

**NIRAJ ISPAT INDUSTRIES LIMITED**

**[38<sup>TH</sup> ANNUAL REPORT 2022-2023]**



# NIRAJ ISPAT INDUSTRIES LIMITED

<b><u>CORPORATE INFORMATION</u></b>	
<b>BOARD OF DIRECTORS</b>	<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>
Chaitanya Chaudhry      Director& CEO Vaishali Chaudhry      Non-Executive Director Anil Kumar Sharma      Independent Director Rajeev Kumar Singhal      Independent Director Niraj Chaudhry      CFO	Mr. Shadman Khan Email I.D. <a href="mailto:nirajispatindustries@gmail.com">nirajispatindustries@gmail.com</a> <b>Contact No. 011-23551821, 0120-6526390</b>
<b>REGISTERED OFFICE</b>	<b>STATUTORY AUDITORS</b>
5140-41/34, F/F Chaudhary Market, Gali Peti Wali, Rui Mandi, Sadar Bazar, Delhi -110006 <b>Email ID:</b> <a href="mailto:Nirajispatindustries@gmail.com">Nirajispatindustries@gmail.com</a> <b>Website:</b> <a href="http://www.nirajispat.in">www.nirajispat.in</a> Phone: 0120-6526390, 23551821	<b>M/s Sanjeev Anand &amp; Associates</b> Chartered Accountants, 136, Navyug Market, Ghaziabad, 201001 Email Id: sanjeevgzb@gmail.com Contact No.: 9971343337
<b>CORPORATE OFFICE</b>	<b>INTERNAL AUDITOR</b>
Chaudhary Cinema Building, 19, G.T. Road Ghaziabad-201001, Uttar Pradesh	<b>M/s. Vipin Kumar &amp; Company,</b> Chartered Accountants, 2-Kamal Colony, Delhi Road Saharanpur, U.P. 247001 Email Id: <a href="mailto:vipinsre@gmail.com">vipinsre@gmail.com</a> Contact No : 8077672965
<b>SECRETARIAL AUDITOR</b>	<b>REGISTRAR AND TRANSFER AGENT</b>
<b>V Kumar &amp; Associates</b> Company Secretaries 15/18, Basement, West Patel Nagar, New Delhi-110008 Mobile: 9910218035 Mail: <a href="mailto:csvivekkumar@gmail.com">csvivekkumar@gmail.com</a> , <a href="mailto:vivek@vkumarassociates.in">vivek@vkumarassociates.in</a>	M/s Skyline Financial Services Private Limited  D-153A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020  Contact No.: 011-26812682, 40450193 to 97 Web: <a href="http://www.skylinerta.com">www.skylinerta.com</a>
<b>BANKERS</b>	<b>STOCK EXCHANGE</b>
State Bank of India Bank of India	<b>National Stock Exchange of India Ltd,</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400051



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## Notice of Annual General Meeting

Notice is hereby given that the **38<sup>th</sup> Annual General Meeting** of the Shareholders of **Niraj Ispat Industries Limited** will be on **Friday, September 29<sup>nd</sup>, 2023** at **11:00 A.M.** held at its Registered Office of the Company situated at 5140-41/34, F/F Chaudhary Market Gali Peti Wali, Rui Mandi, Sadar Bazar, Delhi-110006 to transact the following business:

### ORDINARY BUSINESS :

1. To Consider and Adopt the standalone Audited Financial Statements of the Company for the Financials Year Ended March 31, 2023 i.e Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2023 along with the Reports of the Board of Directors and Auditors thereon.
2. **Appointment of Ms. Vaishali Chaudhry (DIN 01719640) as a Director, liable to retire by rotation**

To consider and if thought fit, to pass, with or without modification the following resolution as an **Ordinary resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, **Ms. Vaishali Chaudhry (DIN 01719640)** a Director, liable to retire by rotation who retires by rotation at this Meeting, and being eligible, offers herself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

### SPECIAL BUSINESS :

3. **Approval for Increase in remuneration of Mr. Chaitanya Chaudhry, Director and CEO (DIN: 06813394)**

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

“**RESOLVED THAT** in accordance with the provisions of Sections 197, 198 read with Schedule V of the Companies Act, 2013 (“the Act”) and other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the approval of the Board of Directors (hereinafter referred to as “the Board”) of the Company on the recommendation of Nomination & Remuneration Committee and Audit Committee and subject to such other approvals as may be necessary, the approval of the Members of the company be and is



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hereby accorded for payment of remuneration to Mr. Chaitanya Chaudhry ((DIN: 06813394), Director and CEO of the Company, upto the maximum limit of Rs.11,00,000/- (Rupees Eleven Lakhs only) per annum with effect from 1st April, 2023, provided that such variation or increase is within specified limit as under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** the approval of the shareholders of the company be and is hereby accorded for the remuneration payable to, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of the Mr. Chaitanya Chaudhry (DIN: 06813394) as Director of the company, the company can pay the aggregate of remuneration as specified above to Mr. Chaitanya Chaudhry (DIN: 06813394), as and when required subject to any approvals as may require for the payment of same.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable to give effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard.”

**For and on behalf of the Board of Directors  
For NIRAJ ISPAT INDUSTRIES LIMITED**

**Place: New Delhi  
Date: 06.09.2023**

**Sd/-  
Chaitanya Chaudhry  
DIN: 06813394  
Designation: Director and CEO  
Address: KD-46 Kavi Nagar,  
Ghaziabad 20100**



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## NOTES:

- (1) **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for remote e-voting for the resolutions set out in this notice:**
  - a) Members holding shares in physical mode who have not registered/ updated their email addresses with the Company, are requested to register/ update the same by click on <http://www.skylinerta.com/submit-document-to-rta.php> or email with details of folio number and attaching a self-attested copy of PAN Card to the company's Registrar and Share Transfer Agent Skyline Financial Services Private Limited (herein referred as 'RTA' ) at [compliances@skylinerta.com](mailto:compliances@skylinerta.com) or [info@skylinerta.com](mailto:info@skylinerta.com).
  - b) Members holding shares in dematerialized mode, who have not registered/ updated their email addresses with their Depository Participants, are requested to register/ update their email addresses with the Depository Participants with whom they maintain their demat accounts.
- (2) **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll and such proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company. In order to be effective the proxies should be received by the company at its registered office not less than 48 hours before the meeting.** Proxies submitted on behalf of corporate including companies, societies etc., must be supported by an appropriate resolution of the Board of Directors or other governing body.
- (3) Members are requested to bring their attendance slip to the meeting, Proxies should fill in the attendance slip for attending the meeting.
- (4) Members are requested to quote their Folio Number/Client ID, in all correspondence and intimate any change in their address to the Share Transfer Agent/Depository Participant promptly.
- (5) In accordance with Circular No.14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 ('MCA'), read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by SEBI ("circulars"), and owing difficulties involved in dispatching physical copies, the Notice of the AGM and Annual Report 2022-23 has been sent to member of the company, whose email registered with Company / RTA on September 01<sup>th</sup>, 2023. Members may note that the Company will not send physical/ hard copies of the Annual Report 2022-23 and Notice of AGM.



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- (6) In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circular No.14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, and read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 and other applicable circulars issued by the Ministry of Corporate Affairs (MCA) and SEBI (Collectively called “relevant circulars), Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ company’s Registrar and Share Transfer Agent Skyline Financial Services Private Limited (herein referred as ‘RTA’). Members whose email is not registered may note that the Notice and Annual Report 2022-23 will also be available on the Company’s website i.e. [www.nirajispat.in](http://www.nirajispat.in) and websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively.
- (7) All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 11.00 AM to 1.00 PM on any working day till the date of the meeting.
- (8) In compliance with 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 (LODR) Regulations, 2015, the Company is pleased to provide its members facility to exercise their right to votes on resolutions proposed to be considered at the 37<sup>th</sup> Annual General Meeting (AGM) through remote e-voting Services provided by National Securities Depository Limited (NSDL). 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 on the date of the AGM shall be Disabled by NSDL.
- (9) The Register of Members and the Share Transfer Books of the Company will remain closed from **Monday, 18<sup>th</sup> September, 2023** to **Thursday, 28<sup>nd</sup> September, 2023** (both days inclusive) for the purpose of Annual General Meeting.
- (10) Pursuant to Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has fixed **Saturday, 23<sup>rd</sup> September 2023** as Cut of date for the purpose of determining shareholders for voting rights.
- (11) The E-voting period begins on **Tuesday, 26<sup>th</sup> September, 2023** at 09:00 A.M. and ends on **Thursday, 28<sup>th</sup> September, 2023** at 05:00 P.M.



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### 12. PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, THE BRIEF PROFILE OF DIRECTORS ELIGIBLE FOR RE-APPOINTMENT ITEM NO. 2 IS AS FOLLOWS:-

Name of Director	Ms. Vaishali Chaudhry
DIN	01719640
Date of Birth	19/05/1968
Date of first appointment on the Board	29/11/2001
Terms and Condition	Re-appointment as Director of the company liable to retire by rotation
Qualifications	Intermediate
Expertise and Experience in specific functional areas	Approx. 19 years in Marketing
Names of other entities in which the person also holds the directorship.	1. Niraj Ispat Industries Limited 2. Raj Electricals and Allied Mfg. Private Limited 3. Crystal Trexim Private Limited 4. Himalayan Promoters Private Ltd.
Membership / Chairmanship of Committees of listed entities (includes only Audit Committee and Stakeholders' Relationship Committee)	-
Remuneration last drawn (F.Y. 2022-23)	240,000 p.a
Shareholding in the Company (as on 31 <sup>st</sup> March, 2023)	30400
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Relative



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### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

1. A statement setting out the material facts in the nature of concern of interest, financial or otherwise of every Director and the manager and every other key managerial person and relatives.
2. Information and facts to enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.
3. None of the Director of the Company or their respective relative is concerned or interested, financial or otherwise, in passing of the below mentioned resolutions.

### ITEM NO. 3

#### **Approval for Increase in remuneration of Mr. Chaitanya Chaudhry, Director and CEO (DIN: 06813394)**

Mr. Chaitnya Chaudhry, was appointed and designated as Director of the Company on the Board at its Meeting held on 27.02.2015 and as an CEO of the Company by the Board at its Meeting held on 31.03.2021.

Further, Considering the Contribution of Mr. Chaitnya Chaudhry and progress made by the Company under his leadership and guidance and as per the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 26.06.2023 approved the revision in the remuneration of Mr. Chaitnya Chaudhry as enumerated in the Resolution.

It is submitted that based on the projections, the overall managerial remuneration may exceed the limits specified in Sec 197 of the Companies Act, 2013. The Members are request to consider the revision in remuneration of Mr. Chaitnya Chaudhry, Director Cum CEO of the Company.

Other than Mr. Chaitnya Chaudhry, none of the Directors, Key Managerial Personnel of the Company and their relatives, are concerned or interested in the Resolution stated in Item No. 3.

Pursuant to the recommendations of Nomination and Remuneration Committee, Audit Committee, your directors recommend the Resolution set out in Item No.3 as a Special Resolution for your approval.

**For and on behalf of the Board of Directors  
For NIRAJ ISPAT INDUSTRIES LIMITED**

**Place: New Delhi  
Date: 06.09.2023**

**Sd/-  
Chaitanya Chaudhry  
DIN: 06813394  
Designation: Director and CEO  
Address: KD-46 Kavi Nagar,  
Ghaziabad-201002**



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

The remote e-voting period begins on Tuesday, 26<sup>th</sup> September, 2023 at 09:00 A.M. and ends on Thursday, 28<sup>st</sup> September, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday, 23<sup>rd</sup> September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, 23<sup>rd</sup> September, 2023.

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

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

#### Step 1: Access to NSDL e-Voting system

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

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

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is</li> </ol>

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	<p>available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div data-bbox="715 779 1228 1093" style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/loginor">https://web.cdslindia.com/myeasi/home/loginor</a> <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication,</li> </ol>



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	user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at call at : 022 - 4886 7000 and 022- 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is



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available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

<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 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**



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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).
  - c) 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 etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.



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### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csvivekkumar@gmail.com](mailto:csvivekkumar@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
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 at : 022 - 4886 7000 and 022- 2499 7000 or send a request to (Ms. PallaviMhatre, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, SenapatiBapatMarg, Lower Parel, Mumbai – 400 013, at the designated)at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

- I. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [nirajispatindustries@gmail.com](mailto:nirajispatindustries@gmail.com).
- II. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [nirajispatindustries@gmail.com](mailto:nirajispatindustries@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. [Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode](#).
- III. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
- IV. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.



## NIRAJ ISPAT INDUSTRIES LIMITED

Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**For and on behalf of the Board of Directors  
For NIRAJ ISPAT INDUSTRIES LIMITED**

Place: New Delhi  
Date: 06.09.2023

Sd/-  
**Chaitanya Chaudhry**  
DIN: 06813394  
Designation: Director and CEO  
Address: KD-46 Kavi Nagar,  
Ghaziabad -201002



# NIRAJ ISPAT INDUSTRIES LIMITED

## DIRECTOR'S REPORT

### **Dear Members,**

Your Directors feel pleasure in presenting their 38<sup>th</sup> Annual Report together with the Audited Statements of accounts for the Financial Year ended on 31<sup>st</sup> March, 2023.

### **FINANCIAL RESULTS**

The performance of the Company for the financial year ended on 31<sup>st</sup> March, 2023 is summarized below:

Particulars	Year ended 31.03.2023 (in lakhs)	Year ended 31.03.2022 (in lakhs)
Total Revenue	627.38	533.42
Total Expenses	404.61	432.63
Profit/ Loss before Taxation	222.77	100.79
Provision for Income Tax	56.48	25.51
Income tax for previous year	0.22	0.24
Provision for Deferred Tax	(0.73)	(0.23)
Profit/(Loss) After Tax	166.80	75.27
Prior period adjustments		-
<b>Profit/(Loss) for the year after tax and prior period adjustments</b>	<b>166.80</b>	<b>75.27</b>

### **DIVIDEND**

Your Directors intend to plough back available resources for financial requirements and express their inability to recommend any dividend for the financial year.

### **RESERVES**

The Company has transferred Rs. 15,00,000/- from the statement of profit and loss to general reserve during the year under review.



# NIRAJ ISPAT INDUSTRIES LIMITED

## **BUSINESS OPERATIONS**

The fiscal year 2022-23 was a period of relative stability. During the year under review, our Company achieved a profit of Rs. 222.77 Lacs before tax as against Profit Rs. 1,00.79 Lacs in the preceding financial year. Your company hopes to increase its presence in the business in the Coming years, which may increase the top line and also its stability.

## **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The Board consist of Four (4) Directors and One (1) CFO.

Mr. Chaitanya Chaudhry (Executive Director cum CEO), Ms. Vaishali Chaudhry (Non-Executive Director), Mr. Anil Kumar Sharma (Non Executive and Independent Director) and Mr. Rajeev Kumar Singhal (Non- Executive Director and Independent Director) and Mr. Niraj Chaudhry (CFO) as on end of the Financial Year.

Ms. Vaishali Chaudhry (DIN 01719640) who retires by rotation at this meeting, and being eligible, offers himself for re-appointment, be and is hereby appointed as a director of the Company liable to retires by rotation.

## **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY**

No significant and material orders were passed by any Regulator(s) or Court(s) or Tribunal(s) which would impact the going concern status of the company.

## **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitment affecting the financial position of the company have occurred between the end of the financial year to which this financial statements relate and the date of this report.

## **MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

The Management Discussion and Analysis Report forms part of this Annual Report in compliances with Regulation 34 of SEBI (LODR) Regulations, 2015 and is annexed marked as **Annexure 'B'**.

## **SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANY**

During the year under review, the Company has no Subsidiary/Joint Venture/ Associate Company.



## NIRAJ ISPAT INDUSTRIES LIMITED

### **PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT**

The Company has no subsidiaries, associates and joint venture companies so this point is not applicable on the Company.

### **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

Auditors have not reported any frauds during the year under review.

### **PUBLIC DEPOSITS**

During the year under review, the Company has not accepted any deposit under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 1975.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and Outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure 'D'** to this Report.

### **CORPORATE GOVERNANCE**

As per Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Compliance with the Corporate Governance Provisions shall not apply in respect of the listed entity having paid up Equity Share Capital not exceeding Rupees Ten Crores and Net worth not exceeding Rupees Twenty Five Crores as on the last day of the previous financial year. However, as a good governance practice, the Directors Report on Corporate Governance is annexed and form part of this report as **Annexure 'E'**.

### **CORPORATE SOCIAL RESPONSIBILITY**

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the Company yet the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

### **BOARDS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

While selecting Directors, the Company looks for an appropriate balance of skills, experience, independence and knowledge to enable them discharge their respective duties and responsibilities effectively. The Company has laid down a clear Policy on remuneration of Directors, Key Managerial



## NIRAJ ISPAT INDUSTRIES LIMITED

Personnel and other employees.

### **DECLARATION BY AN INDEPENDENT DIRECTOR(S)**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015.

### **APPOINTMENT OF COMPANY SECRETARY**

The Company has already appointed Mr. Shadman Khan, an Associate Member of the Institute of Company Secretaries of India, as Company Secretary of the Company to hold the office w.e.f. 09<sup>th</sup> February, 2023.

### **BOARD MEETINGS OF THE COMPANY**

The Board met 06 times during the financial year. During the 12 months period ended 31<sup>st</sup> March, 2023. Board Meetings were held on 10.04.2022, 30.05.2022, 10.08.2022, 30.09.2022, 14.11.2022, 09.02.2023

**Details of attendance of each Director at various meetings of the Company is as follows:**

Name of The Director	Designation	Category	No. of Board Meetings	Last attended AGM
Mrs. Vaishali Chaudhry	Director	Non-Executive Director	06	Yes
Mr. Anil Kumar Sharma	Director	Non-Executive & Independent Director	06	Yes
Mr. Chaitanya Chaudhry	Director	Executive Director	06	Yes
Mr. Rajeev Kumar Singhal	Director	Non-Executive & Independent Director	06	Yes

### **COMMITTEES OF THE BOARD**

Following are the three committees constituted by the Board:

1. Audit Committee.
2. Shareholders and Investor Grievance Committee and.
3. Nomination & Remuneration Committee.

#### **1. Audit Committee**

The Audit Committee of Company comprising of Mr. Anil Kumar Sharma (Non-Executive & Independent Director), Mr. Rajeev Kumar Singhal (Non-Executive & Independent Director) and Ms. Vaishali Chaudhry (Non-Executive Director). The constituted Audit Committee also meets the requirements under Section 177 of the Companies Act, 2013.



## NIRAJ ISPAT INDUSTRIES LIMITED

The Chairman of the Committee is Mr. Anil Kumar Sharma, a Non-Executive & Independent Director nominated by the Board.

The terms of reference of the Audit Committee, inter alia, include overseeing financial reporting process, reviewing the financial statements and recommending appointment of Auditors.

During the year under review, the Committee met Four times on 30.05.2022, 10.08.2022, 14.11.2022 and 09.02.2023.

### The Composition of Audit Committee is as follows:

Name of the Director	Category	Number of meetings during the financial year 2022-23	
		Held	Attended
Mrs. Vaishali Chaudhry	Non-Executive Director	4	4
Mr. Anil Kumar Sharma	Non-Executive & Independent Director	4	4
Mr. Rajeev Kumar Singhal	Non-Executive & Independent Director	4	4

### 2. Nomination and Remuneration Committee

The Nomination and Remuneration of Company comprising of Mr. Anil Kumar Sharma (Non-Executive & Independent Director), Mr. Rajeev Kumar Singhal (Non-Executive & Independent Director) and Ms. Vaishali Chaudhry (Non-Executive Director).

The Chairman of the Committee is Mr. Anil Kumar Sharma, a Non-Executive & Independent Director nominated by the Board.

### The Composition of Nomination and Remuneration Committee is as follows:

Name of the Director	Category	Number of meetings during the financial year 2022-23	
		Held	Attended
Mr. Vaishali Chaudhry	Non-Executive Director	4	4
Mr. Anil Kumar Sharma	Non-Executive & Independent Director	4	4
Mr. Rajeev Kumar Singhal	Non-Executive & Independent Director	4	4



## NIRAJ ISPAT INDUSTRIES LIMITED

The Committee's scope of work includes identifying the persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board their appointment and removal and carry out evaluation of every director's performance, deciding on remuneration and policy matters related to remunerations of Directors and laying guidelines for remuneration package or compensation.

The Committee has formulated a Nomination and Remuneration Policy relating to the appointment and remuneration for the directors, key managerial personnel and other employees. The nomination and remuneration policy is annexed marked **Annexure 'F'**.

### 3. Stakeholders Relationship Committee(SRC):

The Stakeholders Relationship Committee of Company comprising of Mr. Anil Kumar Sharma (Non-Executive & Independent Director), Mr. Rajeev Kumar Singhal (Non-Executive & Independent Director) and Ms. Vaishali Chaudhry (Non-Executive Director).

The Chairman of the Committee is Mr. Anil Kumar Sharma, a Non-Executive & Independent Director nominated by the Board.

The Committee inter alia approves issue of duplicate share certificates and oversees and reviews all matters connected with the securities transfer. The Committee also looks into redressal of shareholders complaints like transfer/transmission of shares, non- receipt of Annual Report, non receipt of declared dividends, etc. During the year, nil complaints were received from investors in respect of share transfers.

During the year under review, the Committee met Four times on 21.04.2022, 21.07.2022, 21.10.2022 and 21.01.2023.

Name of the Director	Category	Number of meetings during the financial year 2022-23	
		Held	Attended
Mrs. Vaishali Chaudhry	Non-Executive Director	4	4
Mr. Anil Kumar Sharma	Non-Executive & Independent Director	4	4
Mr. Rajeev Kumar Singhal	Non-Executive & Independent Director	4	4

### OVERALL REMUNERATION

Details of all elements of remuneration paid to all the Directors are given in the Corporate Governance Report. Details of remuneration as required under Section 197(12) of Companies Act 2013 read with Rule V of Companies (Appointment and Remuneration of Managerial Personnel)



# NIRAJ ISPAT INDUSTRIES LIMITED

Rules, 2014 is given in this report.

## **DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/ WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, the Company has adopted a vigil mechanism policy. This policy is has been uploaded on the website of the Company- [www.nirajispat.in](http://www.nirajispat.in).

## **PREVENTION OF SEXUAL HARRASMENT OF WOMEN AT WORKPLACE**

The Company has a Policy on Prevention of Sexual Harassment of Women at Workplace and has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No case was reported during the year under review.

## **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (3(c) of the Companies Act, 2013, with respect to Directors Responsibility statement, it is hereby confirmed that:-

- (i) In the preparation of the Annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the annual accounts for the financial year ended 31st March 2023 on a going concern basis.
- (v) The Director had laid down internal financial controls to be followed by company and that internal financial controls are adequate and operating effectively.
- (vi) The Director had devised proper system to ensure compliance with provision of all applicable laws and such is adequate and operating effectively.



# NIRAJ ISPAT INDUSTRIES LIMITED

## **AUDITORS**

### **i. Statutory Auditors**

M/s Sanjeev Anand & Associates, Chartered Accountants, the Statutory Auditors of the Company hold the office from the conclusion of the 37th Annual General Meeting until the conclusion of the 42nd Annual General Meeting at such remuneration as may mutually be agreed upon between the auditors and the Board of Directors of the Company

The Company has received letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 139(2) of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 139 (1) of the said Act.

### **ii. Secretarial Auditor**

The secretarial audit of the Company has been conducted by M/s. V Kumar and Associates, Company Secretaries (COP No.:10438, FCS: 8976) and their report on the secretarial audit for the year under review is annexed hereto is attached as **ANNEXURE 'G'**.

## **AUDITORS REPORT**

All Observations made in the Independent Auditors' Report and Notes forming part of the Financial Statements are self explanatory and no qualifications, reservations or adverse remarks have been made by the Statutory Auditors in the said Report.

## **SHIFTING OF REGISTERED OFFICE**

During the year under review, the Company has not shifted its registered office.

## **SECRETARIAL AUDIT REPORT**

The Secretarial Audit Report does not contain any reservation, qualification or adverse remark .

## **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and as per SEBI (LODR) Regulations 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as Stakeholders Relationship Committee. The Directors expressed their satisfaction with the evaluation process.



# NIRAJ ISPAT INDUSTRIES LIMITED

## **PARTICULARS OF LOAN, GUARANTEES AND INVESTMENT MADE UNDER 186 OF THE COMPANIES ACT, 2013**

The Company has given Loan or Guarantee or made Investment under Section 186 as per the limits specified under Sec 186(2) of the Companies Act 2013.

## **RELATED PARTY TRNSACTIONS**

All the related party transactions that were entered into during the financial year were in the ordinary course of Company's business and on arm's length basis. There are no materially significant related party transactions made by the Company with the Promoters, Key Management Personnel or other designated persons which may have potential conflict with the interest of the Company at large. However the related party transactions are given in **Annexure-A**.

## **SHARE CAPITAL**

### **A. Increase in Authorised Share Capital and Preferential Allotment of Shares**

During the year under review, there is no change in Authorised Capital of the Company.

### **B. Issue of equity shares with differential rights**

Company has not issued any equity shares with differential rights so no disclosure is required as per rule 4 (4) of the Companies (Share Capital and Debentures) Rules 2014

### **C. Issue of sweat equity shares**

Company has not issued sweat equity shares, so no disclosure is required as per rule 8(13) of the Companies (Share Capital and Debentures) Rules 2014.

### **D. Issue of employee stock options**

Company has not issued employee stock options, so no disclosure is required as per rule 12(9) of the Companies (Share Capital and Debentures) Rules 2014.

### **E. Provision of money by Company for purchase of its own share by employees or by trustee for the benefit of employees**

The Company has not made any provision for purchase of its own share by employees or by trustee for the benefit of employees so no disclosure is required as per rule 16(4) of the Companies (Share Capital and Debentures) Rules 2014.



## NIRAJ ISPAT INDUSTRIES LIMITED

### **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT**

The Company has adequate internal financial control system commensurate with the size of the Company and the nature of its business with regards to purchase of Fixed Assets. The activities of the Company do not involve purchase of inventories and sale of goods and services.

For the purposes of effective internal financial control, the Company has adopted various procedures 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.

To ensure adequacy of internal financial controls, the procedures adopted by the Company are based on the following parameters:

- (a) Familiarity with Policies and Procedures – the related policies and procedures and the changes there to, if any, are communicated to the employees at the time of joining and it is ensured that such person understands the policies or procedures correctly.
- (b) Accountability of Transactions – There is a proper delegation of authorities and responsibilities so as to ensure accountability of any transaction.
- (c) Accuracy & Completeness of Financial Statements/ Reports – For accuracy and completeness of information, reconciliation procedure and multiple checking at different level have been adopted. To avoid human error, computer software is extensively used.
- (d) Retention and Filing of Base Documents – All the source documents are properly filed and stored in a safe manner. Further, important documents, depending upon their significance are also digitized.
- (e) Segregation of Duties – It is ensured that no person handles all the aspects of a transaction. To avoid any conflict of interest and to ensure propriety, the duties have been distributed at different levels.
- (f) Timeliness – It is also ensured that all the transactions are recorded and reported in a timely manner.

The procedures are also reviewed by the Statutory Auditors and the Directors of the Company from time to time. There has also been proper reporting mechanism implemented in the organization for reporting any deviation from the procedures.

### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Since there was no unpaid/unclaimed dividend declared and paid in past years, the provisions of Section 125 of the Companies Act, 2013, do not apply.

### **ANNUAL RETURN**

The extract of the Annual Return in Form No. MGT-9 as per Section 92 of the Companies Act 2013 is annexed as **Annexure 'C'**



# NIRAJ ISPAT INDUSTRIES LIMITED

## SEGMENT

The Company is engaged in the business of manufacturing of Polyester Buttons which are governed by the same set of risks and returns and as such are in the same segment.

## RISK MANAGEMENT POLICY

Company has implemented proper risk management policy including identification therein of element of risk.

## ACKNOWLEDGEMENT

Your Directors wish to place on record and acknowledge their appreciation for the continued support and co- operation received from Government agencies and the shareholders. Your Directors also record their appreciation for the total dedication of employees at all levels.

**For and on behalf of the Board of Directors  
For Niraj Ispat Industries Limited**

Place: New Delhi

Date: 06.09.2023

**Sd/-**

**Vaishali Chaudhry**

Director

DIN: 01719640

Address: KD-46, Kavi Nagar

Ghaziabad-201002, Uttar Pradesh

**Sd/-**

**Chaitanya Chaudhary**

Director

DIN: 06813394

Address: KD-46, Kavi Nagar

Ghaziabad-201002, Uttar Pradesh



# NIRAJ ISPAT INDUSTRIES LIMITED

## ANNEXURE 'A'

### 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 transactions under third proviso thereto.

- Details of contracts or arrangements or transactions not at arm's length basis.

Name (s) of the related party & nature of relationship	Nature of contracts /arrangements/transactions	Duration of the contracts /arrangements/transactions	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

- Details of contracts or arrangements or transactions at Arm's length basis.

Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board, if any	Amount paid as advances, if any
Chaitanya Chaudhry	Remuneration	During the f.y. 2022-23	6,00,000/-	10.04.2022	NIL
Vaishali Chaudhry	Remuneration	During the f.y. 2022-23	2,40,000/-	10.04.2022	NIL
Niraj Chaudhry	Remuneration	During the f.y. 2022-23	1,20,000/-	10.04.2022	NIL
Chaitanya Chaudhry	Interest Paid	During the f.y. 2022-23	2,537/-	10.04.2022	NIL
Chaitanya Chaudhry	Loan Repaid	During the f.y. 2022-23	99,621/-	10.04.2022	NIL
Pickup Suppliers Pvt.	Loan Advanced	During the f.y. 2022-23	2,11,50,000/-	10.04.2022	NIL



## NIRAJ ISPAT INDUSTRIES LIMITED

Ltd.					
Pickup Suppliers Pvt. Ltd.	Loan Received Back	During the f.y. 2022-23	40,70,000/-	10.04.2022	NIL
Amanat Builders Pvt. Ltd.	Loan Received Back	During the f.y. 2022-23	92,00,000/-	10.04.2022	NIL
Himgiri Hotels Pvt. Ltd.	Interest Earned	During the f.y. 2021-22	6,47,357/-	10.04.2022	Nil
Habitat Infrastructure Pvt. Ltd.	Interest Earned	During the f.y. 2021-22	5,16,132/-	10.04.2022	Nil
Spiderman Infrastructure Pvt. Ltd.	Interest Earned	During the f.y. 2021-22	23,25,300/-	10.04.2022	Nil
Carnation Projects Pvt. Ltd.	Interest Earned	During the f.y. 2021-22	86,217/-	10.04.2022	Nil
Lupin Infrastructure Pvt. Ltd.	Interest Earned	During the f.y. 2021-22	12,80,550/-	10.04.2022	Nil
Verve Infraprojects Pvt. Ltd.	Interest Earned	During the f.y. 2021-22	8,45,438/-	10.04.2022	Nil
Pickup Suppliers Pvt. Ltd.	Interest Earned	During the f.y. 2021-22	6,92,663/-	10.04.2022	Nil
North India Petrochemicals Pvt. Ltd.	Interest Earned	During the f.y. 2021-22	4,89,600/-	10.04.2022	Nil

**For and on behalf of the Board of Directors  
For Niraj Ispat Industries Limited**

**Place: New Delhi**

**Date:06.09.2023**

**Sd/-**

**Sd/-**

**Vaishali Chaudhry**  
Director  
DIN: 01719640

Address: KD-46, Kavi Nagar,  
Ghaziabad-201002, Uttar Pradesh

**Chaitanya Chaudhary**  
Director  
DIN: 06813394

Address: KD-46, Kavi Nagar,  
Ghaziabad-201002, Uttar Pradesh



# NIRAJ ISPAT INDUSTRIES LIMITED

ANNEXURE 'B'

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. OPERATING RESULTS OF THE COMPANY

During the Financial Year under consideration the performance of the Company was satisfactory. Net Profit for the year 2022-23 stood at Rs. 166.80 Lacs as against Net Profit of Rs. 75.27 Lacs in the year 2021-22. Furthermore the total Revenue from operation for the year ended March 31<sup>st</sup>, 2023 stood at Rs. 627.38 Lacs as compared to Rs. 533.42 Lacs revenue for the year 2021-22.

### 2. INDUSTRY STRUCTURE AND DEVELOPMENT

The principal activities of the Company are:

- i. The Company carries on the business of manufacturing of polyester buttons in two or four thread holes. Used in dresses, sweaters, pouches and shirts, these buttons can be availed in a variety of colors, sizes and designs. Due to their numerous advantages, these buttons are widely acknowledged in residential and commercial sectors. We are offering these polyester buttons to our clients at cost-effective prices.
- ii. The Company has enriched with vast industry experience, we are offering an exquisite range of Polyester Buttons. At our vendors' end, these buttons are designed using remarkable quality of materials that are procured from certified sources of the market. To ensure flawlessness, these buttons are comprehensively checked on various parameters by the team.

### 3. THREATS

- I. With the increase in business segment, the competition has increased from Domestic and other developed countries.
- II. Threats for this Industry are very common and every person is aware of the threats and the risks involved with this Industry.

### 4. PROSPECT & OUTLOOK

The Company presents the analysis of the Company for the year 2022-23 & its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic & other developments both in India and abroad.

### 5. RISKS AND CONCERNS

The Company has taken adequate preventive and precautionary measures to overcome all negative factors responsible for low trend to ensure steady growth.



## NIRAJ ISPAT INDUSTRIES LIMITED

### 6. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

There are well-established procedures for Internal Controls for operations of the Company. The finance & audit functions are well equipped with professionally experienced qualified personnel & play important roles in implementing the statutory obligations. The Company has constituted Audit Committee for guidance and proper control of affairs of the Company.

### 7. HUMAN RESOURCES

Human Resources are highly valued assets at Niraj Ispat Industries Limited. The Company seeks to attract, retain and nurture technical & managerial talent across its operations and continues to create, sustain the environment that brings out the best in our people with emphasis on training, learning & development. It aims at career progression and fulfilling satisfactory needs. Performance is recognized and rewarded through up gradation & job enrichment, performance incentives.

**For and on behalf of the Board of Directors  
For Niraj Ispat Industries Limited**

**Place: New Delhi**

**Date: 06.09.2023**

**Sd/-**

**Vaishali Chaudhry**

Director

DIN: 01719640

Address: KD-46, Kavi Nagar,  
Ghaziabad-201002, Uttar Pradesh

**Sd/-**

**Chaitanya Chaudhary**

Director

DIN: 06813394

Address: KD-46, Kavi Nagar,  
Ghaziabad-201002, Uttar Pradesh



### ANNEXURE TO DIRECTOR'S REPORT

#### FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN As on Financial Year Ended on 31<sup>st</sup> March, 2023

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

#### I. REGISTRATION AND OTHER DETAILS:

<b>CIN</b>	L27106DL1985PLC021811
<b>Registration date</b>	19th August, 1985
<b>Name of the Company</b>	Niraj Ispat Industries Limited
<b>Category / sub-category of the Company</b>	Company limited by shares
<b>Address of the Registered office &amp; Contact Details</b>	5140-41/34, F/F Chaudhary Market, Gali Peti Wali, Rui Mandi, Sadar Bazar, New Delhi- 110006 Tel: 0120-6526390,23551821
<b>Whether listed Company</b>	Yes
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	Skyline Financial Services Private Limited D153A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi 110020 Phone: 011- 64732681/82 Contact Person: Mr. Virender Kumar Rana Mobile No: 9818456709



# NIRAJ ISPAT INDUSTRIES LIMITED

## 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	Manufacturing of Polyester Buttons	3699	88.77

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

S.No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
	N.A	N.A	N.A.	N.A	N.A

## 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 (01.04.2022)				No. of Shares held at the end of the year (31.03.2023)				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<i>1) Indian</i>									
a) Individual/ HUF	321100	0	321100	53.52	321100	0	321100	53.52	0
b) Central Govt	00	0	0	0	0	0	0	0	0
c) State Govt(s)	00	0	0	0	0	0	0	0	0



## NIRAJ ISPAT INDUSTRIES LIMITED

d) Bodies Corp	126400	0	126400	21.06	126400	0	126400	21.06	0
e) Banks / FI	00	0	0	0	0	0	0	0	0
f) Any Other	00	0	0	0	0	0	0	0	0
Sub-total(A)(1):-	447500	0	447500	74.59	447500	0	447500	74.59	0
2) Foreign	0	0	0	0	0	0	0	0	0
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)	447500	0	447500	74.59	447500	0	447500	74.59	0
<b>B. Public Shareholding</b>									
1. <i>Institutions</i>	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0	0



## NIRAJ ISPAT INDUSTRIES LIMITED

Venture Capital Funds									
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corp.	12860	110	12970	2.16	12860	110	12970	2.16	0
(i) Indian									
(ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	37990	54240	92230	15.37	37990	54240	92230	15.37	0
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	36400	10000	46400	7.73	36400	10000	46400	7.73	0
c) Others (Specify)	0	900	900	0.15	0	900	900	0.15	0
Sub-total (B)(2)	87250	65250	152500	25.42	87250	65250	152500	25.42	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	87250	65250	152500	25.42	87250	65250	152500	25.42	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	534750	65250	600000	100.00	534750	65250	600000	100.00	0



# NIRAJ ISPAT INDUSTRIES LIMITED

## ii. Shareholding of Promoter

S. No	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year				% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Madhu Chaudhry	149600	24.93	0	149600	24.93	0	0
2	Neeraj Chaudhary HUF	54300	9.05	0	54300	9.05	0	0
3	Niraj Steels LLP	24600	4.10	0	24600	4.10	0	0
4	Pickup Suppliers Private Limited	53900	8.98	0	53900	8.98	0	0
5	Haryant Stainless Steels LLP	47900	7.98	0	47900	7.98	0	0
6	Neeraj Chaudhry	61600	10.27	0	61600	10.27	0	0
7	Anuradha Kanodia	20000	3.33	0	20000	3.33	0	0
8	Vaishali Chaudhry	30400	5.07	0	30400	5.07	0	0
9	Vaidehi Chaudhry	5200	0.87	0	5200	0.87	0	0



# NIRAJ ISPAT INDUSTRIES LIMITED

## (ii) Change In Promoter's shareholding (please specify if there is no change)

Sl. No		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	447500	74.58	447500	74.59
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer /bonus/sweat Equity etc.	NIL	NIL	NIL	NIL
	At the end of the Year	447500	74.58	447500	74.59

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

Sl. No	Name of Shareholders	Shareholding at the beginning of the year		Increase/ Decrease in Shareholding	Cumulative Shareholding during the year	
		No. of shares at the beginning	% of total shares of the Company		No. of shares at the end	% of total shares of the Company
1.	Vijay Kumar Agarwal	20000	3.33	Nil	20000	3.33
2.	Jagmohan Nayyar	13400	2.23	Nil	13400	2.23
3.	Karan Nayyar	13000	2.16	Nil	13000	2.16
4.	Neeta Nayyar	5900	0.98	Nil	5900	0.98
5.	Ravindra Kumar Garg	5000	0.83	Nil	5000	0.83
6.	Shahab Tariq	5800	0.97	Nil	5800	0.97
7.	Omolar Textiles Private Limited	4335	0.72	1.42	12860	2.14
8.	Ashok Kapoor	4150	0.69	Nil	4150	0.69
9.	Mohammed Aadil	4000	0.67	Nil	4000	0.67
10.	Laxmi Devi	4000	0.67	Nil	4000	0.67



# NIRAJ ISPAT INDUSTRIES LIMITED

## (iv) Shareholding of Directors and Key Managerial Personnel

Sl. No	For Each of the Directors &KMP	Shareholding at the beginning of the year 1 <sup>st</sup> April, 2022		Shareholding at the end of the year 31 <sup>st</sup> March, 2023	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Vaishali Chaudhry	30400	5.07	30400	5.07
2	Chaitanya Chaudhary	Nil	Nil	Nil	Nil
3	Anil Kumar Sharma	3000	0.5	3000	0.5
4	Rajeev Kumar Singhal	Nil	Nil	Nil	Nil

## V INDEBTNESS

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

(Rs. In Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
I) Principal Amount	-	137.31	NIL	137.31
II) Interest due but not paid				
III) Interest accrued but not due				
<b>Total (I+II+III)</b>	<b>-</b>	<b>137.31</b>	<b>NIL</b>	<b>137.31</b>
Change in Indebtedness during the financial year				
• Addition	-	-	---	
• Reduction	-	(5.21)	Nil	(5.21)



## NIRAJ ISPAT INDUSTRIES LIMITED

Net Change	-	(5.21)	NIL	(5.21)
Indebtedness at the end of the financial year				
I) Principal Amount	-	132.10	NIL	132.10
II) Interest due but not paid				
III) Interest accrued but not due				
<b>Total (I+II+III)</b>	<b>NIL</b>	<b>132.10</b>	<b>NIL</b>	<b>132.10</b>

### VI. Remuneration of Directors and Key Managerial Personnel Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. no	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
	Stock Option	-	-
	Sweat Equity	-	-
	Commission	-	-
	- as % of profit		
	- others, specify		
	Others, please specify	-	-
	Total (A)		-
	Ceiling as per the Act		-



# NIRAJ ISPAT INDUSTRIES LIMITED

## A Remuneration to other Directors:

Sl. no.	Particulars of Remuneration	Name of Directors	Total amount
	Other Non-Executive Directors	Vaishali Chaudhry	Rs. 240,000
	· Fee for attending board	NIL	NIL
	· Commission	NIL	NIL
	· Others, please specify		NIL
	Total (2)	NIL	Rs. 240,000
	Total (B)=(1+2)	NIL	Rs. 240,000
	Total Managerial Remuneration	NIL	Rs. 240,000
	Overall Ceiling as per the Act	NIL	NIL
	<b>Independent Directors</b>	Mr. Anil Kumar Sharma Mr. Rajeev Kumar Singhal	
	· Fee for attending board committee meetings		
	· Commission	NIL	NIL
	- Others, please specify	NIL	NIL

## B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,00,000	66,000	1,20,000	7,86,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL



# NIRAJ ISPAT INDUSTRIES LIMITED

3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	<b>6,00,000</b>	<b>66,000</b>	<b>1,20,000</b>	<b>7,86,000</b>

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ punishment/compounding Fees imposed	Authority IRD/NCLT/ Court	Appeal made if any give details
NIL	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board of Directors  
FOR Niraj Ispat Industries  
Limited

Place: New Delhi

Date: 06.09.2023

Sd/-

**Vaishali Chaudhry**  
Director

DIN: 01719640

Address: KD-46, Kavi Nagar,  
Ghaziabad-201002, Uttar Pradesh

Sd/-

**Chaitanya Chaudhary**  
Director

DIN: 06813394

Address: KD-46, Kavi Nagar,  
Ghaziabad-201002, Uttar Pradesh



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

The Information Under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31<sup>st</sup>, 2023 is given here below and forms part of the Director's Report.

#### **I. CONSERVATION OF ENERGY**

**(a) Measures taken:** The Company is aware of the importance of conservation of energy and continuous efforts are being made to reduce energy cost at all levels. Special attention is being given for the use of energy efficient equipments. During the year the Company Replaced the regular fluorescent tube lights with new energy saver LED tube Lights at factory.

**(b) Additional investments and proposal for reduction of consumption of energy:**

The Company already worked on reducing carbon footprint in all its area of operation through initiatives like placing the solar panel 40.8 KW which generates approx. 180 units per day. The Management is committed to further identify new areas where the conventional equipments can be replaced by latest equipments so as to reduce the consumption of various sources of energy.

**(c) Impact of the measures (a) and (b):**The Company has achieved reduction in energy costs.

**Total energy consumption and consumption per unit of production in prescribed Form 'A' is given below:**

#### FORM – A

Power and Fuel Consumption	2022-23
1. Electricity	
Total Amount (Rs. In Lakh)	29.31
2. Own Generation (Through Diesel Generator) Cost (Rs.)	-

#### **II. TECHNOLOGY ABSORPTION**

Efforts made in technology absorption as per Form B is given below:



## FORM – B

### I. Research and Development (R & D)

- 1. Specific areas:** The R & D activities of the Company are aimed at quality control and improvement/up-gradation of the product range.
- 2. Benefits derived:** Improvement in product quality, development of new value added products and cost effectiveness.
- 3. Future plan of action:** Development of more value added products and making the product more cost effective.
- 4. Expenditure on R & D:** Expenditure on Research & Development are difficult to ascertain as the same staff and equipments are used for production and quality control.

### II. Technology Absorption, adoption and innovation:

- 1. Efforts made:** Sustained efforts are being made towards upgrading the process technology.
- 2. Benefits derived:** The Company has been able to improve the quality of its existing products
- 3. Particulars of technology imported:** Nil

### III. FOREIGN EXCHANGE EARNINGS AND OUTGO:

**(a) Efforts :** Various efforts are being made to explore and secure new export market for Company's Products.

**(b) Earning and outgo : 2021-22                      2022-23**

i) Foreign Exchange earning :    NIL                      NIL

ii) Foreign Exchange outgo : NIL                      NIL

**(b) Value of Imports on CIF Basis                      2021-22                      2022-23**

Capital Goods (in lacs) :                      Nil                      Nil



### NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

#### DEFINITIONS

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- (ii) Chief Financial Officer;
- (iii) Company Secretary; and
- (iv) such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management of rank equivalent to General Manager and above, including all functional heads.

#### OBJECTIVE

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

#### Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior



# NIRAJ ISPAT INDUSTRIES LIMITED

Management in accordance with the criteria laid down in this policy.

- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

## **APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR PERSONNEL AND SENIOR MANAGEMENT**

(a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's requirements.

(b) A person should possess adequate qualification, expertise and experience w.r.t. the position for which his/her appointment is considered. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the position.

(c) The Company shall not appoint or continue the employment of any person as its Managing Director, Whole-time Director or Manager who has attained the age of seventy years.

Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

### **TERM / TENURE**

#### **a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Managing Director, Whole-time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### **b) Independent Director**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiration of three years of ceasing to



# NIRAJ ISPAT INDUSTRIES LIMITED

become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

## **EVALUATION**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

## **REMOVAL**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and in compliance of the Companies Act, 2013, rules and regulations made there under and the policy of the Company.

## **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company in compliance with the provisions of the Act. 36

## **POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MAN POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL AGEMENT PERSONNEL**

### **(1) Remuneration to Managing Director/ Whole- Remuneration to Managing Director/ Whole--- time Directors time Directors:**

(a) The Remuneration/ Commission etc. to be paid to Managing Director/ Whole-time Directors/ Manager etc. shall be governed as per provisions of the Companies Act, 2013 and rules made

there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

(b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/ Whole-time Directors.

### **(2) Remuneration to Non- (2) Remuneration to Non-Executive/ Executive/ Executive/ Independent Directors: Independent Directors: Independent Directors:**

(a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.



## NIRAJ ISPAT INDUSTRIES LIMITED

(b) All the remuneration of the Non- Executive/ Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

(c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

(d) Any remuneration paid to Non- Executive /Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- i) The Services are rendered by such Director in his capacity as the professional; and
- ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### (3) Remuneration to Key Managerial Personnel and Se (3) Remuneration to Key Managerial Personnel and Senior Management: Management:

- (a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013.
- (b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- (c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate

### **IMPLEMENTATION**

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate. The Committee may delegate any of its powers to one or more of its members.



# NIRAJ ISPAT INDUSTRIES LIMITED

## CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

I, **Niraj Chaudhry**, CFO, of **Niraj Ispat Industries Limited**, to the best of my knowledge and belief hereby certify that:

- (a) I have reviewed financial statements and the cash flow statements for the year and that to the best of my knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
- b) There are no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct;
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit Committee:
  - (i) Significant changes in the internal control over financial reporting during the year under reference;
  - (ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements ;and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**By Order of the Board of Directors  
FOR NIRAJ ISPAT INDUSTRIES LIMITED**

**Place: New Delhi  
Date: 06.09.2023**

**Sd/-  
Name: Niraj Chaudhry  
Designation: CFO  
Address: KD-46, Old Kavi Nagar,  
Ghaziabad-201002, U.P.**



# NIRAJ ISPAT INDUSTRIES LIMITED

## CERTIFICATE ON CORPORATE GOVERNANCE

The Members of  
**NIRAJ ISPAT INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by **NIRAJ ISPAT INDUSTRIES LIMITED** for the year ended on March 31, 2023 as stipulated in SEBI (LODR) Regulations 2015.

The compliance of conditions of Corporate Governance is the responsibility of Management. Our examination was limited to procedures and implementation thereof, adopted by the Company to ensure compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For V Kumar & Associates  
Company Secretary In Practice**

**Place: New Delhi  
Dated:07/09/2023**

**Sd/-  
(VIVEK KUMAR)  
FCS: 8976  
COP : 10438  
UDIN: F008976E000962225**



# NIRAJ ISPAT INDUSTRIES LIMITED

## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members,  
**NIRAJ ISPAT INDUSTRIES LIMITED**  
5140-41/34, F/F Chaudhary Market Gali Peti Wali,  
Rui Mandi, Sadar Bazar, Delhi-110006

We have examined the relevant registers, records, forms, returns and disclosures received from directors of **NIRAJ ISPAT INDUSTRIES LIMITED** having CIN: L27106DL1985PLC021811 and having registered office at 5140-41/34, F/F Chaudhary Market Gali Peti Wali, Rui Mandi, Sadar Bazar, Delhi - 110006, (hereinafter referred to as “the Company”) produced before us by the Company for the purpose of issuing this certificate, in accordance with regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers and representation given by the management we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31<sup>st</sup> March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

<b>Sr. No.</b>	<b>DIN</b>	<b>Name of Director</b>	<b>Date of Appointment in Company</b>
1	00284223	RAJEEV KUMAR SINGHAL	31/03/2015
2	01719640	VAISHALI CHAUDHRY	29/11/2001
3	02664381	ANIL KUMAR SHARMA	15/06/2006
4	06813394	CHAITANYA CHAUDHRY	27/02/2015

It is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions. Further, ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This



## NIRAJ ISPAT INDUSTRIES LIMITED

certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For V Kumar & Associates  
Company Secretary In Practice**

**Place: New Delhi  
Dated:07/09/2023**

**Sd/-  
(VIVEK KUMAR)  
FCS: 8976  
COP : 10438  
UDIN : F008976E000962203**



# NIRAJ ISPAT INDUSTRIES LIMITED

## **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. The Code of Conduct as adopted is available on the Company's website. I confirm that the Company has in respect of the Financial Year ended March 31, 2023, received from the Senior Management team of the Company and the members of the Board, a declaration of Compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Presidents, Sr. Vice Presidents and Vice President Cadre as on March 31, 2023.

**By Order of the Board  
Niraj Ispat Industries Limited**

**Sd/-  
Chaitanya Chaudhry  
Director  
DIN: 06813394  
Address: KD-46, Kavi Nagar,  
Ghaziabad-201002, Uttar Pradesh**



### FORM NO. MR-3

#### FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023

[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,

**Niraj Ispat Industries Limited,**

5140-41/34 F/F Chaudhry Market,

Gali Petiwali, Rui Mandi, Sadar Bazar,

Delhi -110006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Niraj Ispat Industries Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Niraj Ispat Industries Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Niraj Ispat Industries Limited** ("the Company") for the financial year ended on **31<sup>st</sup> March, 2023** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not applicable as the Company has not made any such transaction during the financial year under review;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange



## NIRAJ ISPAT INDUSTRIES LIMITED

Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- **Not applicable as the Company has not issued any listed debt securities during the period under review;**
- e. 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;
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009,- **Not applicable as the Company has not delisted/proposed to delist its equity shares from any stock exchange during the financial year under review;**
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;- **Not applicable as the Company has not bought back/proposed to buyback any of its securities during the financial year under review.**

(v) The other applicable laws on this Company are as follows:

- a. Factories Act, 1948
- b. Industrial Dispute Act, 1947
- c. The Payment of Wages Act, 1936
- d. The Minimum Wages Act, 1948
- e. Employees' State Insurance Act, 1948
- f. The Payment of Bonus Act, 1965
- g. The Payment of Gratuity Act, 1972
- h. The Contract Labour (Regulation & Abolition) Act, 1970
- i. The Maternity Benefit Act, 1961
- j. The Child Labour (Prohibition & Regulation) Act, 1986
- k. The Industrial Employment (Standing Order) Act, 1946
- l. The Employee Compensation Act, 1923
- m. The Apprentices Act, 1961
- n. Equal Remuneration Act, 1976
- o. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



## NIRAJ ISPAT INDUSTRIES LIMITED

(iii) Equity Listing Agreement upto the extent applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned as abovementioned.

### **We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report** that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report** that during the audit period the company got listed at National Stock Exchange of India.

Date:-07.09.2023

Place:-New Delhi

For **V Kumar and Associates**  
Company Secretaries in Practice

Sd/-  
Vivek Kumar

FCS No: - 8976

CP No: - 10438

UDIN: F008976E000962271

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



## NIRAJ ISPAT INDUSTRIES LIMITED

### Annexure 'I'

To,  
The Members,  
Niraj Ispat Industries Limited,  
5140-41/34 F/F Chaudhry Market, GaliPetiwali  
RuiMandi, Sadar Bazar, Delhi – 110006

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

Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on this secretarial record based on our audit.

We have the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and books of the accounts of the company.

Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc

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.

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

Date:-07.09.2023  
Place:-New Delhi

For **V Kumar and Associates**  
Company Secretaries in Practice

Sd/-  
Vivek Kumar  
FCS No: - 8976  
CP No: - 10438  
UDIN: F008976E000962271



# NIRAJ ISPAT INDUSTRIES LIMITED

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## INDEPENDENT AUDITORS' REPORT

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To The Members of  
**NIRAJ ISPAT INDUSTRIES LIMITED**

**Report on the Audit of the Ind AS Financial Statements**

### **Opinion**

We have audited the accompanying Ind AS financial statements of Niraj Ispat Industries Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and Notes to the Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.





## NIRAJ ISPAT INDUSTRIES LIMITED

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

### **1. Property, Plant & Equipment and Capital Work in progress**

Valuation and existence of property, plant and equipment including assessment of useful lives and residual value. Property, plant and equipment represents a significant proportion of the Company's asset base. The estimates and assumptions made to determine the carrying amounts, including whether and when to capitalize or expense certain costs, and the determination of depreciation charges are material to the Company's financial position and performance. The charges in respect of periodic depreciation are derived after estimating an asset's expected useful life and the expected residual value. Changes to asset's carrying amounts, expected useful lives or residual value could result in a material impact on the financial statements and hence considered as key audit matter.

#### **How our audit addressed the Key Audit Matter**

##### **Our audit procedures included the following:**

Our audit approach consisted evaluation of design and implementation of controls, and testing the operating effectiveness of the internal controls over valuation of property, plant and equipment and review of useful lives; Periodic physical verification of property, plant and equipment for adequacy and appropriateness of the accounting and disclosure by the Management:

- We obtained an understanding of the Company's capitalization policy and assessed for compliance with the relevant accounting standards;
- We carried out substantive tests on random sampling for all the major additions, deletions to the assets by applying all the characteristics of capital expenditure, proper classification of the same, with reference to the company's policy and accounting standards;
- We obtained an understanding on management assessment relating to progress of projects and their intention to bring the asset to its intended use.
- We obtained certificates relating to useful lives of assets where, required.

#### **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 information included in the Annual report, but does not include the Ind AS financial statements and our auditor's report thereon.





## NIRAJ ISPAT INDUSTRIES LIMITED

Our opinion on the Ind AS 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 Ind AS 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.

### **Responsibility of Management and Those Charged with Governance for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive Income, cash flows and changes in the equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities For The Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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





# NIRAJ ISPAT INDUSTRIES LIMITED

## NIRAJ ISPAT INDUSTRIES LIMITED

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

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

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





## NIRAJ ISPAT INDUSTRIES LIMITED

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and record of the Company as we considered appropriate and according to the information and explanations given to us, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, The Statement of Profit and Loss including Other Comprehensive Income, the statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e. On the basis of written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2023, 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" to this report.







## NIRAJ ISPAT INDUSTRIES LIMITED

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.



Place: Ghaziabad  
Date : 26<sup>th</sup> May 2023

For SANJEEV ANAND & ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 007171C

(Sumit Gupta)  
Partner

M.NO. 423453  
UDIN 23423453BGWJIT6889



# NIRAJ ISPAT INDUSTRIES LIMITED

## NIRAJ ISPAT INDUSTRIES LIMITED

### ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **Report on the Internal Financial Control Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of Niraj Ispat Industries Limited ("the Company") as on March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the company considering 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 (the "Guidance Note"). 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 asset, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of the reliable financial information, as required under the Companies Act, 2013.

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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls 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 with reference to these 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 control 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.





## NIRAJ ISPAT INDUSTRIES LIMITED

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 with reference to these 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 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 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 financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 issued by the Institute of Chartered Accountants of India.



Place: Ghaziabad  
Date : 26<sup>th</sup> May 2023

For SANJEEV ANAND & ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 007171C

(Sumit Gupta)

Partner

M.NO. 423453

UDIN 23423453BGWJIT6889



# NIRAJ ISPAT INDUSTRIES LIMITED

## NIRAJ ISPAT INDUSTRIES LIMITED

### ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Requirement' section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment, capital work-in-progress.
  - (b) The Company has a regular programme for physical verification in phased periodic manner, which, in our opinion is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and the record examined by us and based on the examination of registered sales deed/ conveyance deed / transfer deed provided to us, we report that the title deeds, comprising all the immovable property of land and acquired building which are freehold, are held in the name of the Company as at the balance sheet.
  - (d) The Company has not revalued any of its property, plant and equipment during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals except for inventories lying with third parties where confirmations have been received by the management. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories / alternate procedures performed as applicable, when compared with the books of account.





# NIRAJ ISPAT INDUSTRIES LIMITED

## NIRAJ ISPAT INDUSTRIES LIMITED

- (b) The Company has been sanctioned working capital limits from banks and financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock and book debt statements, filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.
3. According to the information and explanations given to us, the company has not made any investment in, provided any guarantee or security or granted any loans or advance in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties covered in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The company has not accepted any deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3 (v) of the order are not applicable to the Company.
6. As explained to us, the Central Government of India has not specified the maintenance of cost records under sub section (1) of section 148 of the Act for any products of the Company. Therefore the provisions of clause 3(vi) of the order are not applicable.
7. According to the information and explanations given to us, in respect of statutory dues:
- (i) The Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Income tax, sales tax, goods and service tax, service tax, value added tax, duty of customs, duty of excise, cess and any other material statutory dues applicable to it with appropriate authorities.
- (ii) There are no undisputed amounts payable in respect of provident fund, employees' state insurance, Income tax, sales tax, goods and service tax, service tax, value added tax, duty of customs, duty of excise, cess and any other material statutory dues in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable.
8. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
9. (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to the banks and financial institutions.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.





# NIRAJ ISPAT INDUSTRIES LIMITED

## NIRAJ ISPAT INDUSTRIES LIMITED

- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, an associate or a joint venture
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.
10. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable
- (b) The Company has not made private placement of shares during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- 11 (a) According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As Auditor, we did not receive any whistle-blower complaint during the year.
12. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable
13. According to the information and explanations given to us, the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act 2013 where applicable and details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
14. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2023.





# NIRAJ ISPAT INDUSTRIES LIMITED

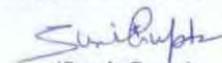
## NIRAJ ISPAT INDUSTRIES LIMITED

15. According to the information and explanation given to us, the company has not entered into any non-cash transaction with the director or persons connected with him as referred to in section 192 of the Companies Act, 2013.
16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934  
(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year  
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India  
(d) As per the information and explanation received, the group does not have any CIC as part of the group.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. There is no liability of the company under the provision of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore the Provision of Clause (xx) of paragraph 3 of the order are not applicable to the Company.
21. The Company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.



Place: Ghaziabad  
Date : 26<sup>th</sup> May 2023

For SANJEEV ANAND & ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 007171C

  
(Sumit Gupta)  
Partner

M.NO. 423453  
UDIN 23423453BGWJTT6889



# NIRAJ ISPAT INDUSTRIES LIMITED

SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

### BALANCE SHEET AS AT 31st MARCH 2023

(Rs. in Lakh)

PARTICULARS	Note No.	As at 31.03.2023	As at 31.03.2022
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
Property, plant and equipment	1	148.27	164.67
<b>Financial assets</b>			
Investment	2	24.46	23.19
Other non-current assets	3	8.05	8.05
<b>Total - Non current assets</b>		<b>180.79</b>	<b>195.91</b>
<b>(2) Current assets</b>			
Inventories	4	22.51	24.97
<b>Financial Assets</b>			
Trade receivables	5	74.46	83.29
Cash and cash equivalents	6	1.75	6.67
Other balances with banks		-	-
Other current assets	7	1,208.51	1,094.98
<b>Total - Current assets</b>		<b>1,307.23</b>	<b>1,209.91</b>
<b>TOTAL - ASSETS</b>		<b>1,488.02</b>	<b>1,405.82</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(3) Equity</b>			
Equity share capital	8	60.00	60.00
Other equity	9	1,155.97	989.17
<b>Total - Equity</b>		<b>1,215.97</b>	<b>1,049.17</b>
<b>(4) Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	10	132.10	137.31
Provisions		-	-
Deffered tax liabilities (net)	11	16.93	17.66
<b>Total - Non current liabilities</b>		<b>149.02</b>	<b>154.96</b>
<b>(5) Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	12	6.43	0.34
Trade payables	13	96.73	160.71
Provisions	14	10.28	25.51
Other current liabilities	15	9.58	15.13
<b>Total - Current liabilities</b>		<b>123.02</b>	<b>201.69</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>1,488.02</b>	<b>1,405.82</b>

See accompanying notes to the Financial Statements

As per our report of even date attached

For SANJEEV ANAND & ASSOCIATES

Chartered Accountants

Firm Regn. No. 007171C



Place: Ghaziabad  
Dated: 26.05.2023

*Sumit Gupta*  
(Sumit Gupta)  
FCA  
M.No. 423453  
UDIN 23423453BGWJJT6889

For & ON BEHALF OF BOARD  
For NIRAJ ISPAT INDUSTRIES LTD.

*Vaishali Chaudhry*  
(Vaishali Chaudhry)  
Director  
Din 01719640  
*Niraj Chaudhry*  
(Niraj Chaudhry)  
CFO

*Chaitanya Chaudhry*  
(Chaitanya Chaudhry)  
Director and CEO  
Din 06813394  
(Shadman Khan)  
Company Secretary

# NIRAJ ISPAT INDUSTRIES LIMITED



**SANJEEV ANAND & ASSOCIATES**  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

PARTICULARS	Note No.	Year ended on 31.03.2023	Year ended on 31.03.2022
<b>I Revenue from operations</b>	16	556.94	487.36
<b>II Other Income</b>	17	70.44	46.06
<b>III Total income</b>		<b>627.38</b>	<b>533.42</b>
<b>IV Expenses</b>			
(a) Cost of raw materials consumed	18	272.91	289.23
(b) Changes in Inventories of Finished Goods, work-in-progress and Stock-in-trade	19	3.44	2.96
(c) Employee Benefit Expenses	20	31.41	28.51
(d) Finance Cost	21	1.25	6.08
(e) Depreciation & Amortization Expenses	1	16.81	16.94
(f) Other Expenses	22	78.80	88.92
<b>Total expenses</b>		<b>404.61</b>	<b>432.63</b>
<b>V Profit before exceptional item &amp; tax (III - IV)</b>		<b>222.77</b>	<b>100.79</b>
<b>VI Exceptional Items</b>			
<b>VII Profit/(loss) before tax (V-VI)</b>		<b>222.77</b>	<b>100.79</b>
<b>VIII Tax Expenses</b>			
Income tax for previous year		0.22	0.24
Current Tax		56.48	25.51
Deferred Tax		(0.73)	(0.23)
<b>IX Profit for the years (VII-VIII)</b>		<b>166.80</b>	<b>75.27</b>
<b>X Other Comprehensive Income for the period</b>			
A (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
<b>Total Other Comprehensive Income</b>			
<b>XI Total Comprehensive income for the year</b>		<b>166.80</b>	<b>75.27</b>
<b>XII Earnings per share</b>			
Basic and Diluted		27.80	12.54
<b>XIII Notes forming part of financial statement</b>			

See accompanying notes to the Financial Statements

As per our report of even date attached

For SANJEEV ANAND & ASSOCIATES

Chartered Accountants

Firm Regn. No. 007171C



Place: Ghaziabad  
Dated: 26.05.2023

*Sumit Gupta*  
(Sumit Gupta)

FCA

M.No. 423453

UDIN 23423453BGWJJT6889

For & ON BEHALF OF BOARD  
For NIRAJ ISPAT INDUSTRIES LTD.

*Vaishali Chaudhry*  
(Vaishali Chaudhry)  
Director  
Din 01719640

*Chaitanya Chaudhry*  
(Chaitanya Chaudhry)  
Director and CEO  
Din 06813394

*Niraj Chaudhry*  
(Niraj Chaudhry)  
CFO

(Shadman Khan)  
Company Secretary

# NIRAJ ISPAT INDUSTRIES LIMITED



SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

## M/S NIRAJ ISPAT INDUSTRIES LTD

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. in Lakh)

<u>PARTICULARS</u>	<u>31.03.2023</u>	<u>31.03.2022</u>
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Profit before tax and extraordinary items	222.77	100.79
<u>Adjustments for :</u>		
Depreciation	16.81	16.94
Finance Cost	1.25	6.08
Other Income from Investments	(69.17)	(46.06)
Prov. for change in Fair value of Shares	(1.27)	-
Operating profit before working capital changes	170.38	77.75
<u>Adjustments for :</u>		
Trade & Other Receivables	(104.70)	(11.78)
Inventories	2.46	(0.74)
Trade & Other Payables	(84.75)	83.06
Cash generated from operations	(16.61)	148.29
Direct Taxes	(56.48)	(25.51)
Previous Year Adjustment	(0.22)	(0.24)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(73.31)</b>	<b>122.54</b>
<b><u>CASH FLOW FROM INVESTMENTS ACTIVITIES</u></b>		
Purchase of fixed assets	(0.41)	(1.57)
Sale of fixed assets	-	-
Other Income from Investments	69.17	46.06
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>68.76</b>	<b>44.49</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Proceeds from Unsecured Loans	(5.21)	(170.04)
Proceeds from borrowing from working capital	6.09	0.34
Proceeds from borrowing from term loans	-	-
Increase / (Decrease) in Investments	-	-
Interest paid	(1.25)	(6.08)
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>(0.37)</b>	<b>(175.78)</b>
Net change in cash and cash equivalents	(4.92)	(8.76)
Cash and cash equivalents as at 1st April	6.67	15.42
Cash and cash equivalents as at 31st March	1.75	6.67

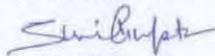
#### Note:-

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS-7
- Figures in bracket indicate Cash Outflow



Place: Ghaziabad  
Dated: 26.05.2023

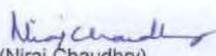
As per our report of even date attached  
For SANJEEV ANAND & ASSOCIATES  
Chartered Accountants  
Firm Regn. No. 007171C

  
(Sumit Gupta)  
FCA  
M.No. 423453  
UDIN 23423453BGWJTT6889

For & ON BEHALF OF BOARD  
For NIRAJ ISPAT INDUSTRIES LTD.

  
(Vaishali Chaudhry)  
Director  
Din 01719640

  
(Chaitanya Chaudhry)  
Director and CEO  
Din 06813394

  
(Niraj Chaudhry)  
CFO

(Shadman Khan)  
Company Secretary

# NIRAJ ISPAT INDUSTRIES LIMITED



**SANJEEV ANAND & ASSOCIATES**  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2023

#### A. Equity Share Capital

(Rs. in Lakh)

Equity Shares of Rs. 10/- each issued, subscribed and fully paid	No. of Shares	Amount
As at April 1, 2021	6.00	60.00
Issued during the year	-	-
As at March, 31 2022	6.00	60.00
Issued during the year	-	-
As at March, 31 2023	6.00	60.00

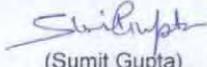
#### B. Other Equity

	General Reserve	Retained Earnings	Total
As at April 1, 2021	138.83	775.07	913.90
Profit for the year	-	75.27	75.27
Transfer within equity	15.00	(15.00)	-
Other Comprehensive Income	-	-	-
<b>Total Comprehensive income</b>	<b>15.00</b>	<b>60.27</b>	<b>75.27</b>
-Final dividend on equity Shares	-	-	-
-Tax on Final dividend on equity Shares	-	-	-
As at March 31, 2022	153.83	835.33	989.17
Profit for the year	-	166.80	166.80
Transfer within equity	15.00	(15.00)	-
Other Comprehensive Income	-	-	-
<b>Total Comprehensive income</b>	<b>15.00</b>	<b>151.80</b>	<b>166.80</b>
-Final dividend on equity Shares	-	-	-
-Tax on Final dividend on equity Shares	-	-	-
As at March 31, 2023	168.83	987.14	1,155.97



As per our report of even date attached  
For SANJEEV ANAND & ASSOCIATES  
Chartered Accountants  
Firm Regn. No. 007171C

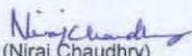
Place: Ghaziabad  
Dated: 26.05.2023

  
(Sumit Gupta)  
FCA  
M.No. 423453  
UDIN 23423453BGWJJT6889

For & ON BEHALF OF BOARD  
For NIRAJ ISPAT INDUSTRIES LTD.

  
(Vaishali Chaudhry)  
Director  
Din 01719640

  
(Chaitanya Chaudhry)  
Director and CEO  
Din 06813394

  
(Niraj Chaudhry)  
CFO

(Shadman Khan)  
Company Secretary



# NIRAJ ISPAT INDUSTRIES LIMITED

Notes on Financial Statement for the year ended 31st March, 2023

Niraj Ispat Industries Limited

1. (a) Property, Plant and equipment

(Rs. in Lakh)

Particulars	Computer	Lab Equipment	Air Compressor	Weighning Scale	Air Dryer	Tubewell & Pump	Grinder	Packing Machine	Moulds & Dies	Tangibles Total (B)
<u>Cost/Deemed Cost</u>										
At 1 April 2022	0.32	0.01	0.52	0.18	0.01	0.14	0.02	0.25	0.05	1.52
Additions	-	-	-	-	-	-	-	-	-	-
Deductions	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	0.32	0.01	0.52	0.18	0.01	0.14	0.02	0.25	0.05	1.52

Accumulated depreciation and impairment

At 1 April 2022	0.15	-	0.29	0.05	-	0.08	0.01	0.07	-	0.66
Depreciation expenses	-	-	0.05	0.01	-	0.01	0.00	0.02	-	0.09
Deductions	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	0.15	-	0.34	0.07	-	0.09	0.01	0.09	-	0.76

Carrying Value

At 31 March 2023	0.17	0.01	0.18	0.12	0.01	0.05	0.01	0.16	0.05	0.76
At 31 March 2022	0.17	0.01	0.22	0.13	0.01	0.06	0.01	0.18	0.05	0.86
Useful Life of the assets (years)	3	10	15	15	15	15	15	15	15	
Method of depreciation	SLM									





# NIRAJ ISPAT INDUSTRIES LIMITED

Notes on Financial Statement for the year ended 31st March, 2023

Niraj Ispat Industries Limited

1. (a) Property, Plant and equipment

(Rs. in Lakh)

Particulars	Leasehold land	Factory Buildings	Furniture & Fixture	Electric Installation	Crane	Generator	Type Writer	Tools & Implements	Plant and Machinery	Tangibles Total (A)
<u>Cost/Deemed Cost</u>										
At 1 April 2022	2.16	1.55	0.14	3.32	0.00	1.66	0.00	0.04	236.02	244.90
Additions	-	-	-	-	-	-	-	-	0.41	0.41
Deductions	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	2.16	1.55	0.14	3.32	0.00	1.66	0.00	0.04	236.43	245.31

Accumulated depreciation and impairment

At 1 April 2022	-	0.90	0.07	2.67	-	0.94	-	0.02	94.53	99.13
Depreciation expenses	-	-	0.01	-	-	0.16	-	0.00	16.16	16.33
Deductions	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	-	0.90	0.07	2.67	-	1.10	-	0.02	110.70	115.46

Carrying Value

At 31 March 2023	2.16	0.66	0.06	0.65	0.00	0.56	0.00	0.02	125.74	129.85
At 31 March 2022	2.16	0.66	0.07	0.65	0.00	0.72	0.00	0.02	141.49	145.77
Useful Life of the assets (years)	NA	30	60	10	10	15	10	15	15	
Method of depreciation	NA	SLM								



# NIRAJ ISPAT INDUSTRIES LIMITED



## Notes on Financial Statement for the year ended 31st March, 2023

Niraj Ispat Industries Limited

### 1. (a) Property, Plant and equipment

(Rs. in Lakh)

Particulars	Air Cooler	Vehicle	Energy Control Equipment	Pollution Control Equipment	Fire Equipment	Fixture & Accessories	Office Equipment	Air Conditioner	Tangibles Total (C)	Grand Total (A + B + C)
<b>Cost/Deemed Cost</b>										
At 1 April 2022	0.01	0.11	0.14	0.14	3.48	78.65	0.38	2.32	85.24	331.65
Additions	-	-	-	-	-	-	-	-	-	0.41
Deductions	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	0.01	0.11	0.14	0.14	3.48	78.65	0.38	2.32	85.24	332.06
<b>Accumulated depreciation and impairment</b>										
At 1 April 2022	0.01	-	0.07	-	0.72	65.81	0.16	0.41	67.18	166.98
Depreciation expenses	-	-	-	-	0.21	-	0.03	0.15	0.39	16.81
Deductions	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	0.01	-	0.07	-	0.93	65.81	0.19	0.56	67.57	183.79
<b>Carrying Value</b>										
At 31 March 2023	0.01	0.11	0.07	0.14	2.55	12.84	0.18	1.77	17.67	148.27
At 31 March 2022	0.01	0.11	0.07	0.14	2.77	12.84	0.21	1.91	18.05	164.67
Useful Life of the assets (years)	15	8	10	15	15	10	10	15		
Method of depreciation	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM		

### 1. (b) Capital Work in Progress

As there is no amount outstanding in Capital Work in Progress for current year as well as for previous year. Therefore, the ageing details of Capital Work in progress is not required.

### 1. (c) Disclosure for title deeds of immovable property held by the Company

All the Title deeds of immovable property are held in the name of the company.

### 1. (d) Disclosure for Benami Property held by Company

The company is not having any Benami Property as defined under The Benami Transaction (Prohibition) Act, 1988.



# NIRAJ ISPAT INDUSTRIES LIMITED



SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>2. NON CURRENT INVESTMENT</b>		
<b><u>(a) Quoted Shares</u></b>		
Aggregate Value of Investment	0.15	0.15
Less: Prov. for fair value	0.15	0.15
<b>Total (a)</b>	<b>-</b>	<b>0.01</b>
<b><u>(b) Quoted Debenture &amp; Bonds</u></b>		
Aggregate Value of Investment	0.11	0.11
Less: Prov. for fair value	0.11	0.11
<b>Total (b)</b>	<b>-</b>	<b>-</b>
<b><u>(c) Unquoted Shares</u></b>		
Aggregate Value of Investment	2.00	2.00
Less: Prov. for fair value	(22.47)	(21.19)
<b>Total (c)</b>	<b>24.46</b>	<b>23.18</b>
Aggregate amount of quoted Investment (at Cost)	0.27	0.27
Aggregate amount of Unquoted Investment (at Cost)	2.00	2.00
	<b>2.26</b>	<b>2.26</b>
Aggregate amount of quoted Investment (at Fair Value)	-	0.01
Aggregate amount of Unquoted Investment (at Fair Value)	24.46	23.18
	<b>24.46</b>	<b>23.19</b>
<b>3. OTHER NON CURRENT ASSETS</b>		
<u>(Unsecured, Considered good unless stated otherwise)</u>		
Security Deposits	8.05	8.05
<b>TOTAL:</b>	<b>8.05</b>	<b>8.05</b>
<b>4. INVENTORIES</b>		
(As taken, valued and certified by the management)		
(At lower of cost and net realizable value unless stated otherwise)		
Raw Materials	11.47	9.52
Finished & Semi-finished Goods	9.58	13.02
Stores, Spares & Packing Materials	1.46	2.43
<b>TOTAL:</b>	<b>22.51</b>	<b>24.97</b>





# NIRAJ ISPAT INDUSTRIES LIMITED

**SANJEEV ANAND & ASSOCIATES**  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022
-------------	---------------------	------------------

### 5. TRADE RECEIVABLES

Unsecured and Considered good	74.46	83.29
	<u>74.46</u>	<u>83.29</u>

#### Ageing of Trade Receivables

Outstanding for following periods from invoice date	As at 31.03.2023		As at 31.03.2022	
	Unsecured, Considered Good		Unsecured, Considered Good	
	Disputed	Undisputed	Disputed	Undisputed
Less than 6 months	-	71.80	-	83.29
6 months - 1 year	-	2.66	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More Than 3 Years	-	-	-	-
<b>Total</b>	-	<b>74.46</b>	-	<b>83.29</b>

Before accepting any new customer, the Company uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year.

The Company does not hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Company to the counterparty.

Trade receivables hypothecated as security against borrowings.

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

### 6. CASH AND CASH EQUIVALENT

Cash In hand	0.38	0.32
<u>Balances with banks</u>		
In current and deposit accounts	1.37	6.35
<b>TOTAL:</b>	<u>1.75</u>	<u>6.67</u>

### 7. OTHER CURRENT ASSETS

(Unsecured, considered good unless stated otherwise)

Advances recoverable in cash or in kind or for value to be received	1,206.48	1,067.13
<u>Other Loans and advances:</u>		
Prepaid Expenses	1.19	1.59
Balances with statutory / government authorities	0.84	26.25
<b>TOTAL:</b>	<u>1,208.51</u>	<u>1,094.98</u>





# NIRAJ ISPAT INDUSTRIES LIMITED

SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>8. SHARE CAPITAL</b>		
<b>Authorised Capital</b>		
6,00,000 Equity Shares of Rs.10/-each (Previous year 6,00,000 Equity Shares of Rs.10/-each)	60.00	60.00
<b>Issued, Subscribed capital</b>		
6,00,000 Equity Shares of Rs.10/-each (Previous year 6,00,000 Equity Shares of Rs.10/-each)	60.00	60.00
<b>Paid -up Capital</b>		
6,00,000 Equity Shares of Rs.10/-each (Previous year 6,00,000 Equity Shares of Rs.10/-each)	60.00	60.00
<b>TOTAL:</b>	<b>60.00</b>	<b>60.00</b>

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend, if proposed by the Board of Directors is subject to the approval of the shareholders in ensuing general meeting.

Details of shareholding more than 5%	As on 31.03.2023		As on 31.03.2022	
	Name of the share holder	No. of shares	% Held	No. of shares
Smt. Madhu Chaudhary	1,49,600	24.93%	1,49,600	24.93%
Sh. Neeraj Chaudhary (HUF)	54,300	9.05%	54,300	9.05%
M/s Pickup Suppliers (P) Ltd.	53,900	8.98%	53,900	8.98%
Haryant Stainless Steel LLP	47,900	7.98%	47,900	7.98%
Sh. Neeraj Chaudhary	61,600	10.27%	61,600	10.27%
Smt. Vaishali Chaudhry	30,400	5.07%	30,400	5.07%

### Details of shareholding held by the promoter / promoter Group:

Name of the share holder	As on 31.03.2023		As on 31.03.2022		% change during the year
	No. of shares	% Held	No. of shares	% Held	
Smt. Madhu Chaudhary	1,49,600	24.93%	1,49,600	24.93%	-
Sh. Niraj Chaudhry	61,600	10.27%	61,600	10.27%	-
Sh. Neeraj Chaudhary (HUF)	54,300	9.05%	54,300	9.05%	-
Smt. Vaishali Chaudhry	30,400	5.07%	30,400	5.07%	-
Smt. Anuradha Kanodia	20,000	3.33%	20,000	3.33%	-
Ms. Vaidehi Chaudhry	5,200	0.87%	5,200	0.87%	-
M/s Pickup Suppliers (P) Ltd.	53,900	8.98%	53,900	8.98%	-
Haryant Stainless Steel LLP	47,900	7.98%	47,900	7.98%	-
Niraj Steel LLP	24,600	4.10%	24,600	4.10%	-



# NIRAJ ISPAT INDUSTRIES LIMITED



SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>9. OTHER EQUITY</b>		
General Reserve	168.83	153.83
Retained Earnings	987.14	835.33
<b>TOTAL:</b>	<b>1,155.97</b>	<b>989.17</b>

(i) **General reserve**

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year.

Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit or loss account to the General reserves.

(ii) **Retained Earnings**

Retained earnings are the profits that the company has earned till date less any transfer to general reserve, dividends or other distribution paid to shareholders.

## 10. LONG-TERM BORROWINGS

### Unsecured Loans

From Related Parties	-	0.97
From Body-Corporate & Others	132.10	136.33
<b>Net Amount</b>	<b>132.10</b>	<b>137.31</b>

## 11. DEFERRED TAX LIABILITY

Deferred Tax Liability (Net)	16.93	17.66
<b>TOTAL:</b>	<b>16.93</b>	<b>17.66</b>

Deferred tax balance in relation to	As at 31st March 2022	Recognised / reversed through P & L	As at 31st March 2023
Property, plant and equipment	17.66	(0.73)	16.93
<b>Total</b>	<b>17.66</b>	<b>(0.73)</b>	<b>16.93</b>

Deferred tax balance in relation to	As at 31st March 2021	Recognised / reversed through P & L	As at 31st March 2022
Property, plant and equipment	17.89	(0.23)	17.66
<b>Total</b>	<b>17.89</b>	<b>(0.23)</b>	<b>17.66</b>



# NIRAJ ISPAT INDUSTRIES LIMITED



VIPIN KUMAR & COMPANY  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>12. <u>SHORT TERM BORROWINGS</u></b>		
<b><u>Secured working capital Loans:</u></b>		
Bank of India	6.43	0.34
<b>Net Amount</b>	<b>6.43</b>	<b>0.34</b>

Working capital limits are secured by first charge on the entire current assets of the company including stocks of raw material, work-in-progress, finished goods, book-debts both present & future. Working capital limits are further secured by way of equitable mortgage of immovable property of the company at D-10, B.S. Road Industrial Area, Ghaziabad and personal guarantee of the directors of the company.

## **13. TRADE PAYABLE**

Dues of micro and small enterprises	1.06	0.81
Sundry Creditors	95.66	159.90
<b>TOTAL:</b>	<b>96.73</b>	<b>160.71</b>

Amount due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to micro and small enterprises is as below:

(i) Principal amount remaining unpaid to supplier at the end of the year	1.06	0.79
(ii) Interest due / accrued thereon remaining unpaid to supplier at the end of the year	-	0.03
(iii) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-

### **Ageing of Trade Payables**

Outstanding for following periods from booking date	As at 31.03.2023		As at 31.03.2022	
	Undisputed		Undisputed	
	MSME	Other	MSME	Other
Less than 1 year	1.06	95.52	0.81	159.74
1-2 years	-	0.09	-	0.15
2-3 years	-	-	-	-
More Than 3 Years	-	0.05	-	0
<b>Total</b>	<b>1.06</b>	<b>95.66</b>	<b>0.81</b>	<b>159.95</b>

## **14. SHORT TERM PROVISIONS**

Provision for Income tax	10.28	25.51
	<b>10.28</b>	<b>25.51</b>



# NIRAJ ISPAT INDUSTRIES LIMITED



SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>15. OTHER CURRENT LIABILITIES</b>		
Advance from Customers	2.72	2.87
Liabilities for Expenses	4.81	7.31
Liabilities for Taxes	2.06	4.95
<b>TOTAL:</b>	<b>9.58</b>	<b>15.13</b>
<b>16. REVENUE FROM OPERATIONS</b>		
Sale of Product	556.94	487.36
<b>TOTAL:</b>	<b>556.94</b>	<b>487.36</b>
<b>17. OTHER INCOME</b>		
Interest	69.17	46.06
Misc Income	1.27	-
<b>TOTAL:</b>	<b>70.44</b>	<b>46.06</b>
<b>18. COST OF RAW MATERIAL CONSUMED</b>		
Inventory at the beginning of the year	9.52	4.57
Add: Purchases	274.85	294.18
	284.38	298.75
Less: Inventory at the end of the year	11.47	9.52
<b>Cost of raw material consumed</b>	<b>272.91</b>	<b>289.23</b>
<b>18.1 VALUE OF IMPORTED/INDEGENOUS RAW MATERIAL CONSUMED</b>		
<b>DESCRIPTION</b>	<b>Year ended on 31.03.2023</b>	<b>Year ended on 31.03.2022</b>
Imported	-	-
Imported (% of consumption)	0.00%	0.00%
Indigenous	272.91	289.23
Indigenous (% of consumption)	100.00%	100.00%
<b>TOTAL:</b>	<b>272.91</b>	<b>289.23</b>
<b>19. CHANGES IN INVENTORIES OF FINISHED &amp; SEMI FINISHED GOODS</b>		
Inventories at the beginning of the year	13.02	15.98
Inventories at the end of the year	9.58	13.02
<b>TOTAL:</b>	<b>3.44</b>	<b>2.96</b>





# NIRAJ ISPAT INDUSTRIES LIMITED

SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

PARTICULARS	Year ended on 31.03.2023	Year ended on 31.03.2022
<b>20. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages & Bonus	31.32	28.46
Staff Welfare Expenses	0.09	0.04
<b>TOTAL:</b>	<b>31.41</b>	<b>28.51</b>
<b>21. FINANCE COST</b>		
Interest on borrowings	0.86	5.67
Bank Commission & Charges	0.38	0.41
<b>TOTAL:</b>	<b>1.25</b>	<b>6.08</b>
<b>22. OTHER EXPENSES</b>		
Consumption of Stores & Spares	27.11	27.00
Electricity Expenses	29.31	33.91
Security Charges	-	0.09
<u>Repairs &amp; Maintenance :</u>		
Plant & Machinery	7.49	11.68
Freight & Forwarding	1.11	1.12
Packing Charges	2.13	3.77
Telephone Expenses	0.36	0.33
Printing & Stationery	0.33	0.29
Postage & Telegram	0.07	0.10
Travelling and Conveyance	0.55	0.03
Legal & Professional Expenses	1.33	1.44
<u>Payment to Auditors as :</u>		
Audit Fees	0.22	0.17
for Taxation Matter	0.08	0.08
Insurance	3.83	3.86
Rates, Taxes & Fees	4.32	4.25
Advertisement	0.42	0.50
Miscellaneous Expenses	0.15	0.31
<b>TOTAL:</b>	<b>78.80</b>	<b>88.92</b>





# NIRAJ ISPAT INDUSTRIES LIMITED

SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

### 23. TAX EXPENSES

#### (a) Income tax expense / (benefits)

##### Current tax :

Current tax	56.48	25.51
Tax refund / reversal pertaining to earlier years	0.22	0.24

##### Deferred tax :

Deferred tax	(0.73)	(0.23)
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#### Total Tax expense / (benefit)

<b>55.96</b>	<b>25.52</b>
--------------	--------------

#### (b) Reconciliation of effective tax rate :

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

DESCRIPTION	CURRENT YEAR	PREVIOUS YEAR
Net income before taxes	222.77	100.79
Enacted tax rate in India	25.17%	25.17%
Computed tax expense	56.07	25.37
<b><u>Increase/(reduction) in taxes on account of:</u></b>		
Income exempt from taxation /Items not deductible	0.41	2.08
Effect of tax pertaining to prior years	0.22	0.24
Tax expense for the year	56.70	27.68
Effective income tax rate	<b>25.45</b>	<b>27.47</b>

Statutory Income Taxes are assessed as per the provisions of section 115BAA of the Income Tax Act, 1961.

### 24. EARNINGS PER SHARE

Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	166.80	75.27
Weighted average No. of Equity Shares	6,00,000	6,00,000
<b>Basic and Diluted Earning per share (Rs.)</b>	<b>27.80</b>	<b>12.54</b>
Face value per equity share (Rs.)	10.00	10.00



# NIRAJ ISPAT INDUSTRIES LIMITED



SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

### 25. FINANCIAL INSTRUMENTS

#### 25.1 Capital Risk Management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, Bank balances other than cash and cash equivalents.

DESCRIPTION	As at 31.03.2023	As at 31.03.2022
Long term borrowings	132.10	137.31
Current maturities of long term debt	-	-
Short term borrowings	6.43	0.34
Less: Cash and cash equivalent	(1.75)	(6.67)
<b>Net debt</b>	<b>136.78</b>	<b>130.98</b>
Total equity	1,215.97	1,049.17
Gearing ratio	0.11	0.12

1. Equity includes all capital and reserves of the Company.

2. Debt is defined as long term and short term borrowings.

#### 25.2 Categories of financial instruments

DESCRIPTION	As at 31.03.2023	As at 31.03.2022
<b>Financial assets</b>		
<b>Measured at amortised cost</b>		
Non-current investment	24.46	23.19
Trade receivables	74.46	83.29
Cash and cash equivalents	1.75	6.67
<b>Total financial assets at amortised cost (A)</b>	<b>100.67</b>	<b>113.15</b>
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
Long term Borrowings #	132.10	137.31
Short term Borrowings	6.43	0.34
Trade payables	96.73	160.71
<b>Total financial liabilities carried at amortised cost (B)</b>	<b>235.25</b>	<b>298.36</b>

# including current maturities of long term debt.





# NIRAJ ISPAT INDUSTRIES LIMITED

SANJEEV ANAND & ASSOCIATES  
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## NIRAJ ISPAT INDUSTRIES LIMITED

### NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

#### **26. Financial risk management**

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk and
- Liquidity risk

#### **26.1 Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

#### **26.1.1 Commodity price risk**

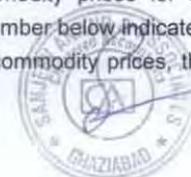
The Company's revenue is exposed to the market risk of price fluctuations related to the sale of its products (Buttons). Market forces generally determine prices for the buttons sold by the Company. These prices may be influenced by factors such as demand and supply, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sale of its products.

The Company primarily procured its raw materials i. e. Resin, Styrene, Pigment & Chemicals etc. in the open market from third parties during the financial year ended 31.03.2023 and is therefore subject to fluctuations in prices.

The Company aims to sell the products at prevailing market prices. Similarly the Company procures key raw materials like Resin, Styrene, Pigment etc. based on prevailing market rates as the selling prices of buttons and the prices of input raw materials move in the same direction.

The Company as a matter of policy has not hedged the commodity risk.

The following table details the Company's sensitivity to a 5% movement in the input price of Resin, Styrene, Pigments etc. The sensitivity analysis includes only 5% change in commodity prices for quantity sold or consumed during the year, with all other variables held constant. A positive number below indicates an increase in profit where the commodity prices increase by 5%. For a 5% reduction in commodity prices, there would be a comparable impact on profit, and the balances below would be negative.





# NIRAJ ISPAT INDUSTRIES LIMITED

**SANJEEV ANAND & ASSOCIATES**  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

DESCRIPTION	Increase/(Decrease)	
	31-Mar-23	31-Mar-22
Resin, Styrene, Pigment etc.	13.74 (13.74)	14.71 (14.71)

### 26.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in MCLR rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2023 would decrease / increase by Rs.6,430/- (for the year ended 31 March 2022: decrease / increase by Rs. 5,551/-). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

### 26.2 Credit risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties.

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

Credit risk on receivables is also mitigated by securing the same against letters of credit and guarantees of reputed nationalised and private sector banks. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. No single customer accounted for 10% or more of revenue in any of the years indicated. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

### Ageing of Trade Receivable

DESCRIPTION	As at 31.03.2023	As at 31.03.2022
0-180 days	71.80	83.29
180-365 days	2.66	-
Above 365 days	-	-





# NIRAJ ISPAT INDUSTRIES LIMITED

**SANJEEV ANAND & ASSOCIATES**  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

### **26.3 Liquidity risk management**

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The management of the Company has established an appropriate liquidity risk management framework for Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

#### **Liquidity exposure as at 31 March 2023**

DESCRIPTION	< 1 Year	> 1 Year	Total
<b>Financial assets</b>			
Trade receivables	74.46	-	74.46
Cash and cash equivalents	1.75	-	1.75
Other financial assets	-	-	-
<b>Total financial assets</b>	<b>76.21</b>	<b>-</b>	<b>76.21</b>
<b>Financial liabilities</b>			
Long term borrowings	-	132.10	132.10
Short term borrowings	6.43	-	6.43
Trade payables	96.73	-	96.73
Other financial liabilities	-	-	-
<b>Total financial liabilities</b>	<b>103.16</b>	<b>132.10</b>	<b>235.25</b>

#### **Liquidity exposure as at 31 March 2022**

DESCRIPTION	< 1 Year	> 1 Year	Total
<b>Financial assets</b>			
Trade receivables	83.29	-	83.29
Cash and cash equivalents	6.67	-	6.67
Other financial assets	-	-	-
<b>Total financial assets</b>	<b>89.96</b>	<b>-</b>	<b>89.96</b>
<b>Financial liabilities</b>			
Long term borrowings	-	137.31	137.31
Short term borrowings	0	-	0
Trade payables	160.71	-	160.71
Other financial liabilities	-	-	-
<b>Total financial liabilities</b>	<b>161.05</b>	<b>137.31</b>	<b>298.36</b>

The Company has pledged its trade receivables and cash & cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered.

# NIRAJ ISPAT INDUSTRIES LIMITED



SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

### NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

#### **27. RELATED PARTY DISCLOSURE:**

Name of Related parties and description of relationship with whom transactions have taken place during the year:-

- (a) Key Management Personnel :
- Smt. Vaishali Chaudhry
  - Sh. Chaitanya Chaudhry
  - Sh. Niraj Chaudhry
  - Sh. Shadman Khan
- (b) Relative of Key Management Personnel :
- Sh. H. K. Chaudhry
- (c) Entities controlled by Directors and their Relatives :
- M/s Pick Up Suppliers Pvt. Ltd.
  - Himgiri Hotels Pvt. Ltd.
  - Carnation Projects Pvt. Ltd.
  - Habitat Infrastructure Pvt. Ltd.
  - North India Petochemicals Ltd.
  - Olive Infrastructure Pvt. Ltd.
  - Spiderman Infrastructure Pvt. Ltd.
  - Lupin Infrastructure Pvt. Ltd.
  - Amanat Builders Pvt. Ltd.

The Company's related party transactions during the year are as below :

Nature of Transaction	(Rs. In Lacs)					
	Key Management Personnel		Relative of Key Management Personnel		Entities Controlled by Directors & Their relatives	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
<b>Expenses</b>						
Remuneration Paid	9.60	5.41	-	-	-	-
Interest Paid	0.03	0.80	-	-	-	4.81
Loans Taken	-	60.00	-	-	-	19.50
Loans Repaid	0.97	116.00	-	38.58	-	100.00
Loans Advanced	-	-	-	-	211.50	25.02
Loans Received back	-	-	-	-	132.70	79.75
Interest Earned	-	-	-	-	68.83	33.64

The above related party information have been disclosed to the extent such parties have been identified by the management on the basis of information available. This has been relied upon by the Auditors

#### **28. CONTINGENT LIABILITIES**

Contingent Liabilities not provided NIL (Previous Year Rs. Nil)





# NIRAJ ISPAT INDUSTRIES LIMITED

SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lakh)

<u>29. VALUE OF IMPORTS ON CIF BASIS</u>	<u>Current Year</u>	<u>Previous Year</u>
Capital Goods	-	-
	<hr/>	<hr/>
	-	-

<u>30. INCOME/ EXPENDITURE IN FOREIGN CURRENCY</u>	<u>Current Year</u>	<u>Previous Year</u>
EXPENDITURE	Nil	Nil
EARNINGS	Nil	Nil

## 31. SIGNIFICANT ACCOUNTING POLICIES

### **31.1 Statement of Compliance**

Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 26th May 2023.

### **31.2 Basis of Preparation of Financial Statements**

These financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting.

Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

### **31.3 Property, Plant & Equipment**

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

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

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.

Depreciation on property, plant and equipment is provided using straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013





# NIRAJ ISPAT INDUSTRIES LIMITED

**SANJEEV ANAND & ASSOCIATES**  
Chartered Accountants

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## NIRAJ ISPAT INDUSTRIES LIMITED

### NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

#### **31.4 Inventory**

Inventories are stated at the lower of cost and net realizable value except in case of waste and scrap which are valued at net realizable value.

Cost of raw material includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

#### **31.5 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenues on sale of products, net of discounts, returns, sales taxes and duties when the products are delivered to customer or when delivered to a carrier for export sale, when significant risks and rewards of ownership pass to the customer. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable. Revenue from sale of waste and scrap are included in revenue.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, using effective interest rate.

#### **31.6 Employee Benefit**

Contributions to Provident Fund, a defined contribution plan are made in accordance with the statute, and are recognized as an expense when employees have rendered service entitling them to the contribution.

Company's contribution to state defined contribution plan namely, Employee State Insurance are made in accordance with the statute, and are recognized as an expenses when employees have rendered services entitling them to the contribution.

#### **31.7 Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

#### **31.8 Foreign Currency Transaction**

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian Rupee (₹).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise.





# NIRAJ ISPAT INDUSTRIES LIMITED

SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

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## NIRAJ ISPAT INDUSTRIES LIMITED

### NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

#### **31.9 Financial Instruments**

##### **31.9.1 Financial Assets**

###### **31.9.1.1 Initial recognition and measurement**

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

###### **31.9.1.2 Subsequent measurement**

###### **31.9.1.2.i Financial assets carried at amortised cost**

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

###### **31.9.1.2.ii Financial assets at fair value through other comprehensive income (FVTOCI)**

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

###### **31.9.1.2.iii Financial assets at fair value through profit or loss (FVTPL)**

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

###### **31.9.1.3 Impairment of Financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

##### **31.9.2 Financial Liabilities**

###### **31.9.2.1 Initial recognition and measurement**

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

###### **31.9.2.2 Subsequent measurement**

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

##### **31.9.3 Derecognition of Financial Instruments**

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





# NIRAJ ISPAT INDUSTRIES LIMITED

**SANJEEV ANAND & ASSOCIATES**  
Chartered Accountants

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## NIRAJ ISPAT INDUSTRIES LIMITED

### NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

#### **31.10 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

##### **31.10.1 Current Tax**

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the provisions of section 115BAA of the Income Tax Act, 1961.

##### **31.10.2 Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

#### **31.11 Provision**

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

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

#### **31.12 Earning Per Share**

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) 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 shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.





# NIRAJ ISPAT INDUSTRIES LIMITED

SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

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## NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

### 32. CRITICAL ESTIMATION AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Estimation of useful lives of property, plant and equipment – Note 1

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

- Estimation of Provisions – Note 14

- Estimation of current tax expense and payable – Note 23

The Company's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, if any, including amount expected to be paid/recovered for uncertain tax positions. Further, significant judgement is exercised to ascertain amount of deferred tax asset (DTA) that could be recognised based on the probability that future taxable profits will be available against which DTA can be utilized and amount of temporary difference in which DTA can not be recognised on want of probable taxable profits

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.





# NIRAJ ISPAT INDUSTRIES LIMITED

SANJEEV ANAND & ASSOCIATES  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

### NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

#### 33. Key Ratios

Ratio	As at 31st March 2023	As at 31st March 2022	Variance	Reason for variance
(a) Current Ratio (in times) $\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$	10.63	6.00	77.13%	The variance is on account of increase in current liabilities as compared to previous year.
(b) Debt Equity Ratio (in times) $\frac{\text{Total Debts}}{\text{Total Equity}}$	0.11	0.13	-13.17%	
(c) Debt Service Coverage Ratio (in times) $\frac{\text{EBIDTA}}{\text{(Interest Expense + Principle Repayments made during the period for long term debts)}}$	28.63	0.56	5031.00%	The variance is on account of reduction in Borrowings as compared to previous year.
(d) Return on Equity Ratio (%) $\frac{\text{Net Profit After Tax}}{\text{Average Networth}}$	14.73%	7.44%	97.93%	The variance is on account of increase in profit after tax as compared to previous year.
(e) Inventory turnover Ratio (in times) $\frac{\text{Cost of Goods Sold}}{\text{Average Inventory}}$	16.55	18.00	-8.04%	
(f) Trade Receivable turnover Ratio (in Times) $\frac{\text{Revenue from Operation}}{\text{Average Trade Receivable}}$	7.06	6.46	9.34%	
(g) Trade Payable turnover Ratio (in Times) $\frac{\text{Net Purchases}}{\text{Average Trade Payables}}$	2.34	2.57	-8.91%	
(h) Net Capital Turnover Ratio (in times) $\frac{\text{Revenue From Operation}}{\text{Net Working Capital}}$	0.47	0.48	-2.71%	
(i) Net Profit Margin Ratio (%) $\frac{\text{Profit After Tax (after exceptional items)}}{\text{Revenue from Operations}}$	29.95%	15.44%	93.93%	The variance is on account of increase in profit after tax as compared to previous year.
(j) Return on Capital Employed (in times) $\frac{\text{Profit before Interest, Tax and Exceptional Item}}{\text{Average Capital Employed}}$	0.15	0.08	84.50%	The variance is on account of increase in profit as compared to previous year.





# NIRAJ ISPAT INDUSTRIES LIMITED

**SANJEEV ANAND & ASSOCIATES**  
Chartered Accountants

## NIRAJ ISPAT INDUSTRIES LIMITED

### NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

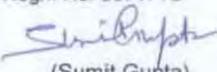
#### **34. OTHER STATUTORY INFORMATION**

- a. The Company does not have any benami property, where any proceedings has been initiated or pending against the Company for holding any benami property;
- b. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year;
- c. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- d. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- e. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- f. The Company is not declared wilful defaulter by any bank or financial institutions or lender during the year.
- g. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- h. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- i. The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- j. The title deeds of all the immovable properties disclosed in the financial statements included in property, plant and equipment and capial work-in-progress are held in the name of the Company as at the balance sheet date.
35. The previous period figures have been regrouped / reclassified / rearranged, wherever necessary to confirm to the current year presentation.



Place: Ghaziabad  
Dated: 26.05.2023

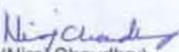
As per our report of even date attached  
For SANJEEV ANAND & ASSOCIATES  
Chartered Accountants  
Firm Regn. No. 007171C

  
(Sumit Gupta)  
FCA  
M.No. 423453  
UDIN 23423453BGWJJT6889

For & ON BEHALF OF BOARD  
For NIRAJ ISPAT INDUSTRIES LTD.

  
(Vaishali Chaudhry)  
Director  
Din 01719640

  
(Chaitanya Chaudhry)  
Director and CEO  
Din 06813394

  
(Nira Chaudhry)

(Shadman Khan)



# NIRAJ ISPAT INDUSTRIES LIMITED

**Form No. MGT-11**

**Proxy Form**

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

**CIN: L27106DL1985PLC021811**

**Name of the Company: Niraj Ispat Industries Limited**

**Registered Office: 5140-41/34, F/F Chaudhary Market Gali Peti Wali, Rui Mandi, Sadar Bazar, Delhi 110006**

Name of the Member(s) :

Registered Address :

E-mail ID :

Folio No/DPID No. :

Client ID No. :

I/We, being the member(s) of ..... Shares of the above named company, hereby appoint.

1. Name.....,E- mail ID.....

Address .....

Signature....., or failing him/her

2.Name.....,E- mail ID.....

Address .....

Signature....., or failing him/her

3. Name.....,E- mail ID.....

Address .....

Signature.....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38<sup>th</sup>Annual General Meeting of the company, to be held on Friday, the 29<sup>nd</sup> September, 2023 at 11.00 AM at 5140-41/34, F/F



# NIRAJ ISPAT INDUSTRIES LIMITED

Chaudhary Market Gali Peti Wali, Rui Mandi, Sadar Bazar, Delhi-110006, and at any adjournment thereof in respect of such resolutions as are indicated below:

## ORDINARY BUSINESS

- 1) Adoption of the Standalone Audited Financial Statements of the Company for the financial year ended 31st March 2023 together with the Reports of the Board of Directors and the Auditors thereon.
- 2) Appointment of Ms. Vaishali Chaudhry (DIN 01719640), liable to retire by rotation .

## SPECIAL BUSINESS

- 3) Approval for Increase in remuneration of Mr. Chaitanya Chaudhry, Director and CEO (DIN: 06813394)

Affix  
Revenue  
Stamp

Signed this..... day of.....2023

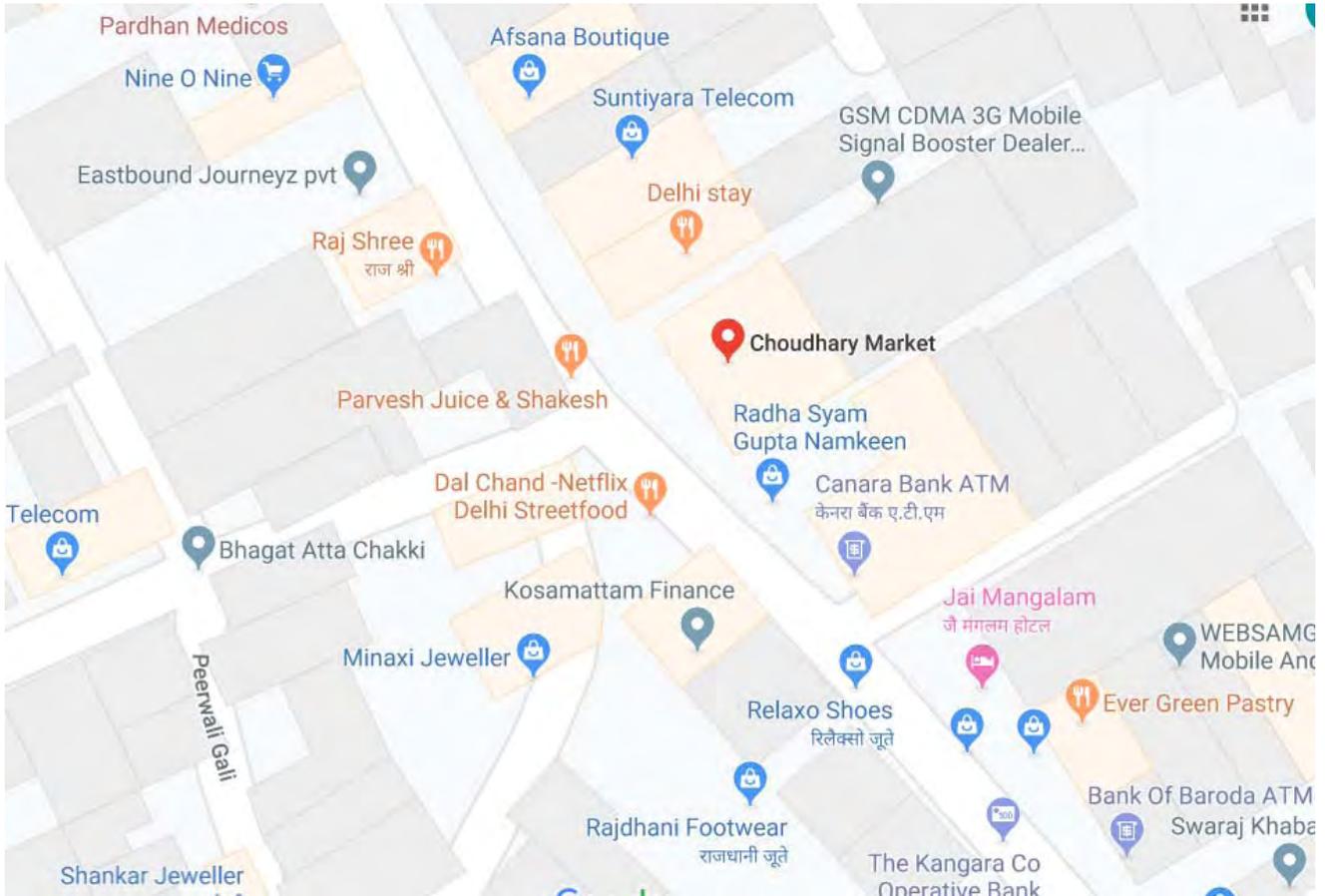
Signature of Shareholder Signature of Proxy holder(s)

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



# NIRAJ ISPAT INDUSTRIES LIMITED

## Route Map:





# NIRAJ ISPAT INDUSTRIES LIMITED

## 38<sup>TH</sup> Annual General Meeting

Name of the Shareholder (in Block Letter) : .....  
Regd. Folio No. /DP. Id/ Client Id: .....  
Name of the Proxy (s) (in Block Letter) : .....  
(to be filled in, if a proxy attends instead  
of a member)  
No. of Shares held : .....

I certify that I am a registered Shareholders/Proxy for the registered shareholder of the Company.

I hereby record my presence at the 38<sup>th</sup> Annual General Meeting of the company to be held on Friday, 29<sup>th</sup> September, 2023 at 11.00 A.M. at 5140-41/34, F/F Chaudhary Market Gali Peti Wali, Rui Mandi, Sadar Bazar, Delhi-110006

.....  
.....

**Member's/Proxy's Name in BLOCK Letters**

**Member's/Proxy's Signature**

**Note:**

- (1) Please fill in this attendance slip and hand it over at the entrance of the Meeting Hall.
- (2) Member's Signatures should be in accordance with the specimen signatures registered with the Company
- (3) Please bring your copy of the Annual Report for reference at the Meeting

\* Applicable for Members holding shares in physical form.