	4,998	4,998
Preeti Rohit Bhala	Company Secretary	-	2,499	-
Deepika Amit Dalmiya	Company Secretary	4,998	2,499	4,998
Prachi Rajesh Bhatwal	Relative of Director	4,998	4,998	4,998
<b><u>Advance against Technical Fee</u></b>				
Prachi Rajesh Bhatwal	Relative of Director	-	10,00,000	-
<b><u>Professional Fees</u></b>				
Rajesh Raghunath Bhatwal	Director	19,00,000	19,00,000	-
Shakuntala Rajesh Bhatwal	Director	19,00,000	19,00,000	-
Yi Hung Sin	Director	4,80,000	4,80,000	-
Prachi Rajesh Bhatwal	Relative of Director	19,00,000	19,00,000	-
<b><u>Sales Incentives to Director</u></b>				
Rajesh Raghunath Bhatwal	Director	18,09,994	-	-
<b><u>Software Maintenance (included in Other Expense)</u></b>				
Hyper Drive Information Technologies Pvt Ltd.	Associate	-	11,54,000	38,00,000
<b><u>Investment in Associates</u></b>				
Hyper Drive Information Technologies Pvt Ltd.	Associate	-	-	2,00,04,000
[1667 Equity Shares of Rs. 10 each at a premium of Rs. 5990 per Share]				
<b><u>Rent Income</u></b>				
Hyper Drive Information Technologies Pvt Ltd.	Associate	60,000	10,000	5,000



E) Previous Years Figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

F) Utilization of money raised through Initial Public Offer

The utilization of the issue proceeds as on 31st March 2021 is as under:

Particulars	Utilisation planned as per prospectus	Balance Amount to be utilized as on 31st March, 2019	Utilisation of IPO proceeds During the FY 2019-2020	Balance Amount to be utilized as on 31st March, 2020	Utilisation of IPO proceeds During the FY 2020-2021	Balance Amount to be utilized as on 31st March, 2021
Development of new products	525.00	365.04	141.95	223.09	147.12	75.97
Setting up manufacturing Unit for the existing and new range of products	575.00	-	575.00	-	-	-
Expansion of Marketing Network and Brand building	500.00	451.44	25.00	426.44	66.43	360.01
General Corporate Purposes	500.00	-	-	-	-	-
Issue Expenses	100.80	22.92	-	22.92	-	22.92
<b>Total</b>	<b>2,200.80</b>	<b>839.40</b>	<b>741.95</b>	<b>672.45</b>	<b>213.55</b>	<b>458.90</b>

G) Values of Export Sales on Machines & Spares Sales during the financial year

Financial Year	<i>[Amount Rs.]</i>	
	<u>2020-2021</u>	<u>2019-2020</u>
Machines Sales	31,51,943	38,89,845
Spares Sales	9,370	57,076



H) Values of all imported raw material, spares parts and components Purchase during the financial year

<u>Financial Year</u>	<u>2020-2021</u>	<u>2019-2020</u>
Raw Material (Imported)	4,06,63,057	2,16,62,311
Exchange Rate Variation	2,39,253	2,21,152

- I) The Company is in the process of identifying SSI units amongst its creditors, hence the information regarding dues to SSI units is not disclosed presently
- J) Creditors, Debtors (Including Credit Balances) Advances etc, are subject to confirmation and reconciliation
- K) Valuation of stock is taken as certified by the management

#### CORPORATE SOCIAL RESPONSIBILITY

The company has made provision of Rs. 16,37,595/- towards CSR. As explained to us the management is identifying suitable projects for spending the CSR amount of the current financial year and would be spending the same in subsequent years.

#### COVID Impact

Covid-19 has put significant accounting and auditing challenges due to the Government's restrictions imposed during the lockdown for safety concerns. We have performed alternate audit procedures based on documents and information made available and relied upon by us.

For and on behalf of  
**P.D.Dalal & Co.,**  
Chartered Accountants,  
Firm Reg. No.: 102047W

(Aashish S. Kakaria)  
*Partner*  
Membership No.102915  
UDIN : 21102915AAAAEF2023

*Mumbai*  
22<sup>nd</sup> June, 2021



## Independent Auditor's Report

To  
The Members,  
Nitiraj Engineers Limited,  
Mumbai

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **M/s. Nitiraj Engineers Limited** (hereinafter referred to as the 'Holding Company') and its, associate **Hyper Drive Information Technologies Private Limited** (*hereinafter referred to as the Associate Company*), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of Profit and Loss and the consolidated Cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2021, of consolidated profit/loss, and its consolidated cash flows for the year then ended.

#### Basis for Qualified Opinion

The Holding Company's provision of Gratuity Liability and Leave Encashment Liability is not recorded fully and thus is not in accordance with Accounting Standard 15 on "Employee Benefits" issued by the Institute of Chartered Accountants of India.

As explained to us, the Associate's financial statements are prepared in accordance with Ind AS. Whereas, the Holding Company is preparing its accounts under the Indian GAAP. To that extent there is a mismatch of the Accounting Standards followed by both the Holding Company and the associate.

Since we have not audited the associate company we cannot arrive at the profit based on Indian GAAP of the associate and hence cannot quantify the impact on the profitability of the Group as a whole due to the change of the accounting standard by the associate.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Holding Company in accordance with the Code of Ethics issued by ICAI, and we have

fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 that there are no key audit matters to be communicated in our report *except* for

Covid Impact – In view of the highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent on the circumstances, as they evolve.

### **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 Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Responsibilities for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Holding Company including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Holding company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Holding Company and of its associate are responsible for assessing the ability of the Holding Company and of its associate 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 Holding Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Holding Company and of its associate are responsible for overseeing the financial reporting process of the Holding Company and of its associate.

#### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 control 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 and its subsidiary companies which are companies incorporated in India, 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 the 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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.

#### COVID Impact

Since there are increasing restrictions on travel & meetings, as a result we faced practical issues for access to the audit location in carrying out the audit of the Holding Company

#### **Challenges in carrying audit at audit location**

During this pandemic, challenges never before faced by auditors in performing audits are emerging. In response we need to be more agile and creative in performing audits and complying with the auditing standards. Now, more than ever, auditors might rely on technology in performing audit procedures. Performing auditing procedures in the middle of this pandemic is troublesome and we as auditor have encountered challenges in:

- Physical verification of inventory, fixed assets etc
- Assessing records
- Understanding and testing internal control
- Account and balance confirmations
- Performing subsequent event procedures

#### **Other Matters**

We did not audit the financial statements of **Hyper Drive Information Technologies Private Limited** the associate company, whose financial statements reflect total assets of Rs. 931.41 Lacs as at 31st March, 2021, total revenues of Rs. 453.53 Lacs and net cash flows amounting to Rs. 21.62 Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Holding Company's share of net loss of Rs. 9.49 lacs for the year ended 31st March, 2021, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

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

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act..

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of associate companies incorporated in India, none of the directors of, Holding Company and its associate companies incorporated in India 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 internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. There were no pending litigations which would impact the consolidated financial position of the Holding Company, its associate.
- ii. The Holding Company, its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its associate companies incorporated in India

For and on behalf of

**P.D.Dalal & Co.**

*Chartered Accountants*

Firm Registration No.102047W

(Aashish S. Kakaria)

*Partner*

Membership No.102915

UDIN: 21102915AAAAEG5153

*Mumbai*

*22nd June, 2021*

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

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

In conjunction with our audit of the Consolidated Financial Statements of **Nitiraj Engineers Limited** we have audited the internal financial controls over financial reporting of **Nitiraj Engineers Limited** (hereinafter referred to as the "Holding Company") and its associate which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding Company and its associate which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Holding Company and its associate which are companies incorporated in India, internal financial controls over financial reporting with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, 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 with reference to these Consolidated Financial Statements 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 with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, 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 with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Consolidated Financial Statements 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 and based on the consideration of reports of other auditors, the Holding Company and its associate, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at March 31, 2021 based on the internal control over financial



reporting criteria established by the Holding 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 and on behalf of

**P.D.Dalal & Co.**

*Chartered Accountants*

Firm Registration No.102047W

(Aashish S. Kakaria)

*Partner*

Membership No.102915

UDIN : 21102915AAAAEG5153

*Mumbai*

*22nd June, 2021*



## Nitiraj Engineers Limited

Consolidated Balance Sheet as at 31<sup>st</sup> March, 2021

[Amount Rs.]

Particulars	Note No.	As at 31.03.2021		As at 31.03.2020	
<b>EQUITY AND LIABILITIES</b>					
<b>Share Holders Funds</b>					
Share Capital	" 3 "	10,25,10,000	<b>72,75,22,437</b>	10,25,10,000	<b>69,21,19,136</b>
Reserves & Surplus	" 4 "	62,50,12,437		58,96,09,136	
<b>Non-Current Liabilities</b>					
Deferred Tax Liabilities (Net)		34,65,333	<b>34,65,333</b>	43,46,221	<b>43,46,221</b>
<b>Current Liabilities</b>					
Short Term Borrowings	" 5 "	-	<b>5,41,64,683</b>	5,35,16,520	<b>8,81,16,441</b>
Trade Payables	" 6 "	5,41,64,683		3,45,99,920	
<b>TOTAL</b>			<b>78,51,52,453</b>		<b>78,45,81,799</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
<b>Fixed Assets</b>					
Tangible Assets	" 7 "	32,65,09,536	<b>38,66,11,078</b>	32,84,92,755	<b>37,52,93,322</b>
Intangible Assets		6,01,01,542		4,68,00,567	
<b>Non-Current Investments</b>					
Long Term Loans And Advances	" 8 "	1,65,92,574	<b>14,51,30,425</b>	1,75,36,644	<b>11,30,73,122</b>
	" 9 "	12,85,37,851		9,55,36,478	
<b>Current Assets</b>					
Inventories	"10"	13,68,21,335	<b>25,34,10,950</b>	14,22,63,679	<b>29,62,15,356</b>
Trade Receivables	"11"	9,10,21,545		9,71,67,125	
Cash And Cash Equivalents	"12"	2,30,67,349		5,22,28,873	
Other Current Assets	"13"	25,00,721		45,55,679	
<b>TOTAL</b>			<b>78,51,52,453</b>		<b>78,45,81,799</b>

See accompanying notes forming part of the financial statements

**For P.D.Dalal & Co.,**  
Chartered Accountants,  
Firm Registration No.102047W

**For Nitiraj Engineers Limited,**

(Aashish S. Kakaria)  
Partner  
Membership No.102915  
UDIN : 21102915AAAAEG5153

(Rajesh R. Bhatwal)  
Managing Director  
Din No.00547575

(Shakuntala R. Bhatwal)  
Director  
Din No.01953906

Mumbai  
22nd June, 2021

(Deepika Dalmiya)  
Company Secretary  
Membership No A58029

(Kailas Agrawal)  
Chief Financial Officer



## Nitiraj Engineers Limited

Consolidated Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2021

[Amount Rs.]

Particulars	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Continuing Operations</b>			
Revenue from Operations (Net)	" 14 "	53,82,14,657	47,86,37,221
Other Income	" 15 "	20,63,714	1,87,63,822
<b>Total Revenue</b>		<b>54,02,78,371</b>	<b>49,74,01,043</b>
<b>Expenses</b>			
Cost of Materials Consumed	" 16 "	28,09,94,786	22,54,00,537
Changes in Inventory	" 17 "	42,45,675	3,59,54,708
Employee Benefit Expenses	" 18 "	5,24,47,333	4,83,22,320
Finance Cost	" 19 "	22,14,481	44,65,354
Depreciation	" 20 "	2,88,40,645	1,42,14,034
Other Expenses	" 21 "	12,23,39,968	13,29,47,598
<b>Total Expenses</b>		<b>49,10,82,888</b>	<b>46,13,04,552</b>
Profit before Tax		<b>4,91,95,483</b>	<b>3,60,96,491</b>
Share in Profit / [Loss] of Associates		(9,49,070)	(17,49,525)
Net profit after exceptional items		<b>4,82,46,412</b>	<b>3,43,46,966</b>
Tax Expenses			
Current Tax		1,37,24,000	77,92,734
Deferred Tax		(8,80,888)	24,42,965
Total Tax Expenses		1,28,43,112	1,02,35,699
<b>Profit for the year</b>		<b>3,54,03,301</b>	<b>2,41,11,267</b>
<b>Earnings per share (of Rs.10 each):</b>			
Basic / Diluted Earnings per share		3.45	2.35

See accompanying notes forming part of the financial statements

**For P.D.Dalal & Co.,**  
Chartered Accountants,  
Firm Registration No.102047W

**For Nitiraj Engineers Limited,**

(Aashish S. Kakaria)  
Partner  
Membership No.102915  
UDIN : 21102915AAAAEG5153

(Rajesh R. Bhatwal)  
Managing Director  
Din No.00547575

(Shakuntala R. Bhatwal)  
Director  
Din No.01953906

Mumbai  
22nd June, 2021

(Deepika Dalmiya)  
Company Secretary  
Membership No A58029

(Kailas Agrawal)  
Chief Financial Officer



## Nitiraj Engineers Limited

Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March, 2021

[Amount in Rs.]

	For the year ended 31st March 2021		For the year ended 31st March 2020	
<b>A.) CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit after tax and extraordinary items adjustments for:		3,54,03,301		2,41,11,267
Depreciation on Fixed Assets	2,88,40,645		1,42,14,034	
(Profit)/Loss on Sale of assets	(35,368)		(91,80,531)	
Share of Profit/(Loss) of associates	9,49,070		17,49,525	
Interest Expense	19,19,046		39,43,748	
Others (Dividend, Taxes & CSR )	1,53,61,595		77,92,734	
Sundry balances written off / written back	39,24,140		3,03,443	
Preliminary Expenses written off	18,45,279	5,28,04,408	18,45,280	2,06,68,233
<b>Operating profit before working capital changes</b>		8,82,07,708		4,47,79,500
<b>Adjustments for :</b>				
Decrease (Increase) in Investments	(5,000)		-	
Decrease (Increase) in Loans & Advances	(3,30,01,374)		(66,30,711)	
Decrease (Increase) in Receivables	22,21,440		5,63,79,335	
Decrease (Increase) in Inventories	54,42,344		3,23,47,021	
Decrease (Increase) in Other Current Assets	2,09,679		8,36,754	
Increase / (Decrease) in Deferred Tax Liabilities	(8,80,888)		24,42,966	
Increase / (Decrease) in Trade Payables	42,03,168		(3,11,93,286)	
		(2,18,10,631)		5,41,82,079
<b>Operating profit after working capital changes</b>		6,63,97,077		9,89,61,579
<b>B.) CASH FLOW FROM INVESTING ACTIVITIES</b>				
(Purchase) Of Fixed Assets	(2,71,14,991)		(10,63,97,246)	
Sale of fixed assets	2,92,933		1,16,36,662	
(Investment) in Intangibles	(1,33,00,975)		(1,41,95,289)	
<b>Net cash from investing activities</b>		(4,01,23,034)		(10,89,55,873)
<b>C.) CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
Proceeds from current borrowings	-		5,94,04,041	
Repayment of current borrowings	(5,35,16,520)		(99,20,755)	
Interest Paid	(19,19,046)		(32,42,239)	
<b>Net cash used in financial activities C</b>		(5,54,35,567)		4,62,41,047
<b>Net increase/ (decrease) in Cash and Cash Equivalents</b>		(2,91,61,523)		3,62,46,754
Cash and cash equivalent at the beginning of the year		5,22,28,873		1,59,82,119
Cash and cash equivalent at the end of the year		2,30,67,349		5,22,28,873

See accompanying notes forming part of the financial statements  
In terms of our report attached

**For P.D.Dalal & Co.,**  
Chartered Accountants,  
Firm Registration No.102047W

**For Nitiraj Engineers Limited,**

(Aashish S. Kakaria)  
Partner  
Membership No.102915  
UDIN : 21102915AAAAEG5153

Mumbai  
June 22, 2021

(Rajesh R. Bhatwal)  
Managing Director  
Din No.00547575

(Shakuntala R. Bhatwal)  
Director  
Din No.01953906

(Deepika Dalmiya)  
Company Secretary  
Membership No A58029

(Kailas Agrawal)  
Chief Financial Officer

**Nitiraj Engineers Limited**

 Notes on the Consolidated financial statements for the year ended 31<sup>st</sup> March, 2021

Particulars	As at 31.03.2021	As at 31.03.2020
<b>NOTE 3 - SHARE CAPITAL</b>		
Authorised Share Capital 1,10,00,000 Equity Shares of Rs. 10 each	11,00,00,000	11,00,00,000
Pursuant to the members resolution the authorised capital of the company was increased from Rs. 9 crore to Rs. 11 crores by creation of additional 20,00,000 shares		
<b>Issued, Subscribed &amp; Paid - up</b> 60,00,000 Equity Shares of Rs. 10 each, fully paid- up	6,00,00,000	6,00,00,000
The Company had issued 22,00,800 fresh equity shares of face value of Rs.10 each by way of an Initial Public Offering during 2016 - 2017 at a premium of Rs.90 per share		
The company has allotted 20,50,200 fully paid up shares of face value Rs.10 each during the period ended 31st March 2020, pursuant to bonus issue approved by the shareholders at the AGM conducted on 31st August 2019.		
All Shares are Equity Shares of a Single Class having equal voting rights and other rights, preferences and restrictions including restrictions on distribution of dividend and repayment of capital.		
	<b>10,25,10,000</b>	<b>10,25,10,000</b>
Reconciliation of shares - (No. of shares)		
Equity shares at the beginning of the year	1,02,51,000	82,00,800
Add : Issue of shares during the year (Bonus)	-	20,50,200
Less : Shares forfeited / cancelled during the year	-	-
Equity shares at the end of the year	<b>1,02,51,000</b>	<b>1,02,51,000</b>
More than 5% shares held by each shareholders at the end		
<b>Name of shareholder</b>	<b>No of shares held</b>	
1. Shri Rajesh Raghunath Bhatwal	43,03,875	42,60,375
2. Mrs. Shakuntala Rajesh Bhatwal	23,95,500	23,50,500
3. Shri Yi Hung Sing	8,20,500	8,20,500
<b>NOTE 4 - RESERVES &amp; SURPLUS</b>		
I Securities Premium Account		
Balance at The Beginning of The Year	17,75,70,000	19,80,72,000
Add : Amount received on Public Issue of Equity Shares		2,05,02,000
Less : Utilised During The Year for Issue of Bonus Shares		-
Balance at The End of The Year	<b>17,75,70,000</b>	<b>17,75,70,000</b>
II GENERAL RESERVE		
Balance at the beginning of the year		
Add : Additions / Transfer during the year		-
Less : Utilised / during the year	-	-
Balance at the end of the year	-	-
III SURPLUS / (DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS		
Balance at the beginning of the year	41,06,33,590	38,65,22,324
Add : Profit / (Loss) during the year	3,54,03,301	2,41,11,267
Add : MAT Credit available		
	44,60,36,891	41,06,33,590
Less : Transfer to Reserve during the year		
Interim Dividend paid during the year		
Tax on the above Dividend		
Bonus Shares Issued during the year	-	-
	-	-
Balance at the end of the year	<b>44,60,36,891</b>	<b>41,06,33,590</b>
IV CAPITAL RESERVES		
Cash Subsidy	14,05,546	14,05,546
	<b>62,50,12,437</b>	<b>58,96,09,136</b>

**Nitiraj Engineers Limited**

Notes on the Consolidated financial statements for the year ended 31st March, 2021

Particulars	As at 31.03.2021	As at 31.03.2020
<b>NOTE 5 - SHORT TERM BORROWINGS</b>		
Secured loans (Term Loan) HDFC.BANK LTD DHULE	-	5,35,16,520
Term loans from HDFC Bank Ltd, has been taken for setup of new production unit, and is secured by hypothecation of MIDC Unit. The rate of interest 10.50%. The loans is repayable in 60 structured monthly installments. As at 31 Mar 2020, the balance of loan Rs.5,35,16,520/- is outstanding.		
The above term loan has been repaid on 7th June 2020 for which request letter was given by the management to the bank on 31.03.2020.		
	-	<b>5,35,16,520</b>
<b>NOTE 6 - TRADE PAYABLES</b>		
Sundry Creditors	2,47,77,789	2,37,14,589
Advances from Customers	92,87,002	1,12,64,589
Provision	37,75,731	(1,85,08,584)
Other Liabilities	1,63,24,161	1,81,29,326
	<b>5,41,64,683</b>	<b>3,45,99,920</b>
<b>NOTE 8 - NON CURRENT INVESTMENTS</b>		
<b>OTHER INVESTMENTS</b>		
INVESTMENTS (Unquoted) (Long Term ) (At cost)		
690 Shares of 10 each of Merchant Co-op. Bank Ltd	6,905	6,905
In Associates		
Equity Shares of Hyper Drive Information Technologies Private Limited 3334 Equity Shares of Rs.10 each at a premium of Rs.5990 per share (Unquoted) (Long Term )	1,74,30,719	1,91,80,244
Add: Share in Profit / [Loss] after tax during the year	(9,49,070)	(17,49,525)
National Savings Certificate	1,04,020	99,020
	<b>1,65,92,574</b>	<b>1,75,36,644</b>
<b>NOTE 9 - LONG TERM LOANS AND ADVANCES</b>		
[Unsecured, considered good, except otherwise stated]		
Loans & Advances		
Advances recoverable in cash or kind or for value to be received	11,46,93,846	8,92,48,063
Deposits	1,21,74,355	46,18,764
Stock of Gold	16,69,650	16,69,650
Advance Payment of Taxes (Net of Provisions)	-	-
	<b>12,85,37,851</b>	<b>9,55,36,478</b>
<b>NOTE 10 - INVENTORIES</b>		
[As Valued, Verified and Certified by the Management]		
Raw Materials	10,62,41,671	10,74,38,340
Work in progress	1,21,37,329	95,65,546
Stock in Trade	-	-
Finished Goods	1,84,42,335	2,52,59,794
	<b>13,68,21,335</b>	<b>14,22,63,679</b>
<b>NOTE 11 - TRADE RECEIVABLES</b>		
<b>SUNDRY DEBTORS</b>		
[Unsecured, considered good except otherwise stated]		
Over Six Months	4,46,65,377	1,95,40,622
Others	4,63,56,168	7,76,26,503
	<b>9,10,21,545</b>	<b>9,71,67,125</b>
<b>NOTE 12 - CASH AND CASH EQUIVALENTS</b>		
Cash in hand and remittance in transit	29,69,203	26,74,621
Balances with Banks :		
Scheduled Banks		
Current Account	1,25,60,440	4,21,30,571
Fixed Deposit Accounts	75,37,705	74,23,680
	-	-
	<b>2,30,67,349</b>	<b>5,22,28,873</b>
<b>NOTE 13 - OTHER CURRENT ASSETS</b>		
Interest Accrued	45,199	3,96,325
Unamortized Expenditure	24,55,522	41,59,354
	<b>25,00,721</b>	<b>45,55,679</b>

**Notes on the Consolidated financial statements for the year ended 31st March, 2021**
**Note 7 : Fixed Assets**

Assets	GROSS BLOCK (AT COST)					DEPRECIATION / AMORTISATION			NET BLOCK	
	As at April 1, 2020	Additions	WIP Additions	Disposals	As at March 31, 2021	As at April 1, 2020	For the period	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2020
<b>Tangible Assets</b>										
LAND	4,19,52,037	-	-	-	4,19,52,037	-	-	-	4,19,52,037	4,19,52,037
FACTORY BUILDING	10,96,77,399	77,996	-	-	10,97,55,395	20,62,382	1,07,75,699	-	9,69,17,314	10,76,15,017
OFFICE BUILDING	83,06,081	2,09,910	-	-	85,15,991	8,27,833	7,46,479	-	69,41,679	74,78,248
GUEST HOUSE	2,13,85,913	-	-	-	2,13,85,913	10,69,285	10,15,831	-	1,93,00,787	2,03,16,618
PLANT & MACHINERY	8,31,74,915	66,19,418	-	1,66,715	8,96,27,618	70,86,640	1,15,87,594	39,979	7,09,93,363	7,60,88,275
OFFICE EQUIPMENT	36,40,365	3,01,677	-	-	39,42,042	4,29,424	4,31,458	-	30,81,160	32,10,941
ELECTRIC INSTALLATION	1,20,64,474	42,08,045	-	-	1,62,72,520	3,43,080	12,30,797	-	1,46,98,643	1,17,21,394
FURNITURE & FIXTURES	1,10,99,357	37,89,236	-	-	1,48,88,592	6,64,584	7,78,748	-	1,34,45,260	1,04,34,773
COMPUTERS	41,24,260	12,61,789	-	-	53,86,050	7,22,378	14,57,389	-	32,06,283	34,01,882
VEHICLE	59,34,834	-	-	1,59,897	57,74,937	7,78,018	6,78,410	29,068	43,47,577	51,56,816
SOLAR SYSTEM	5,76,000	-	-	-	5,76,000	2,30,400	1,38,240	-	2,07,360	3,45,600
<b>Total</b>	<b>30,19,35,635</b>	<b>1,64,68,072</b>	<b>-</b>	<b>3,26,612</b>	<b>31,80,77,095</b>	<b>1,42,14,034</b>	<b>2,88,40,645</b>	<b>69,047</b>	<b>4,29,85,632</b>	<b>27,50,91,463</b>
<b>Capital Work in Progress</b>										
LAND	-	-	-	-	-	-	-	-	-	-
FACTORY BUILDING	4,07,71,155	1,06,46,919	-	-	5,14,18,074	-	-	-	5,14,18,073	4,07,71,155
PLANT & MACHINERY	-	-	-	-	-	-	-	-	-	-
OFFICE EQUIPMENT	-	-	-	-	-	-	-	-	-	-
ELECTRIC INSTALLATION	-	-	-	-	-	-	-	-	-	-
COMPUTERS	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4,07,71,155</b>	<b>1,06,46,919</b>	<b>-</b>	<b>-</b>	<b>5,14,18,074</b>	<b>-</b>	<b>2,88,40,645</b>	<b>69,047</b>	<b>4,29,85,632</b>	<b>4,07,71,154</b>
<b>Grand Total</b>	<b>34,27,06,790</b>	<b>2,71,14,991</b>	<b>-</b>	<b>3,26,612</b>	<b>36,94,95,169</b>	<b>1,42,14,034</b>	<b>2,88,40,645</b>	<b>69,047</b>	<b>4,29,85,632</b>	<b>32,84,92,755</b>
<b>Previous Year</b>	<b>23,54,33,949</b>	<b>10,88,45,785</b>	<b>9,48,13,616</b>	<b>9,63,86,560</b>	<b>34,27,06,790</b>	<b>1,42,14,034</b>	<b>1,42,14,034</b>	<b>1,42,14,034</b>	<b>32,84,92,755</b>	<b>23,54,33,948</b>
<b>Intangible Assets</b>										
Software Development	49,95,520	1,33,00,975	-	-	49,95,520	-	-	-	49,95,520	49,95,520
Research & Development	4,18,05,047	1,18,05,047	-	-	5,51,06,022	-	-	-	5,51,06,022	4,18,05,047
<b>Total</b>	<b>4,68,00,567</b>	<b>1,33,00,975</b>	<b>-</b>	<b>-</b>	<b>6,01,01,542</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,01,01,542</b>	<b>4,68,00,567</b>
<b>Previous Year</b>	<b>3,26,05,278</b>	<b>1,41,95,289</b>	<b>-</b>	<b>-</b>	<b>4,68,00,567</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,68,00,567</b>	<b>3,26,05,278</b>

## Nitiraj Engineers Limited

Notes on the Consolidated financial statements for the Year ended 31st March, 2021

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>NOTE 14 - REVENUE FROM OPERATIONS</b>		
<b>Sales of Manufactured Goods</b>	53,82,14,657	48,38,86,709
<i>Less : Inter Unit Sales</i>		50,75,773
<i>Less : Local and Central Sales Tax</i>	-	(1,73,715)
<b>Net Sales of Manufactured Goods</b>	<b>53,82,14,657</b>	<b>47,86,37,221</b>
<b>NOTE 15 - OTHER INCOME</b>		
Gain on Mutual Fund	-	
Profit on Sale of Assets	35,368	91,80,531
Other Income	20,28,346	95,83,291
	<b>20,63,714</b>	<b>1,87,63,822</b>
<b>NOTE 16 - COST OF MATERIALS CONSUMED</b>		
Raw Material Consumption	28,09,94,786	22,54,00,537
	<b>28,09,94,786</b>	<b>22,54,00,537</b>
<b>NOTE 17 - CHANGES IN INVENTORY</b>		
Inventories at the end of the year		
Finished Goods	1,84,42,335	2,52,59,794
Material - in - Progress	1,21,37,329	95,65,546
	3,05,79,664	3,48,25,339
Inventories at the beginning of the year		
Finished Goods	2,52,59,794	5,10,42,965
Material -in-progress	95,65,546	1,97,37,083
	3,48,25,339	7,07,80,048
<b>Net ( Increase ) / Decrease</b>	<b>42,45,675</b>	<b>3,59,54,708</b>
<b>NOTE 18 - EMPLOYEE BENEFIT EXPENSES</b>		
Payments to & Provision for Employees :		
Salaries, Wages and Bonus	2,99,98,839	3,04,84,550
Contribution to Provident & Other Funds	34,19,393	30,65,179
Other Benefits	1,59,70,406	1,37,54,597
Salary to Managing Director & Directors	30,58,694	10,17,994
	<b>5,24,47,333</b>	<b>4,83,22,320</b>
<b>NOTE 19 - FINANCE COST</b>		
Interest Expenses	19,19,046	39,43,748
Bank Charges	2,95,435	5,21,606
	<b>22,14,481</b>	<b>44,65,354</b>

## Nitiraj Engineers Limited

Notes on the Consolidated financial statements for the Year ended 31st March, 2021

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>NOTE 20 - DEPRECIATION</b>		
Depreciation on		
Buildings	1,25,38,009	39,59,510
Plant and Machineries	1,15,87,594	70,86,640
Solar System	1,38,240	2,30,400
Electric Installation	12,30,797	3,43,080
Office Equipments	4,31,458	4,29,424
Furniture and Fixtures	7,78,748	6,64,584
Computers	14,57,389	7,22,378
Vehicles	6,78,410	7,78,018
	<b>2,88,40,645</b>	<b>1,42,14,034</b>
<b>NOTE 21 - OTHER EXPENSES</b>		
<b>MANUFACTURING EXPENSES</b>		
Power & Fuel	30,21,340	14,52,180
Labour and Processing Charges	4,49,10,915	4,37,11,664
	4,79,32,255	4,51,63,843
<b>SELLING AND OTHER EXPENSES</b>		
Commission to Selling Agents	44,65,892	19,39,621
Stamping Fee	97,48,594	2,41,34,432
Brokerage	50,28,907	23,68,746
Advertisement	20,45,328	27,40,083
Transportation & Handling Charges [Net]	2,26,72,874	2,16,85,403
Tender Expenses	6,62,763	8,19,971
	4,46,24,357	5,36,88,256
<b>OTHER EXPENSES</b>		
Repairs & Maintenance of :		
Buildings	36,817	
Plant & Machinery	6,68,206	4,34,929
Others	6,00,172	5,89,676
Rent	12,97,001	12,17,428
Rates & Taxes	9,20,080	15,43,930
Insurance [Net]	11,56,071	12,75,524
Telephone Exp.	9,41,199	10,45,522
CSR and Donations	18,33,395	6,96,098
Software & Computer Exp.	12,16,411	19,26,559
Professional Fees	28,91,250	45,16,576
Travelling	70,94,552	1,15,31,442
Sundry balances written off / written back	39,24,140	3,03,443
Preliminary Expenses written off	18,45,279	18,45,280
Miscellaneous Expenses	50,08,782	67,09,091
	2,94,33,356	3,36,35,499
<b>Payment to Auditor comprises of -</b>		
As Auditor	3,50,000	3,50,000
For Taxation Matters	-	1,10,000
	3,50,000	4,60,000
	<b>12,23,39,968</b>	<b>13,29,47,598</b>

## Nitiraj Engineers Limited

Notes forming part of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2021

1. Corporate Information:  
Nitiraj Engineers was incorporated in April 1999 as a private limited company. The company is engaged in the manufacturing and selling of a variety of Electronic Weighing Scales, Currency Counting Machines, Taxi Fare Meters etc.  
The company launched its Initial Public Offer of equity shares during the F.Y.2016 – 2017 and got listed on the NSE Emerge [SME] Exchange.  
Company migrated from SME Platform (EMERGE) and admitted to dealings on the National Stock Exchange (Capital Market Segment - Main Board) with effect from April 22, 2021
2. The Significant Accounting Policies followed by the company are as stated below
  - A. BASIS OF ACCOUNTING POLICIES:
    - A.1 BASIS OF PREPARATION AND PRESENTATION  
The consolidated financial statements relate to Nitiraj Engineers Limited ('the Company') and its associate Hyper Drive Information Technologies Limited. The consolidated financial statements have been prepared on the following basis:  
Investment in Associates has been accounted under the equity method as per AS 23 - Accounting for Investments in Associates.
      - a) As explained to us, these are the Associate's financial statements prepared in accordance with Ind AS. Whereas, the Holding Company is preparing its accounts under the Indian GAAP. To that extent there is a mismatch of the Accounting Standards followed by both the Holding Company and the associate.  
Since we have not audited the associate company we cannot arrive at the profit based on Indian GAAP of the associate and hence cannot quantify the impact on the profitability of the Group as a whole due to the change of the accounting standard by the associate.
      - b) As per the information and explanations given to us the 3334 equity shares of Hyper Drive Information Technologies Limited are held by the holding company, thereby making its holding 25% in the Equity of the associate.
      - c) The Total Assets of the associate company as on 31<sup>st</sup> March 2021 were Rs. 9,31,40,605 and the holding company's share in the Net Assets of the associate company of 25% was Rs. 2,32,85,151
      - d) The holding company's share in the profit / [loss] of the associate company for the year ended 31<sup>st</sup> March 2021 is Rs.(-) 9,49,070
    - B. OTHER SIGNIFICANT ACCOUNTING POLICIES  
These are set out under "Significant Accounting Policies" as given in the Company's standalone financial statements.

For and on behalf of  
**P.D.Dalal & Co.,**  
Chartered Accountants,  
Firm Reg. No..102047W

(Aashish S. Kakaria)  
Partner  
Membership No.102915  
UDIN: 21102915AAAAEG5153

Mumbai  
22<sup>nd</sup> June, 2021