



NITIRAJ ENGINEERS LIMITED

(CIN: - L31909MH1999PLC119231)

**Electronic Weighing Scales & Systems
Currency Counting Machines
Digital Fare Meters**

ANNUAL REPORT 2017-18

19th ANNUAL GENERAL MEETING

On Wednesday, the 26th day of September 2018.

AT DOSTI CLUB HI-FLY (CLUB HOUSE)
DOSTI FLAMINGOS, T.J. ROAD, SEWRI (WEST),
MUMBAI – 400 015 (NEAR SEWRI BUS DEPOT).
(Place Other than Registered Office within the City)

Registered Office :

306 A, BABHA BUILDING MARG

NEAR POLICE STATION, MUMBAI – 400011 (MH) INDIA

Contact No :- +91-2562-239080, Fax No :- 02562-239332

Website :- www.nitiraj.net E-Mail Id :- investor@nitiraj.net

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COMPANY INFORMATION**BOARD OF DIRECTORS**

- Chairman & Managing Director : MR. RAJESH RAGHUNATH BHATWAL
- Whole Time Director & Women Director : MRS. SHAKUNTALA RAJESH BHATWAL
- Whole Time Director : MR. HUNG SIN CHUNG HUANYI
- Independent Director : MR. ANIL NANDKISHOR BANGAD
- Independent Director : MR. PRADEEP CHANDRAKANT SHAH
- Independent Director : MR. SHABBIR SADRUDDIN MASANI
- Chief Financial Officer : MR. KAILAS MADANLAL AGRAWAL
E-mail: expenses@nitiraj.net

- Company Secretary & Compliance Officer : MR. ANKUSH PATIL
E-mail: investor@nitiraj.net

- Registered Office : 306 A Babha Building, N. M. Joshi Marg,
Near Police Station, Mumbai-400011
Maharashtra, India.
Website : www.nitiraj.net
E-mail: investor@nitiraj.net

- Corporate Office : City Survey No. 496 A/3, 4,
Behind Gurudwara, Mumbai - Agra Road, Dhule-424001
Email :- investor@nitiraj.net

- Statutory Auditors : **P. D. DALAL & CO.,**
Chartered Accountants 11, Town Centre I,
Andheri Kurla Road, Marol, Andheri (East), Mumbai –
400059
E-mail Id: askakaria@gmail.com

- Secretarial Auditors : **PIYUSH WANI AND ASSOCIATES,**
Practicing Company Secretaries,
1255/1, Behind Manik Chowk, Nandurbar - 425412 (MH)
E-mail Id :- cspiyushwani@gmail.com

- Shares listed with : National Stock Exchange of India Limited,
(SME EMERGE)

- Registrar & Share Transfer Agents : **BIGSHARE SERVICES PRIVATE LIMITED**
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Andheri East, Mumbai 400059

- Bankers : **HDFC Bank Limited, Dhule.**

BOARD COMMITTEES**• Audit Committee**

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

• Nomination and Remuneration Committee

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

• Stakeholders Relationship Committee

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

• Corporate Social Responsibility Committee

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

• Internal Complaints Committee

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

• Sexual Harassment Committee

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

NOTICE OF THE 19TH ANNUAL GENERAL MEETING

To,
The Members of,
NITIRAJ ENGINEERS LIMITED
(CIN- L31909MH1999PLC119231)
306, A BABHA BUILDING N.M. JOSHI MARG
NEAR POLICE STATION,
MUMBAI - 400011

NOTICE is hereby given that the 19th Annual General Meeting of **NITIRAJ ENGINEERS LIMITED** will be held on Wednesday, 26th September, 2018 at 10:30 a.m. at the Dosti Club Hi-Fly (Club House), Dosti Flamingos, T. J. Road, Sewri (West), Mumbai-400015 (Near Sewri Bus Depot) (Other than Registered Office within the City).

TO TRANSACT THE FOLLOWING BUSINESS: -

ORDINARY BUSINESS:

1. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
 - a) **“RESOLVED THAT** the Standalone Audited Financial Statements of the Company for the Financial Year 2017-18 together with the Reports of the Board of Directors’ and Auditors’ thereon of the Company for the year 2017-18 as presented to the meeting, be and hereby, approved and adopted.”
 - b) **“RESOLVED THAT** the Consolidated Financial Statements of the Company for the year 2017-18 together with the Reports of the Auditors’ thereon of the Company for the year 2017-18 as presented to the meeting, be and hereby, approved and adopted.”
2. To consider re-appointment of Mrs. Shakuntala Rajesh Bhatwal (holding DIN : 01953906), who retires by rotation in terms of Section 152(6) of the companies Act,2013 and being eligible offers herself for re-appointment. For details of Director seeking re-appointment at the Annual General meeting please refer Annexure I

3. To Re-Appointment Of Auditors and Fix their remuneration

To re-appoint M/s. P. D. Dalal & Co., Chartered Accountants, Mumbai for the Financial Year 2018-19 as Statutory Auditor of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142 of the Companies Act, 2013, M/s. P. D. Dalal & Co., Chartered Accountants, Mumbai (Firm Registration No: 102047W), be and is hereby re-appointed as the Statutory Auditor of the Company and have confirmed their eligibility to be appointed as Auditor in terms of Provision of Section 141 of the Act, and Rule 4 of the Rules to audit the accounts up-to the conclusion of the forthcoming Annual General Meeting of the Company, on a remuneration to be decided by the Board or its Committee with the Audit of the Account of the Company for the Financial Year ended March 31st 2019.

**For and On behalf of the Board of Directors,
NITIRAJ ENGINEERS LIMITED**

(RAJESH RAGHUNATH BHATWAL)
Managing Director
DIN- 00547575

Place : Dhule

Date : 25th August 2018

Registered Office :- 306, A BABHA BUILDING
N M JOSHI MARG, NEAR POLICE STATION
MUMBAI – 400011.

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on poll instead of himself / herself and a proxy need not be a member of the Company. The instrument of Proxy in order to be effective should be deposited at its Registered Office of the Company not later than forty-eight hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding 50 members and holding in aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholders.
3. In-terms of Section 101 and 136 of the Companies Act, read together with Rules made there under electronic copy of the Annual Report and the notice of the Annual General Meeting of the Company along with attendance slip and proxy form are being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes, unless any member has requested for a hard copy of the same on our e-mail ID **investor@nitiraj.net**. For members who have not registered their email address, physical copies of the above documents are being sent in the permitted mode.
4. Corporate Members intending to send their authorized representative to attend AGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at AGM
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members desiring any information relating to the Accounts are requested to write to the Company well in advance so as to enable management to keep the information ready.
7. Members holding shares in electronic form are requested to advise change of addresses to their Depository Participants.
8. Members are requested to intimate their email id at investor@nitiraj.net in order to meet the requirement of green initiatives.

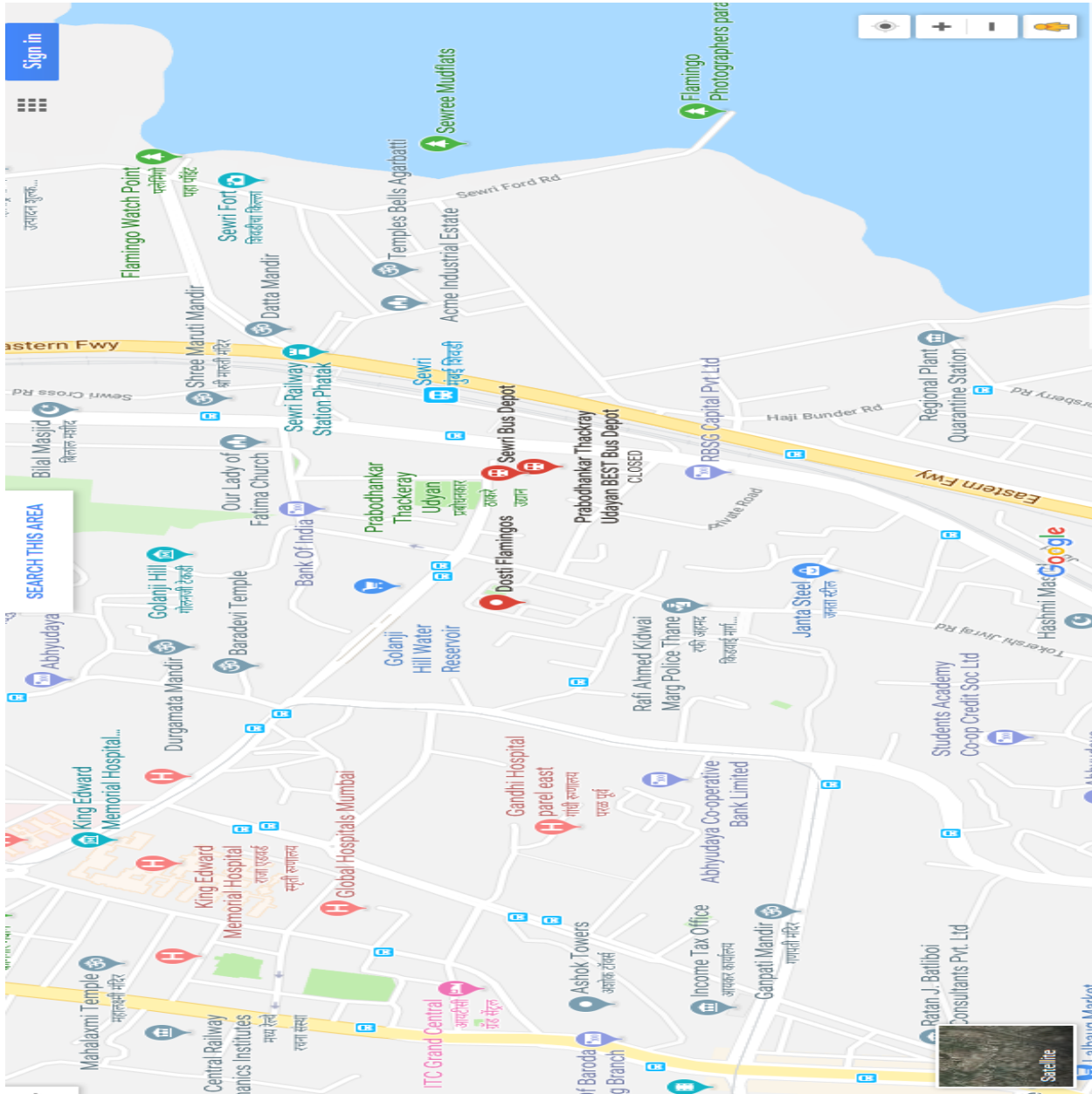
9. Members are requested to affix their signatures at the space provided on the attendance slip annexed to proxy form and handover the slip at the entrance of the meeting hall
10. Members may also note that the notice of the Annual General Meeting and the Annual Report will also be available on the Company's website for their download (**www.nitiraj.net**). The physical copies of the aforesaid documents will also be available at the Company's Registered Office at 306 A Babha Building, N M Joshi Marg, Near Police Station, Mumbai - 400011, during office hours on working days except holidays between 11.00 a.m. to 1.00 p.m. for inspection. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost.
11. Pursuant to provision of Section 91 of the Companies Act, 2013 and Listing Agreement, the Register of Members and Share Transfer Book will remain closed from 19th September 2018 to 26th September 2018 (Both days inclusive).
12. Electronic copy of Notice of the AGM along with Annual Report 2017-18 including proxy form, attendance slip is being sent by electronic mode to those members who is registered as a member as on 28th August, 2018 on their registered E-mail ID. For those shareholders whose name stands registered in the register of member as on Tuesday, 28th August, 2018 and who have not registered their E-mail Address, Physical copy of notice of the Annual general Meeting along with Annual reports, including Proxy form, and attendance slip is being sent to them in the permitted mode.
13. With reference to Rule 20 of the Companies (Management and Administration) Amendment Rule 2015 your Company is listed on SME Platform of NSE is not required to provide e-voting process for the consolidation of resolution, proposed at the General Meeting.
14. Shareholders are also informed that voting shall be by Polling paper. The company will make the arrangement of polling papers in this regards at the meeting Venue. The company has set Wednesday 19th September, 2018 as the Cutoff date for taking record of the shareholders of the company who will be eligible for casting their vote on the resolution to be passed in the ensuring AGM.
15. The Board of Directors has appointed CA Piyush Agrawal, Chartered Accountants (Membership No. 135041) as scrutinizer to scrutinize the voting at the meeting in a fair transparent manner.

ANNEXTURE

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

Name of the Director	SHAKUNTALA RAJESH BHATWAL
DIN	01953906
Date of Birth	18/12/1966
Date of Appointment of the Board	27/04/1999
Brief Resume, Qualification and nature of expertise in functional areas	<p>Mrs. Shakuntala Bhatwal, is the Whole-time and Women Director of our Company. She has done B.E. Electronics from University of Mumbai and has an experience of over 25 years in the area of manufacturing Electronic Weighing Scales. She is actively.</p> <p>Working with Nitiraj since incorporation. Her job responsibilities include overseeing manufacturing activities, sourcing of components, administrative work etc. She is well conversant with Electronic Industry and latest emerging trends in Electronics.</p>
Directorship in other Public Companies	NIL
Membership/Chairmanship of Committee of other Public Companies	NIL
No. of Shares held in the Company	Mrs. Shakuntala Bhatwal holds 18,16,800 Equity Shares in our Company

Route Map to venue of AGM



LETTER TO SHAREHOLDERS

Dear Shareholders,

We are very delighted to share that the 19th AGM of Nitiraj Engineers will be held on 26th September 2018 at Mumbai. It is our pleasure to share the performance of the company with you and present the Annual Report for the financial year 2017-18.

Your company is a leading manufacturer of electronic & mechanical weighing scale machines, currency counting machines and electronic meters since incorporation. The user industries for its products spread across sectors like Jewellery, Banks, NBFCs, Kirana Stores, commercial establishments, healthcare centers, hospitals, Governments of States and Central Government, transportation etc.

Your company now produces more than one lakh scales per year and have more than 10 lakh customers. The company has been catering to customer's evolving needs effectively and have wide product range with well-connected sales and service network of 13 branches and over 430 dealers. All our products are being sold under the brand "Phoenix" through our large network of dealers to our customers in India as well as abroad.

As a part of strategy of expanding the products range and adding new products from time to time, coupled with growth in demand, the company is setting up an entirely new manufacturing unit in Dhule with an additional capacity of 2.5 lakh weighing scales with a revenue potential of Rs. 50 crore at 100% utilisation in the next two years.

Land of eight acres have been acquired for this new unit and as a part of this expansion, we are in process of installing machineries. We have also been increasing our geographical reach by entering new States, appointing additional dealers & agents in developing markets, increasing our participation in local trade fairs, exhibitions and other such events, enhancing brand image through increased spend on advertisements and other promotional activities.

We would like to assure that we will continuously seek opportunities and make our best efforts to contribute towards the growth and success of the organization. We extend our sincere appreciation to our colleagues on the board for their wise and matured counsel for the smooth functioning of the company. We would like to express our profound gratitude to all our stakeholders, our customers, business associates, employees, bankers, vendors and shareholders who have reposed their trust in us and given us constant support.

With warm regards,

Yours sincerely,

Sd/-

Rajesh Bhatwal,

Managing Director,

Nitiraj Engineers Limited

CHAIRMAN'S MESSAGE

It gives me great pleasure to welcome you to the 19th Annual General Meeting of your Company and share with you the growth and developments realized by our economy and your Company.

The year 2017-18 was marked by various structural reforms by the Government. Significant steps like introduction of Goods & Services Tax (GST), FDI (Foreign Direct Investment) opportunities, resolution of banks NPAs (non-performing assets) and recapitalization were witnessed during the year. Export growth strengthened further in FY18 after remaining muted for last couple of years.

World Bank estimates India's economic growth to accelerate to 7.3% in FY19 and 7.5% in FY20 as against an estimate of 6.6% growth for FY18. The bank estimates strong growth in private consumption and services would continue to support India economic growth. Introduction of GST is expected to support economic activity and fiscal sustainability over the long term, by reducing the cost of complying with multiple state tax systems, drawing informal activity into the formal sector and expanding the tax base. Moreover, private investments are expected to revive as the corporate sector adjusts to the GST.

With the overall outlook of country's economic growth looks promising, weighing scale machine industry is also slated to grow and shows promising outlook going ahead. The industry is expected to rise exponentially in the coming years led by rise in demand for weighing scales in various institutions and retail stores. The government has allocated total budget expenditure of Rs 52,800 crore for FY19 for Health & Family Welfare, which is about 11% increase over the last year's budget target for the segment. There is a significant scope for enhancing healthcare services in rural areas considering that healthcare spending as a percentage of GDP is very low as compared to other countries. Rural India, which accounts for over 70% of the population, is set to emerge as a potential demand source for weighing machines.

Demand from Aanganwadis has been really encouraging and outlook looks promising for the period going ahead. Increasing awareness in terms of obesity and malnutrition in rural & semi-urban areas have been one of the key driving factor for our growth. ICDS (Integrated Child Development Services) is a welfare programme by the Government which provides food, pre-school education, and primary healthcare to children under six years of age and their mothers. These services are provided from Aanganwadi Centres established mainly in rural areas. As these Aanganwadis lack proper measures to weigh infants and children, Government aims to replace all the manual weighing scales with the electronic weighing scales. With Aanganwadis being set up in small villages and towns, this will lead to rise in number of Aanganwadis and generation of good demand for electronic weighing scales.

Your company is eyeing for large orders from both State and Centre Governments. It has recently received orders for mother and child weighing scales from state governments of Madhya Pradesh,

Telangana, Maharashtra and Orissa. Further developments on this front will improve the revenue growth and profitability of the company during the current year.

During the year your company has received orders for 35,000 mother and child weighing scales. Madhya Pradesh Government has ordered 21,000 machines, 6,000 from Telangana, 5,000 from Maharashtra and 3,000 from Orissa. Besides the company has received orders for 11,000 platform machines with latest technology of Bluetooth from Govt. of Telangana. 1400 IGMS (Infant Growth Monitoring System) machines in Kolhapur. Besides the company has also received for 22,616 digital weighing scales order from the Women Development & Child Welfare Department in Andhra Pradesh.

During the year your company has reported revenues of Rs 38.83 crore, EBIDTA of Rs 3.77 crore and Profit after tax of Rs 3.07 crore.

Our R&D team carries out regular research & analysis along with client studies enabling us to be at par with international players so that there is an ongoing innovation which is reflected in all our products. We believe that we are well positioned to take advantage of the immense opportunities available for growth of our business.

Concluding Note

I am confident that Nitiraj Engineers, with its committed associates, excellent customers, wide product range and strong and stable management team will continue to deliver significant value to all its stakeholders in the years to come and will achieve every milestone in the journey to success.

I would like to thank all our shareholders, investors, employees, customers and all other stakeholders, who have always stood by us. With our focused business strategy, dynamic management team and a pool of professional talent, we are poised for growth.

I look forward to your continued support in the coming years to take this Company to the next level of growth and a Leader in Electronic Weighing Scales and Systems in India.

Yours Sincerely,

Sd/-

Rajesh RaghunathBhatwal
Chairman & Managing Director

DIRECTOR'S REPORT

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

Your Directors have a pleasure in presenting the **19th Annual Report** on the business and operation of the Company together with the Audited Financial Accounts for the year ended **31st March, 2018**.

1. FINANCIAL HIGHLIGHT

Financial results of your Company for the year ended 31st March 2018 are summarized below.
(Standalone)

(Amount in Lacs)

Particulars	Financial Statement	
	2017-18	2016-17
Income from Operations (A)	3882.85	5349.30
Other Income (B)	227.23	30.86
Total revenue (A) + (B)	4110.08	5380.1
Total Expenses including Depreciation and Finance Cost	3685.74	4694.84
Profit before exceptional item and Tax	424.33	685.30
Exceptional Item	0.00	0.00
Profit before Tax (PBT)	424.33	685.29
Tax expense	116.91	225.00
Profit for the year (PAT)	307.42	460.29

During the year under review, the Company has recorded revenue of Rs. 4110.08 Lakhs as compared to the previous year amount of Rs. 5380.1 Lakhs. The Expenditure incurred including depreciation during the year was Rs. 3685.74 Lakhs as against the amount of Rs. 4694.84 Lakhs during the previous year.

Hence, the Company has earned a Net Profit after tax of Rs. 307.42 Lakhs as compared to the previous year amount of Rs. 460.29 Lakhs. The Board has taken all necessary steps to expand its activities by making new technologies and innovations and also by adding new services and products.

2. CHANGE IN THE NATURE OF BUSINESS

There have not been any changes in the nature of business of the Company during financial year 2017-18.

3. SHARE CAPITAL

There is no change in Share Capital of the company during financial year 2017-18.

4. DIVIDEND

To retain the profit of the Company, your Directors has not declared any dividend during the year.

5. CHANGE IN NAME

The company has not changed its name during financial year 2017-18.

6. RESERVES

The Board of the Company has decided to carry Rs. 307.42 Lacs to the Reserves of the Company as on 31st March 2018.

7. THE BOARD AND KMP :

(a) Composition of the Board of Directors :

The Company has following composition of the Board

- | | |
|--------------------------------|---------------------------------------------|
| 1. Mr. Rajesh Bhatwal | Managing Director and Executive Director |
| 2. Mrs. Shakuntala Bhatwal | Whole Time Director and Women Director |
| 3. Mr. Hung Sin Chung Huanyi | Whole Time Director Executive Director |
| 4. Mr. Anil NandkishorBangad | Independent Director Non-Executive Director |
| 5. Mr. PradeepChandrakant Shah | Independent Director Non-Executive Director |
| 6. Mr. ShabbirSadruddinMasani | Independent Director Non-Executive Director |

(b) Independent Directors :

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 Mr. Anil Nandkishor Bangad (DIN: 07186755), Mr. Pradeep Chandrakant Shah (DIN: 07186761), continue as Independent Directors and Mr. Shabbir Sadruddin Masani (DIN: 07553206) appointed in 2016 as Independent Directors of the Company

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (the Act) that they meet with the criteria of their independence laid down in Section 149(6) of the Act.

(c) Retirement by Rotation :-

In terms of Section 152 of the Companies Act, 2013 Mrs. Shakuntala Bhatwal (DIN: 01953906), Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offered himself for re-appointment.

The Board confirms that none of the Directors of the Company is disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and necessary declaration has been obtained from all the Directors in this regard.

(d) Appointment and Changes of Key Managerial Personnel during the Year

➤ Pursuant to the provisions of Section 2(18) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014, Mr. Kailas Agrawal, was appointed as Chief Financial Officer of the Company with effect from 16th August, 2016.

Pursuant to the provisions of Section 2(18) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014, Mr. Suraj Tiwari was appointed as Company Secretary of the Company with effect from 10th August, 2017. The same Mr. Suraj Tiwari resigned from post of Company Secretary and Compliance Officer as on 30th January 2018 and Mr. Ankush Patil was appointed as Company Secretary and Compliance Officer of the Company since 01st February 2018.

8. DETAILS OF REMUNERATION TO DIRECTORS :-

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

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

9. DECLARATION BY INDEPENDENT DIRECTORS:-

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

10. COMMITTEES OF THE BOARD

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

(a) Audit Committee

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

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

The role of the Audit Committee shall include the following:

1. Oversight of my Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to my Board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in my Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions; and
 - (g) Qualifications in the draft audit report.
 - Reviewing, with the management, the quarterly financial statements before submission to my Board for approval;
 - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to my Board to take up steps in this matter;
 - Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the listed entity with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the listed entity, wherever it is necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
5. Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
6. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
7. Discussion with internal auditors any significant findings and follow up thereon; Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a

material nature and reporting the matter to the board;

8. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
9. To look in to the reasons for substantial defaults in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors;
10. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
11. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
12. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(b) Nomination and Remuneration Committee

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

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

- In terms of the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee is responsible for formulating the criteria for determining the qualifications, attributes and Independence of a Director. The Nomination and Remuneration Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management. In line with the requirement, the Board has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management which is as follows.

Objectives of the Policy

The objectives of this policy are as detailed below:

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

- The policy also addresses the following items: Committee member qualifications; Committee member appointment and removal; Committee structure and operations; and Committee reporting to the Board.
- To formulate the criteria for evaluation of performance of all the Directors on the Board;
- To devise a policy on Board diversity; and
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of Directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent Directors.
- To lay out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals.

Remuneration Policy

- The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Compensation philosophy is to align Directors and Nitiraj Minds compensation with my business objectives, so that compensation is used as a strategic tool that helps us recruit, motivate and retain highly talented individuals who are committed to my core values. I believe that my compensation programs are integral to achieving my goals. Through its compensation program, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance of the Company. The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and performance incentives, commission (variable component) to its Chairman, Managing Director and other Executive Directors. Annual increments are decided by the Nomination & Remuneration Committee within the salary scale approved by the Board and Shareholders.

(c) Stakeholder Relationship Committee:-

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

The Composition of the Committee is as under:

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

Set forth below are the terms of reference of my Stakeholders Relationship Committee.

1. Considering and resolving grievances of shareholders, debenture holders and other security holders;
2. Redressal of grievances of the security holders of my Company, including complaints in respect of transfer of shares, non-receipt of declared dividends, balance sheets of my Company, etc.;
3. Allotment of Equity Shares, approval of transfer or transmission of equity shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.
5. Overseeing requests for dematerialization and re-materialization of shares; and
6. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

Investor Grievance Redressal Policy

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

17. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:

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

18. RISK MANAGEMENT POLICY

The Company has formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk. The Risk management procedure will be reviewed by the Audit Committee and Board of Directors on time to time basis.

19. POLICY ON PRESERVATION OF THE DOCUMENTS

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

20. POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

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

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

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

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

During the year ended 31st March, 2018, the Company has not received any complaint pertaining to sexual harassment.

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

The Company has adopted “Anti-Sexual Harassment Policy” constituted “Redressed Committee” as required under section 4 (1) of Sexual harassment of women at work place (prevention, prohibition and redressal) Act, 2013.

During the year under review, no complaint of harassment at the workplace was received by the Committee.

22. AUDITORS :

(a) Statutory Auditors:-

M/s. P. D. Dalal & Co, Chartered Accountants, Mumbai, Firm Registration Number 102047W, were re-appointed as Statutory Auditors of the Company in the Annual General Meeting held on 28th September 2017 to hold office until the conclusion of the upcoming Annual General Meeting. It has been recommended to re-appoint M/s. P. D. Dalal & Co., Chartered Accountants, as Statutory Auditors of the Company until the conclusion of the forthcoming next Annual General Meeting of the Company

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

Accordingly, proposal for their re-appointment as Statutory Auditors is being placed before the shareholders for approval at the 19th Annual General Meeting.

(b) Secretarial Auditors:

M/s. Piyush Anilkumar Wani and Associates, Nandurbar Firm of Practicing Company Secretaries, having Membership No. 46049 and Certificate Practice Number 19225 were appointed as Secretarial Auditors of the Company as per provisions of Section 204 of the Companies Act, 2013 and Rules made there under for the Financial Year 2018-19. The Secretarial Audit Report for the Financial Year 2017 - 18 form part of the Annual Report as Annexures to the Board Report. As the Board is satisfied with the performance of these Secretarial Auditors, the Board proposes to appoint them as Internal Auditors for the Financial Year 2018-19 also.

23. AUDITORS' REPORT**Statutory Audit Report :-**

M/s. P. D. Dalal and Co., Chartered Accountants, Mumbai, Firm Registration Number 102047W have issued their Report for the Financial Year ended 31st March 2018.

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

- According to Note 2A(g) on the Significant Accounting Policies the accounting of provision of Gratuity Liability and Leave Encashment Liability is not recorded fully and thus is not in accordance with Accounting Standard 15 on "Employee Benefits" issued by the Institute of Chartered Accountants of India.
- **Clarification:** - The Company has started making provision from current year in the books of accounts as reported to board by the company official.

Disclosure about Cost Audit

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

24. MANAGEMENT DISCUSSION ANALYSIS :-

Management Discussion & Analysis is given as an Annexures A

The Board has been continuing its efforts and taken the required steps in the following areas:

1. Industry Structure and Development
2. Growth Strategy.
3. Segment-Wise Performance
4. Internal Control Systems and their adequacy
5. Strengths, Weaknesses, Opportunities and Threats
6. Financial Performance with respect to Operational Performance
8. Strict Compliances
9. Talent Management, Leadership Development, and Talent Retention.
10. Learning and Development

25. CREDIT & GUARANTEE FACILITIES :-

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

26. INTERNAL AUDIT CONTROLS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal controls, commensurate with the size scale and complexity of its operations. This ensures that all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls.

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

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

Adequacy of internal financial controls with reference to the financial statements

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

27. SETTING UP OF NEW FACTORY UNIT

The Company going to set-up a new factory unit at Companies Corporate Office at CITY SURVEY No. 496, A/3, 4, BEHIND GURUDWARA DHULE 424001.

28. CORPORATE GOVERNANCE

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

Board diversity

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

29. DETAILS OF SUBSIDIARIES JOINT VENTURE OR ASSOCIATES

- The Company has following associated Company as per accounting standard 23 of ICAI. ***HYPER DRIVE INFORMATION TECHNOLOGIES PRIVATE LIMITED*** (CIN U72200KA2005PTC036535) as the holding of the company directly by way if holding is exceeding 25% of the Share Holding and also the same is disclosed in Part B of Annexure and also in related party as per AS 18 of the ICAI Act.

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

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

31. DEPOSITS FROM PUBLIC

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

32. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION,186

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

33. CONSOLIDATED FINANCIAL STATEMENTS:

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

34. INSURANCE:

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

35. EMPLOYEE RELATIONS:

The relationship with the staff and workers continued to be cordial during the entire year. The Directors wish to place on record their appreciation of the valuable work done and co-operation extended by them at all levels. Further, the Company is taking necessary steps to recruit the required personnel from time to time.

36. STATUS OF UTILIZATION OF PROCEEDS RAISED FROM IPO :

- The Company has raised an amount of Rs.2200.80 Lacs through Initial Public Offer by getting itself listed on the Emerge Platform of National Stock Exchange of India Limited. The table below depicts the status of the utilization of the proceeds raised by the Company from IPO:
- Pursuant to the provisions of clause 43 of the listing agreement with the exchange, the disclosure is as follows:

The utilization of the issue proceeds as on 31st March 2018 is as under:

Utilization of money raised through Initial Public Offer

The utilization of the issue proceeds as on 31st March 2018 is as under:

Utilization planned as per prospectus

[Amt. Rs .Lacs]

Particulars	Utilisation planned as per prospectus	Utilisation of IPO proceeds as on 31st March, 2017	Utilisation of IPO proceeds During the FY 2017-18	Balance Amount to be utilized as on 31st March, 2018
Development of new products	525.00	-	34.00	491.00
Setting up manufacturing Unit for the existing and new range of products	575.00	200.35	80.07	294.58
Expansion of Marketing Network and Brand building	500.00	-	25.00	475.00
General Corporate Purposes	500.00	-		500.00
Issue Expenses	100.80	54.56	23.32	22.92
Total	2200.80	254.91	162.39	1783.50

- * The above un-utilized proceeds from the Issue have been deployed in Mutual Funds and partly are in the Bank Account.

37. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

PARTICULARS OF EMPLOYEES

- There are no employees drawing remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- Information as required under the provisions of Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in **Annexures** to the Directors' Report.

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

- There are no material changes and commitments affecting the financial position of the Company from the financial year ended 31st March, 2018 to the date of signing of the Director's Report except that Mr. Ankush Patil appointed as Company Secretary in place of Mr. Suraj Tiwari.

39. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

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

40. CORPORATE SOCIAL RESPONSIBILITY

- The key philosophy of all CSR initiatives of the Company is guided by three core commitments of Scale, Impact and Sustainability.
- Your Company's CSR Policy Statement and Annual Report on the CSR Activities undertaken during the Financial Year ended 31st March, 2018, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this report as Annexures.
- The Company is in process of spending CSR amount.

41. INSIDER TRADING REGULATIONS

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

42. DEPOSITORY SYSTEM

-As the Members are aware, Your Company's shares are trade-able compulsorily in electronic form and your Company has established connectivity with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, the members are requested to avail the facility of Dematerialization of the Company's shares on NSDL & CDSL. The ISIN allotted to the Company's Equity shares is INE439T01012.

43. EXTRACT OF ANNUAL RETURN

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

44. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) In preparation of the Annual Accounts for the financial year ended 31st March 2018, the applicable Accounting Standards have been followed along with proper explanation to material departures;
- (b) The Directors have selected Accounting Policies, consulted the Statutory Auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at end of the financial year and of the profit or loss of the Company, for that period.

- (c) The Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and
 - (d) The Directors have prepared the Annual Accounts of the company on a going concern basis;
 - (e) The Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

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

A. Conservation of Energy:

The Company's core activity is Production of Weighing Scales and related which is polr consuming sector. The Company is making every effort to conserve the usage of polr. Also in the year April 2016 Company has installed solar Electricity Plant in its Corporate Office Dhule, by which Company is tring to save electricity

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

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:
 - (i) Continuous research to upgrade existing products and to develop new products and services.
 - (ii) To enhance its capability and customer service the Company continues to carry out R & D activities in house.

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

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

3. Future plan of action:

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

B. Foreign Exchange Earnings and Outgo

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

(Amount in Rupees)

Particulars	2017-2018	2016-17
Foreign Exchange Earnings	14,23,957	23,88,676
Foreign Exchange Outgo	2,72,93,901	4,84,99,618

46. POST BALANCE SHEET EVENTS

- Mr. Kailas Agrawal was appointed as Chief Financial Officer of the Company pursuant to the provisions of the Companies Act 2013 and Rules made thereunder in the Board Meeting held on August 16, 2017.

- Mr. Ankush Patil was appointed as Company Secretary of the Company pursuant to the provisions of the Companies Act 2013 and Rules made thereunder in the Board Meeting held on February 01st, 2018.

47. ACKNOWLEDGMENTS

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

For and on behalf of the Board of Directors

	Sd/-	Sd/-
Date: 25/08/2018	Rajesh Raghunath Bhatwal	Shakuntala Bhatwal
Place: Dhule	Managing Director	Whole-Time Director
	DIN: 00547575	DIN: 01953906

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

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

Sr. No.	Name	Ratio
1	Mr. Rajesh Bhatwal (Managing Director)	4.80
2	Mrs. Shakuntala Bhatwal (Whole time Director)	0.86
3	Mr. Hung Sin (Whole Time Director)	0.86

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

Sr. No.	Name	Designation	% in Increase
1.	Mr. Rajesh Bhatwal	Managing Director	(-) 24.90%
2.	Mrs. Shakuntala Bhatwal	Whole time Director	(+) 0.62%
3.	Mr. Hung Sin	Whole time Director	(+) 9.21%
3.	Mr. Kailas Agrawal	Chief Finance Officer	(+) 27.21%
4.	Mr. Ankush Patil	Company Secretary	NA

III The number of permanent employees on the rolls of company: 292

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

For and on behalf of the Board of Directors

Date: 25/08/2018

Sd/-

Sd/-

Rajesh Raghunath Bhatwal

Shakuntala Bhatwal

Managing Director

Whole-Time Director

Place: Dhule

DIN: 00547575

DIN: 01953906

CEO AND CFO CERTIFICATION

To,
NITIRAJ ENGINEERS LIMITED
306 A Babha Building N M Marg
Near Police Station
Mumbai – 400011.

Dear Members of the Board,

We have reviewed the Financial Statements and the cash flow statement of Nitiraj Engineers Limited for the year ended 31st March, 2018 and to the best of our knowledge and belief:

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

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

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

FOR NITIRAJ ENGINEERS LIMITED

Place :- Dhule

Sd/-

Sd/-

Date :-25/08/2018

Mr. Rajesh Bhatwal
Managing Director

Mr. Kailas Agrawal
Chief Financial Officer

DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

Dear Members of the Nitiraj Engineers Limited,

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

FOR NITIRAJ ENGINEERS LIMITED

Place :- Dhule

Date :-25/08/2018

Sd/-

Mr. Rajesh Bhatwal

Managing Director

DIN- 00547575

ANNEXURES**Form AOC-1**

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

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

ASSOCIATE

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

Sr. No.	Name of Associate	HYPER DRIVE INFORMATION TECHNOLOGIES PRIVATE LIMITED - Associate Company
1.	Latest Audited Balance Sheet date	31.03.2018
2.	Shares of Associate/Joint Ventures held by the company on the year end	3334 Equity Shares face value of Rs. 10/- each
	Amount of Investment in Associates/Joint Venture (3334 Equity Shares of Rs. 10/- each at premium of Rs. 5990/- each unquoted investment. It includes goodwill paid on acquisition Rs. 3,12,557)	Rs. 2,00,04000/-
	Extent of Holding%	25%
3.	Description of how there is significant influence	Common Promoters and Directors.
4.	Reason why the associate/joint venture is not consolidated	NA
5.	Net worth attributable to our (25%) shareholding as per latest audited Balance Sheet as on 31 st March 2018.	Rs. 1,91,53,125

6.	Profit/Loss for the year	
	i. Considered in Consolidation	Rs. (3,02,602)/-
	ii. Not Considered in Consolidation	NA

In terms of our report attached

FOR NITIRAJ ENGINEERS LIMITED

For P.D. DALAL & Co.

Chartered Accountants

Firm Registration 102047W

(Aashish S. Kakaria)

Partner

Membership No.102915

Rajesh Bhatwal

Managing

Director

Shakuntala Bhatwal Kailas Agrawal

Whole Time and

Women Director

Chief Financial

Officer

PLACE :-Dhule

DATE :-25/08/2018

ANNEXURES

FORM NO. AOC -2

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

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

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

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

In terms of our report attached

For P.D. DALAL & Co.

Chartered Accountants

Firm Registration 102047W

FOR NITIRAJ ENGINEERS LIMITED**(Aashish S. Kakaria)***Partner**Membership No.102915***Rajesh Bhatwal***Managing Director***Shakuntala Bhatwal***Whole Time and
Women Director***Kailas Agrawal***Chief Financial
Officer*

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

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

REPORTING :-

The period for which CSR is being reported is from 01/04/2017 to 31/03/2018. It does not include any information about associate company. The Company has its own CSR policy.

During the year under review the Company is in the process of spending the CSR amount.

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

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

Annexure –**MANAGEMENT DISCUSSION AND ANALYSIS****1. SUMMARY**

In this section, unless the context otherwise requires, a reference to "we", "us" and "our" refers to Nitiraj Engineers Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our restated financial information...

2. OVERVIEW

We are an ISO 9001:2015 certified company, engaged in the manufacture and sale of wide range of Electronic Weighing Scales and Systems, Currency Counting Machines and Electronic Fare Meters. Our product portfolio range caters to both industrial and domestic consumption. Our products are manufactured at our manufacturing unit located at Parwanoo, Himachal Pradesh. We also have manufacturing facility at Silvassa, UT which is not under active use currently. We supply our products under the brand through our large network of dealers to our customers in India as well as abroad.

Our Company now produces more than 1,00,000 Scales per year and have more than one million customers. We have been catering to customers' evolving needs effectively and have wide product range with well connected sales and service network of 13 branches and over 450 dealers.

3. PLANT LOCATION:

The manufacturing facility of our Company is located at Shimla-Kalka Highway, Near Corporation Bank, Khasra No. 961/890 Sector-1, Parwanoo, Tehsil Kasauli, Dist:-Solan, Himachal Pradesh.

Research & Development, Servicing, Purchases, Sales, Customer Support, Administration and Accounts are being handled from our corporate office at Dhule, Maharashtra.

4. RESEARCH AND DEVELOPMENT:

We have well equipped Research & Development Department at the Corporate Office situated at Dhule, Maharashtra. Team of qualified and experienced engineers equipped with modern facilities are engaged in designing and developing electronic hardware and software.

At our Tool Room section in the Parwanoo site, designing & development related to mechanical and plastic parts are undertaken. This tool room is equipped with modern facilities like Vertical Machining Centres (VMCs), Electrical Discharge Machining (EDM), Wire-cut, profile projector as well as sophisticated designing software.

The R & D team carries out regular research and analysis alongwith client studies enabling us to be at par with international players so that there is an ongoing innovation which is reflected in all our products.

5. COMPETITION:

Domestically, we believe that there are no listed companies in India which are engaged in the same business with an equivalent product mix as our Company. However, we face competition from several Indian manufacturers like DevishreeMudran Pvt. Ltd. (Dolphin), Apple Weighinfra Limited, Precision Electronics Instrument Co. (Gold Tech), Sansui Electronics Pvt. Ltd. etc. The major factors which affect competition in our business are product quality, pricing and client servicing. Internationally, competition comes from low-cost products, which are manufactured in China and quality products, which are manufactured in Germany, Italy, Japan etc.

6. BRANCH NETWORKS:

Our Company's strength lies in the Sales Network, comprising of over 84 personnel spread over 13 branch offices across India.

Front-ender (Sales Executive) is the link between customer and the company. Proper communication from front-ender through middle management to the top management, brings out clear requirements of the customers.

We conduct seminars for our Sales people at regular intervals where people from the field interact with each other and share their field experiences. We also update our Sales people with new product developments at these seminars and also seek their suggestions in improving the products of our Company.

7. SWOT ANALYSIS:

STRENGTH

- Successful and growth oriented business history of over 25 years.
- A well renowned brand in field of electronic weighing scales.
- Wide variety of products catering to various client segments.
- ISO 9001:2015, BIS certification and approvals from Legal Metrology Department of Govt. Of India.

- Large marketing, service and dealer network, with 13 branch offices and 400+ dealers across India.
- More than 1 million customers.
- In-house R&D, Tool Room and Moulding facility.
- Continuous new product development

WEAKNESS

- Low entry barrier.
- Dependence on fiscal incentives for better margins.

OPPORTUNITIES

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

THREATS

- Competition from unorganized sector in low-end products

8. FUTURE PROSPECTS

Based on our strengths and dedicated management team we believe that we are well positioned to take advantage of the immense opportunities available for growth of our business. As part of our strategy of continuous new product development we are embarking on a program to extend and expand our product offerings. The proceeds of the present issue will be substantially utilized in development of new products and increase in the marketing network which is expected to bring benefits of enduring nature to our Company.

9. BUSINESS STRATEGY PROCESS

Our business is handled from our corporate office at Dhule, Maharashtra. The corporate office is also divided into different departments to handle sales and billing processes from different avenues. The Research and Development department is also situated within the corporate office

Our sales activity is channelized through these following streams:

- I) Sales from Branch Offices
- II) Sales made by Dealers
- III) Sales to the Institutions.

DECLARATION OF INDEPENDENCE

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

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

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

I certify that:

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

- a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - holds together with my relatives 2% or more of the total voting power of the company; or
 - Is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
7. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
8. I am not less than 21 years of age.

Declaration

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

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

Thanking You,

Yours faithfully,

Sd/-

Anil Nandkishor Bangad

(DIN: 07186755)

Non-Executive and Independent Director

Date: 25/08/2018

Place: Dhule

DECLARATION OF INDEPENDENCE

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

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

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

I certify that:

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

- is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of;
 - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - holds together with my relatives 2% or more of the total voting power of the company; or
 - Is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
7. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
8. I am not less than 21 years of age.

Declaration

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

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

**Thanking You,
Yours faithfully,**

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

**Date: 25/08/2018
Place: Dhule**

DECLARATION OF INDEPENDENCE

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

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

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

I certify that:

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

- a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - holds together with my relatives 2% or more of the total voting power of the company; or
 - Is a Chief Executive or director, by whatever name called, of any non-profit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or
7. I am not a material supplier, service provider or customer or a lessor or lessee of the company;
8. I am not less than 21 years of age.

Declaration

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

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

**Thanking You,
Yours faithfully,**

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

**Date: 25/08/2018
Place: Dhule**

Annexure -**FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2018****[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the****Company (Management & Administration) Rules, 2014]****I. REGISTRATION & OTHER DETAILS:**

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

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.	WEIGHING MACHINERY	C	100 %
2.	OTHER OFFICE MACHINES	C	

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	<i>HYPHER DRIVE INFORMATION TECHNOLOGIES PRIVATE LIMITED, Bangalore, Karnataka</i>	U72200KA2005PTC036535	Associate	25%	Section 2(6) of Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01/04/2017]				No. of Shares held at the end of the year [As on 31/03/2018]				% Change during the year
	De-mat	Physical	Total	% of Tot. Shares	De-mat	Physical	Total	% of Tot. Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	5458800	0	5458800	66.56%	5458800	0	5458800	66.56%	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1):	5458800	0	5458800	66.56%	5458800	0	5458800	66.56%	0
(2) Foreign									
a) NRIs									
-Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)= (A)(1) + (A)(2)	5458800	0	5458800	66.56%	5458800	0	5458800	66.56%	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt. (s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0

f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	27,42,000	0	27,42,000	33.44 %	27,42,000	0	27,42,000	33.44 %	0
Sub-total (B)(1):	27,42,000	0	27,42,000	33.44 %	27,42,000	0	27,42,000	33.44 %	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual sh. holders holding nominal sh. capital up to Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies-D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1) + (B)(2)	27,42,000	0	27,42,000	33.44 %	27,42,000	0	27,42,000	33.44 %	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	82,00,800	0	82,00,800	100%	82,00,800	0	82,00,800	100%	0

(ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total sh.	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total sh.	
1	Mr. Rajesh Bhatwal	33,49,500	40.84%	0	33,49,500	40.84%	0	0
2	Ms. Shakuntala Bhatwal	18,16,800	22.15%	0	18,16,800	22.15%	0	0
3	Ms. Meerabai Bhatwal	49,900	0.60%	0	49,900	0.60%	0	0
4	Mr. Aalok Bhatwal	2,40,000	2.93%	0	2,40,000	2.93%	0	0
5	Ms. Deepa Bhatwal (Khatri)	2,500	0.03%	0	2,500	0.03%	0	0
6	Ms. Prachi Bhatwal	100	-	0	100	-	0	0
	TOTAL	54,58,800	66.56%	0	54,58,800	66.56	0	0

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

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	54,58,000	66.56	-	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL		
At the end of the year	-	-		

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

SN	Name of the Shareholders	Shareholding at the beginning of the year 01.04.2017		Increase / Decrease in Shareholding		Cumulative Shareholding at end of the year 31.03.2018	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
1.	ALACRITY SECURITIES LIMITED	147600	1.79%	79200	-	226800	2.77%
2.	ARIHANT CAPITAL MKT. LTD.	-	-	157200	-	157200	1.92%
3.	DEVHARI EXPORTS INDIA LIMITED	120000	1.46%	-	-	120000	1.46%
4.	PANKAJ JAJU	12000	0.14%	66000	-	78000	0.95%
5.	SURESH JUGRAJ MUTHA	69600	0.85%	-	-	69600	0.85%
6.	ASHISH VISHWAS RAWANDALE	52800	0.64%	-	-	52800	0.64%
7.	PRASHANT PRITHVIRAJ JAIN	33600	0.41%	-	-	33600	0.41%
8.	LATISH M. NAIR	33600	0.41%	-	-	33600	0.41%
9.	NILESH BALKRISHNA KABARE	31200	0.38%	-	-	31200	0.38%
10.	APARAJITA MERCANTILE PVT LTD	31200	0.38%	-	-	31200	0.38%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Name of Directors/ Key Managerial Personnel	Shareholding at the beginning of the year 01.04.2017		Increase / Decrease in shareholding		Cumulative Shareholding at end of the year 31.03.2018	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
1	Mr. Rajesh Bhatwal	3349500	40.8436	-	-	3349500	40.8436
2	Ms. Shakuntala Bhatwal	1816800	22.1539	-	-	1816800	22.1539
3	Mr. Hung Sin Chung Huanyi	600000	7.3164	-	-	628800	7.6675

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

(Amount in Rupees)

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

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

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in Rupees)

S. No	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Rajesh Bhatwal	Mrs. Shakuntala Bhatwal	Mr. Hung Sin Chung Huanyi	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27,04,998/-	4,84,998/-	4,84,998/-	36,74,994/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-

2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify (Professional Fees)	19,00,000	9,00,000	4,80,000/-	32,80,000
	Total (A)	46,04,998/-	13,84,998/-	8,84,998/-	Rs. 69,54,994/-

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

B. Remuneration to other Directors.

(Amount in Rupees)

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

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

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

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS*	CFO*	Total (in Rs)
		Mr. Ankush Patil	Mr. Kailas Agrawal	
	Gross salary	35,592	4,12,600	4,48,192
1	(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	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	35,592	4,12,600	4,48,192

Notes :

- * Mr. Kailas Agrawal has been appointed as CFO of the Company with effect from 16th August, 2017.
- * Mr. Suraj Tiwari has been appointed as Company Secretary of the Company with effect from 10th August, 2017 and he has resigned from the post of Company Secretary with effect from 30th January 2017.
- * Mr. Ankush Patil has been appointed as Company Secretary with effect from 1st February 2018.

VI. Penalties / Punishment/ Compounding of Offences:

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

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

ANNEXURE –**M/S. PIYUSH WANI AND ASSOCIATES,**

Practicing Company Secretary

Office :- 1255/1, Behind Union Bank, Manik Chowk NANDURBAR-425412

FORM NO. MR-3**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED MARCH 31ST, 2018

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

**To,
The Members
NITIRAJ ENGINEERS LIMITED
(CIN-L31909MH1999PLC119231)**

306 A Babha Building, N M Joshi Marg
Near Police Station, Mumbai – 400011.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. NITIRAJ ENGINEERS LIMITED** having the (CIN:-L31909MH1999PLC119231) (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31st, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31st, 2018 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;

At present company has not accepted any foreign direct investment or External Commercial Borrowing.

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

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- **The Company has not made any substantial acquisition of shares during the year under review and has made mandatory disclosures under Regulation 30 (1) and 30(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.**

b) Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015,

The Company is listed of SME Exchange Board. The company has followed all the required compliances as provided under the above Regulation.

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

On Scrutiny it was found that there was no insider trading in the Company during the year under review.

d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

-The company has not given any ESOP to its Employees and Directors during the year under review.

g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

-

- *The Company has not issued or listed any debt securities during the year.*

h) 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 –

- **The Company has appointed M/s. Bigshare Services Private Limited., as Registrar to an Issue and Share Transfer Agent. The Share Transfer Agent has maintained all record of share Transfer thereto in Electronic Form as provided under the Regulation**

i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ;and

j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - .

-The Company has not undertaken any buy back of shares during the year under review.

I am of the opinion that the Management has complied with the following Laws specifically applicable to the Company:

- (a) The Payment of Wages Act, 1936
- (b) The Minimum Wages Act, 1948
- (c) Employees Provident Funds and Miscellaneous Provisions Act, 1952
- (d) The Payment of Bonus Act, 1965
- (e) The Payment of Gratuity Act, 1972
- (f) The Contract Labour (Regulation & Abolition) Act, 1970
- (g) The Child Labour (Prohibition & Regulation) Act, 1986
- (h) The Industrial Employment (Standing Order) Act, 1946
- (i) The Employee Compensation Act, 1923
- (j) Information Technology Act, 2000 and the Rules made there under
- (k) Factories Act and other Labour Laws namely provident Fund Act, ESI Act 1948 and other applicable Laws *The Manufacturing division of Nitiraj Engineers Limited is located at Shimla-Kalka Highway, Near Corporation Bank, Khasra No. 961/890 Sector-1, Parwanoo, Tah. Kasouli, Dist Solan(H.P.) 173220.*
- (l) The Company has obtained consent from Himachal Pradesh Pollution Control Board and certificate is valid up to 31st March 2018.

I further report that as the Company is engaged into Weighing Scales, Note counting Machines, and Digital Meter Fairs hence Special Act applicable to Company is as per following

Legal Metrology Act, 2008

I have also examined compliance with the applicable Clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange (SME Platform);

The Company has got listed with National Stock Exchange on the SME Segment / Platform on 09th March 2017.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. *The Company has filed e-forms with Registrar of Companies with additional fees.*
2. *Company has submitted some necessary information and reports to NSE Emerge as per SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 as on ended 31.03.2018 after stipulated time.*

I 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 the 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

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

Place: Nandurbar

Date: 25/08/2018

Sd/-

PIYUSH A. WANI

Company Secretary

ACS No.: 46049

C P No.: 19225

Note:- This report is to be read with my letter of even date which is annexed as 'Annexure ' and forms an integral part of this report.

ANNEXURE-

To,
The Members
Nitiraj Engineers Limited,
Mumbai

My report of even date is to be read along with this letter:

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

Place: Nandurbar
Date: 25/08/2018

Sd/-
CS PIYUSH A. WANI
Company Secretary
ACS No.: 46049
C P No.: 19225

REPORT ON CORPORATE GOVERNANCE ON 2017-18.**INTRODUCTION****1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

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

2. BOARD COMPOSITION AND PARTICULARS OF DIRECTORS :**1. Composition & Category of Directors [as on 31st March, 2018].**

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

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

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

The Company held Fourteen Board Meetings during the year on 10.04.2017, 29.05.2017, 20.06.2017, 24.07.2017, 10.08.2017, 16.08.2017, 24.08.2017, 04.09.2017, 05.10.2017, 14.11.2017, 15.12.2017, 10.01.2018, 01.02.2018, 27.03.2018

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

The notice of each Board meeting is given in writing to each Director. The Agenda along with relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting. This ensures timely and informed decision by the Board. The Board reviews the performance of the Company vis a vis the budget/targets. The previous Annual General Meeting (AGM) of the Company was held on Thursday, 28th September, 2017 at 10:30 A.M.

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

Name	Number of Board Meeting attended	Directorship in other Companies as on 31 st March 2018	Member/Chairman of committees of other company(s) (as on 31/3/18)
RAJESH RAGHUNATH BHATWAL	14	0	0
SHAKUNTALA RAJESH BHATWAL	14	0	0
HUNG SIN CHUNG HUANYI	13	0	0
PRADEEP CHANDRAKANT SHAH	12	0	0
SHABBIR SADRUDDIN MASANI	12	0	0
ANIL NANDKISHOR BANGAD	12	0	0

c) None of the directors on the Board is a Member of more than 10 board or Chairman of more than 5 Committees across all the Companies in which he is a Director. Necessary disclosures regarding committee positions in other public companies as of March 31, 2018 have been made by the Directors.

d) None of the Independent Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

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

C) Separate Meeting of Independent Directors As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on January 10, 2018 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

3. Committees of Board

During the year in accordance with the companies Act, 2013, there is no change in constitution of committees of the Board as Follows:

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

1. Audit Committee:

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

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

**As on 31st March 2018, the Audit Committee comprised of the following:
(Audit Committee)**

S. R.	Name	Designation	No. Of meetings Attended
1.	PRADEEP SHAH	Chairman	6
2.	RAJESH BHATWAL	Member	6
3.	ANIL NADKISHOR BANGAD	Member	6

Details of Audit Committee meeting held during the year under review

Sr. No	Date
1	29.05.2017
2	23.08.2017
3	14.11.2017
4	14.12.2017
5	18.01.2017
6	23.03.2017

Note:

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

2. Nomination and Remuneration Committee

Company has formed the Nomination and Remuneration Committee as per Section

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

Committee includes the following:

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

As on 31st March, 2018, the Committee Comprises of the following Members:

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

Committee meeting held during the year under review

Sr. No	Date
1	23.05.2017
2	25.08.2017
3	16.12.2017
4	05.03.2018

Directors' Appointment Criteria / Policy

The Board of Directors is collectively responsible for selection of a Member on the

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

Appointment to the Board include:

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

Remuneration Policy

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

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

Personnel and Senior Management are by virtue of their employment with the Company as management employees and therefore their terms of employment viz.

salary, variable pay, service contract, notice period and severance fee, if any, shall be

governed by the applicable HR policies at the relevant period. The total reward package for Executive Directors, Key Managerial Personnel and Senior Management

are intended to be market competitive with a strong linkage to the performance..

The Company does not have any Employee Stock Option Scheme.

a. Details of Remuneration paid to Managing Director for the period**from 1st April, 2017 to 31st March, 2018.**

S. R.	Name	Salary	Professional Fees
1	Rajesh Raghunath Bhatwal	Rs. 27,04,998	Rs. 19,00,000

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

b. Non-Executive Directors' Compensation

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

3. Stakeholders Relationship Committee

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

Stakeholders Relationship Committee comprised of

S. R.	Name	Designation	No. Of meetings Attended
1.	PRADEEP SHAH	Chairman	6
2.	RAJESH BHATWAL	Member	6
3.	ANIL NADKISHOR BANGAD	Member	6

Also the same committee will be act for resolving shareholder grievances. If any shareholder have query, compliant on any matter including Annual report, this committee is responsible for the same to resolve this.

Members can lodge their query/ complaint on
investor@nitiraj.net

Committee meeting held during the year under review

Sr.No	Date
1	20.04.2017
2	18.07.2017
3	01.09.2017
4	09.10.2017
5	10.11.2017
6	20.02.2018

i. Investor Grievance Redressal:

During the Financial Year 2017-18, the Company has not received any complaints from the Shareholders. There were no complaints outstanding as on 31st March, 2018.

4. Corporate Social Responsibility Committee

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

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

As on 31st March, 2018, the Committee Comprises of the following Members:

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

Committee meeting held during the year under review

Sr. No	Date
1	18.05.2017
2	01.09.2017
3	20.12.2017
4	21.02.2018

Name And Designation Of Compliance Officer

Mr. Ankush Patil is the Compliance Officer of the Company.

Note:

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

i. MEANS OF COMMUNICATION:

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

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

AGM : Date , Time and Venue	26 th September 2018, at 10.30 A.M.
Financial Year	2017-18
Date of Book Closure	19 th September 2018 to 26 th September 2018
Dividend Payment Date	NA
Listing on Stock Exchange	NATIONAL STOCK EXCHANGE- SME
Stock Code	NITIRAJ
Registrar and Transfer Agent	BIG SHARE SERVICES PVT LTD
Outstanding GDR/ADR /warrants or any convertible instruments conversion date and likely impact on equity	NOT ISSUED
Address for Correspondence	306 A BABHA BLDGN M MARG NEAR POLICE STATION MUMBAI 400011

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

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

b. Audit Qualification –

The financial statements of the company are unqualified

c. Evaluation of the board performance

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations And Disclosure Requirements) Regulation 2015, the Board has carried out an annual

performance evaluation of its own, the Directors individually as well as the evaluation

of the working of its Audit, Nomination & Remuneration Committee. The result of the evaluation done by Independent Directors was reported to the Chairman of the Board.

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

For and on Behalf of the Board of Directors

NITIRAJ ENGINEERS LIMITED

Sd/-

Rajesh Bhatwal

Managing Director

DIN: 00547575

Annexure**CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To,
The Board of Directors,
Nitiraj Engineers Limited
306 A Babha Bldgn M Marg
Near Police Station
Mumbai – 400011.

We have examined the relevant records of Nitiraj Engineers Limited for the purpose of certifying compliance with the conditions of corporate governance for the year ended 31st March 2018, as stipulated in Schedule V (E) of the SEBI (LODR) Regulation, 2015 of the said Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

FOR PIYUSH WANI & ASSOCIATES

Company Secretaries,

Sd/-

Piyush Anilkumar Wani
Proprietor

(ACS No: 46049 CP No:19225)

ATTENDANCE SLIP OF 19TH ANNUAL GENERAL MEETING

NITIRAJ ENGINEERS LIMITED

CIN: L31909MH1999PLC119231

306-A, Babha Building, N M Joshi Marg, Near Police Station, Mumbai-400011

Date:

Folio No:

DP/Client-ID No.:

Full Name of the Shareholder/ First Holder: _____
_____ (as appearing on share
certificate/recorded with DP)

Registered Address: _____
_____ **PIN -** _____

Total number of Shares held (in number): _____

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 19th Annual General Meeting of the Company on Wednesday, 26th September, 2018 at 10:30 a.m. at Dosti Club Hi-Fly (Club House) Dosti Flamingos, T.J. Road, Sewri (West), Mumbai-400015 (Near Sewri Bus Depot).

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

**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]

**To,
NITIRAJ ENGINEERS LIMITED**
CIN: U31909MH1999PLC119231

306-A, Babha Building, N M Joshi Marg,
Near Police Station, Mumbai-400011

DP/Client-ID No.: _____

Name of the Member(s):

Registered Address:

E-mail ID:

I/We being (a) shareholder (s) of the above named company holding (No.) _____ shares do hereby appoint

1) Name:

Address:

E-mail ID:

Signature:, or failing him/her

2) Name:

Address:

E-mail ID:

Signature:, or failing him/her

- 3) Name: (optional)
- Address:
- E-mail ID:
- Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Nitiraj Engineers Limited to be held at 10:30 a.m. on the 26th day of September, 2018 at Dosti Club Hi-Fly (Club House) Dosti Flamingos, T.J. Road, Sewri (West), Mumbai-400015 (Near Sewri Bus Depot) and at any adjournment thereof.

Dated this _____ day of _____

Signature of Member

- 1)
- 2)
- 3)

Signature of Proxy holder(s)

No instrument of proxy shall be valid unless in the case of an individual shareholder, it is signed by him or by his attorney duly authorised in writing, or in the case of joint holders, it is signed by the shareholders first named in the Register or his attorney duly authorised in writing, or in the case of a Company, it is executed under its common seal, if any, or signed by its attorney duly authorized in writing.

Provided that an instrument of proxy shall be sufficiently signed by any shareholder, who is, for any reason, unable to write his name, if his mark is affixed thereto and attested by a Judge, Magistrate, Justice of the Peace, Registrar or Sub-Registrar of Assurances, or other Government Gazetted Officer.

A proxy, unless appointed by a Company, should be a Director of the Central Board/Member of the Local Board/Shareholder of the Nitiraj Engineers Limited, other than an officer or employee of the Nitiraj Engineers Limited.

No Proxy shall be valid unless it is duly stamped and unless it, together with the power of attorney or other authority (if any) under which it is signed, or a copy of that power of attorney or authority certified by a Notary Public or a Magistrate, is deposited with the Central Office or other office designated from time to time by the Chairman or Managing Director in this behalf, not less than 7 clear days before the date fixed for the meeting. (In case a power of attorney is already registered with the Company, the Folio No. and Registration No. of the power of attorney is also to be mentioned).

Notes:

- I. *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*
- II. *A single person can be proxy of not more than 50 shareholders and holding in aggregate not more than 10% of total share capital of the company. A shareholder holding more than 10% of total share capital of the company, can appoint a single person as its proxy, however, such person cannot be appointed as proxy of any other shareholder.*
- III. *The Nitiraj Engineers Limited, Secretarial Dept., Registered Office- 306-A, Buildin, N M Joshi Marg, Near Police Station, Mumbai-400011 is authorized to accept the proxy form, power of attorney, authority or any other documents in this regard.*

Independent Auditor's Report

To
The Members,
Nitiraj Engineers Limited,
Mumbai

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Nitiraj Engineers Limited, which comprise the Balance sheet as at 31st March, 2018 and the Statement of Profit and Loss and the Cash Flow Statement of the company for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the

Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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

Subject to the above, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, its profit for the year ended on that date and its Cash Flows for the same period.

Emphasis of Matters

There is no matter in the Notes to the financial Statements, which require the immediate attention of the members apart from the above non compliance of the AS 15 issued by the Institute of Chartered Accountants of India

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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 purposes of our audit.
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the Cash Flow dealt with by this Report are in agreement with the books of account;

- (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure B
- (g) In our opinion and to the best of our information and according to the explanations given to us with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, we report as under
 - i. the Company has no pending litigations having impact on its financial position;
 - ii. the Company does not have any material foreseeable losses, on long-term contracts including derivative contracts; and
 - iii. there has been no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For and on behalf
P. D. DALAL & CO.,
Chartered Accountants,
Firm Reg No.102047W

(Aashish S. Kakaria)
Partner
Membership No.102915

Mumbai
29th May, 2018

Annexure A to the Independent Auditors Report

The Annexure referred to in our Independent Auditors' Report to the members of the Nitiraj Engineers Limited on the standalone financial statements for the year ended 31st March, 2018, we report that:

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

under section 148 (1) of the Act, for any of the services rendered by the Company.

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (c) According to the information and explanations given to us there were no amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
- (d) According to the information and explanations given to us, the company has not raised any monies by way of an Initial Public Offer or by any other way by selling its equity shares during the year.
- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to financial institutions or banks. The company did not have borrowings by way of debentures.
- (xii) In our opinion the Company did not raise any money by way of Debt Instruments and term loans during the year.
- (xiii) In our opinion and according to the information and explanations given to us the company has paid or provided managerial remuneration in accordance with the requisite approval mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013
- (xiv) In our opinion and according to the information and the explanations given to us, the Company is not a Nidhi company and therefore, the provisions of clause (xii) of the order are not applicable to the company.
- (xv) In our opinion and according to the information and the explanations given to us, and based on our examination of the records of the company, all transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

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

For and on behalf
P. D. DALAL & CO.,
Chartered Accountants,
Firm Reg No.102047W

Mumbai
29th May, 2018

(Aashish S. Kakaria)
Partner
Membership No.102915

Annexure “B” to the Independent Auditors Report

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

We have audited the internal financial controls over financial reporting of Nitiraj Engineers Limited as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Mumbai
29th May, 2018

For and on behalf
P. D. DALAL & CO.,
Chartered Accountants,
Firm Reg No.102047W

(Aashish S. Kakaria)
Partner
Membership No.102915

Nitiraj Engineers Limited
Balance Sheet as at 31 March, 2018

[Amount in Rs.]

Particulars	Note No.	As at 31.03.2018		As at 31.03.2017	
EQUITY AND LIABILITIES					
Share Holders Funds					
Share Capital	" 3 "	8,20,08,000	60,81,45,958	8,20,08,000	57,61,60,407
Reserves & Surplus	" 4 "	52,61,37,958		49,41,52,407	
Non-Current Liabilities					
Deferred Tax Liabilities (Net)			29,37,744		-
Current Liabilities					
Short Term Borrowings	" 5 "	-	2,98,81,337	-	7,55,36,963
Trade Payables	" 6 "	2,98,81,337		7,55,36,963	
TOTAL			64,09,65,039		65,16,97,370
ASSETS					
Non-Current Assets					
Fixed Assets			12,50,04,581	9,96,76,680	10,80,39,620
Tangible Assets	" 7 "	10,49,94,941		83,62,940	
Intangible Assets		2,00,09,641			
Non-Current Investments	" 8 "	24,68,59,450	31,56,84,198	22,01,04,925	29,27,89,797
Long Term Loans And Advances	" 9 "	6,88,24,748		7,26,84,872	
Current Assets					
Inventories	"10"	12,35,60,671	20,02,76,259	11,43,10,764	25,08,67,954
Trade Receivables	"11"	4,18,82,398		5,42,33,452	
Cash And Cash Equivalents	"12"	1,41,22,425		7,54,87,635	
Other Current Assets	"13"	2,07,10,766		68,36,106	
TOTAL			64,09,65,039		65,16,97,370

See accompanying notes forming part of the financial statements

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

For Nitiraj Engineers Limited,

 (Aashish S. Kakaria)
 Partner
 Membership No.102915

 (Rajesh R. Bhatwal) (Shakuntala R. Bhatwal)
 Managing Director Director
 Din No.00547575 Din No.01953906

 Mumbai
 29-May-18

Nitiraj Engineers Limited

Notes on the financial statements for the year ended 31 March, 2018

Particulars	As at 31.03.2018	As at 31.03.2017
NOTE 3 - SHARE CAPITAL		
Authorised Share Capital 9000000 Equity Shares of Rs. 10 each	9,00,00,000	9,00,00,000
Pursuant to the members resolution the authorised capital of the company was increased from Rs.1 crore to Rs.6 crores and subsequently to Rs.9 crores by creation of additional 8000000 shares		
Issued, Subscribed & Paid - up 6000000 Equity Shares of Rs. 10 each, fully paid- up	6,00,00,000	6,00,00,000
The Company had issued 2200800 fresh equity shares of face value of Rs.10 each by way of an Initial Public Offering during 2016 - 2017 at a premium of Rs.90 per share	2,20,08,000	2,20,08,000
All Shares are Equity Shares of a Single Class having equal voting rights and other rights, preferences and restrictions including restrictions on distribution of dividend and repayment of capital.		
EQUITY SHARES CAPITAL A/C		-
		-
	8,20,08,000	8,20,08,000
Reconciliation of shares - (No. of shares)		
Equity shares at the beginning of the year	82,00,800	60,00,000
Add : Issue of shares during the year		22,00,800
Less : Shares forfeited / cancelled during the year	-	-
Equity shares at the end of the year	82,00,800	82,00,800
More than 5% shares held by each shareholders at the end		
<u>Name of shareholder</u>	No of shares held	
1. Shri Rajesh Raghunath Bhatwal	33,49,500	33,49,500
2. Mrs. Shakuntala Rajesh Bhatwal	18,16,800	18,16,800
3. Mrs. Meerabai Raghunath Bhatwal		
4. Shri Yi Hung Sing	6,28,800	6,00,000
5. Shri Alok Raghunath Bhatwal		
NOTE 4 - RESERVES & SURPLUS		
I Securities Premium Account		
Balance at The Beginning of The Year	19,80,72,000	
Add : Amount received on Public Issue of Equity Shares		19,80,72,000
Less : Utilised / During The Year		
Balance at The End of The Year	19,80,72,000	19,80,72,000
II GENERAL RESERVE		
Balance at the beginning of the year		
Add : Additions / Transfer during the year		-
Less : Utilised / during the year	-	-
Balance at the end of the year	-	-
III SURPLUS / (DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS		
Balance at the beginning of the year	29,59,18,654	25,61,31,455
Add : Profit / (Loss) during the year	3,07,41,758	4,60,28,362
Add : MAT Credit available		(41,43,596)
	32,66,60,412	29,80,16,221
Less : Transfer to Reserve during the year	-	-
Interim Dividend paid during the year		18,00,000
Tax on the above Dividend		2,97,567
Bonus Shares Issued during the year	-	-
	-	20,97,567
Balance at the end of the year	32,66,60,412	29,59,18,654
IV CAPITAL RESERVES		
Cash Subsidy	14,05,546	1,61,753
	52,61,37,958	49,41,52,407

Nitiraj Engineers Limited

Notes on the financial statements for the year ended 31 March, 2018

Particulars	As at 31.03.2018	As at 31.03.2017
NOTE 5 - SHORT TERM BORROWINGS		
Secured loans repayable on demand from bank		
Cash Credit hypothecation loan from Banks		
HDFC.BANK LTD DHULE	-	-
(Secured against Hypothecation of Stock, Debtors, Equitable Mortgage of Nasik and Dhule Property, and Personal Guarantee of Directors)		
	-	-
NOTE 6 - TRADE PAYABLES		
Sundry Creditors	1,13,71,342	1,78,84,955
Advances from Customers	28,87,956	1,45,68,791
Other Liabilities	1,56,22,039	4,30,83,217
	2,98,81,337	7,55,36,963
NOTE 8 - NON CURRENT INVESTMENTS		
OTHER INVESTMENTS		
INVESTMENTS (Unquoted) (Long Term) (At cost)		
690 Shares of 10 each of Merchant Co-op. Bank Ltd	6,905	6,905
In Associates		
Equity Shares of Hyper Drive Information Technologies Private Limited	2,00,04,000	2,00,04,000
<i>3334 Equity Shares of Rs.10 each at a premium of Rs.5990 per share (Unquoted) (Long Term)</i>		
INVESTMENT IN HDFC MUTUAL FUND		4,00,00,000
HDFC Cash Management Fund - Treasury	50,00,000	
<i>(NAV Rs. 36.5867 Unit Balance 139251.329 as at 31.03.18)</i>		
LFGN HDFC LIiquid Fund Regular Plan-Growth	52,01,391	
<i>(NAV Rs. 3,410.5605 Unit Balance 1622.725 as at 31.03.18)</i>		
STG HDFC Regular Saving Fund Regular Plan-Growth	3,00,00,000	
<i>(NAV Rs. 34.4339 Unit Balance 927563.476 as at 31.03.18)</i>		
INVESTMENT IN ICICI PRUDENTIAL		8,00,00,000
ICICI Prudential Saving Fund - Treasury Adv	2,61,98,738	
<i>(NAV Rs. 260.4125 Unit Balance 105764.343 as at 31.03.18)</i>		
ICICI Prudential Regular Saving Fund	9,44,00,000	
<i>(NAV Rs. 18.5751 Unit Balance 5354985.871 as at 31.03.18)</i>		
INVESTMENT IN BIRLA SUNLIFE		7,00,00,000
Aditya Birla Sun Life Cash Plus (G) Regular Plan	9,49,396	
<i>(NAV Rs. 278.2338 Unit Balance 3583.698 as at 31.03.18)</i>		
Aditya Birla Sun Life Medium Term Regular Plan	1,00,00,000	
<i>(NAV Rs. 21.9777 Unit Balance 493666.262 as at 31.03.18)</i>		
Aditya Birla Sun Life Short Term Opportunity Fund	2,00,00,000	
<i>(NAV Rs. 28.8553 Unit Balance 743428.096 as at 31.03.18)</i>		
INVESTMENT IN FRANKL TEMPLETON INVESTMENT		
Franklin India Ultra Short Bond Fund -Super Institutional P	1,00,00,000	1,00,00,000
<i>(NAV Rs. 24.0531 Unit Balance 450091.594 as at 31.03.18)</i>		
INVESTMENT IN RELIANCE REGULAR SAVING FUND		
SDGP - Reliance Regular Saving Fund Debt Plan (G)	2,50,00,000	
<i>(NAV Rs. 24.2077 Unit Balance 1051079.513 as at 31.03.18)</i>		
National Savings Certificate	99,020	94,020
	24,68,59,450	22,01,04,925

Nitiraj Engineers Limited

Notes on the financial statements for the year ended 31 March, 2018

Particulars	As at 31.03.2018	As at 31.03.2017
NOTE 9 - LONG TERM LOANS AND ADVANCES		
[Unsecured, considered good, except otherwise stated]		
Loans & Advances		
Advances recoverable in cash or kind or for value to be received	5,55,79,144	4,36,14,840
Deposits	86,62,247	1,52,95,630
Stock of Gold	16,69,650	16,69,650
Advance Payment of Taxes <i>(Net of Provisions)</i>	29,13,707	1,21,04,752
	6,88,24,748	7,26,84,872
NOTE 10 - INVENTORIES [Valued at Cost]		
[As Valued, Verified and Certified by the Management]		
Raw Materials	8,33,82,783	10,50,09,864
Work in progress	1,29,99,080	-
Stock in Trade	9,99,505	9,99,505
Finished Goods	2,61,79,303	83,01,395
	12,35,60,671	11,43,10,764
NOTE 11 - TRADE RECEIVABLES		
SUNDRY DEBTORS		
[Unsecured, considered good except otherwise stated]		
Over Six Months	15,90,168	15,90,168
Others	4,02,92,230	5,26,43,284
	4,18,82,398	5,42,33,452
NOTE 12 - CASH AND CASH EQUIVALENTS		
Cash in hand and remittance in transit	10,79,076	24,01,137
Balances with Banks :		
Scheduled Banks		
Current Account	95,13,756	4,99,07,857
Fixed Deposit Accounts	35,29,593	30,98,641
IPO Escrow Account	-	2,00,80,000
	1,41,22,425	7,54,87,635
NOTE 13 - OTHER CURRENT ASSETS		
Interest Accrued	1,24,08,566	9,20,454
Unamortized Expenditure	83,02,200	59,15,652
	2,07,10,766	68,36,106

Nitiraj Engineers Limited

Statement of Profit and Loss for the year ended 31 March, 2018

[Amount Rs.]

Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Continuing Operations			
Revenue from Operations (Net)	" 14 "	38,82,84,161	53,49,25,476
Other Income	" 15 "	2,27,23,000	30,86,469
Total Revenue		41,10,07,161	53,80,11,945
Expenses			
Cost of Materials Consumed	" 16 "	23,32,48,778	17,86,86,574
Changes in Inventory	" 17 "	(3,08,76,988)	8,45,63,648
Employee Benefit Expenses	" 18 "	5,64,57,408	5,29,96,392
Finance Cost	" 19 "	5,41,053	50,69,393
Depreciation	" 20 "	1,74,61,758	89,75,027
Other Expenses	" 21 "	9,11,90,348	13,50,98,130
Corporate Social Responsibility		-	20,00,000
Service Tax		5,51,653	20,94,419
Total Expenses		36,85,74,009	46,94,83,583
Profit before Tax		4,24,33,152	6,85,28,362
Net profit after exceptional items		4,24,33,152	6,85,28,362
Tax Expenses			
Current Tax		87,53,650	2,25,00,000
Deferred Tax		29,37,744	-
Total Tax Expenses		1,16,91,394	2,25,00,000
Profit for the year		3,07,41,758	4,60,28,362
Earnings per share (of Rs.10 each):			
Basic / Diluted Earnings per share		3.75	5.61

See accompanying notes forming part of the financial statements

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

For Nitiraj Engineers Limited,

(Aashish S. Kakaria)
 Partner
 Membership No.102915

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

(Shakuntala R. Bhatwal)
 Director
 Din No.01953906

Mumbai
 29-May-18

Nitiraj Engineers Limited

Notes on the financial statements for the year ended 31st March, 2018

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
NOTE 14 - REVENUE FROM OPERATIONS		
Sales of Manufactured Goods	39,54,97,376	67,80,46,008
<i>Less : Inter Unit Sales</i>	58,65,886	8,75,56,235
Less : Local and Central Sales Tax	2,71,037	5,56,23,421
Net Sales of Manufactured Goods	38,93,60,453	53,48,66,352
Sales of Traded Goods		
Sales of Services		
Net Income from AMC Charges		
AMC Charges received during the year	-	16,97,657
Less : Consumption of Raw Material	10,76,292	10,65,005
Less : Salaries & Other Expenses	-	5,73,528
	(10,76,292)	59,124
Other Operating Revenue	-	-
	38,82,84,161	53,49,25,476
NOTE 15 - OTHER INCOME		
Interest	9,13,719	17,69,868
Other Income	2,18,09,281	13,16,601
	2,27,23,000	30,86,469
NOTE 16 - COST OF MATERIALS CONSUMED		
Raw Material Consumption	23,32,48,778	17,86,86,574
	23,32,48,778	17,86,86,574
NOTE 17 - CHANGES IN INVENTORY		
Inventories at the end of the year		
Finished Goods	2,68,92,436	90,14,528
Material - in - Progress	1,29,99,080	-
	3,98,91,516	90,14,528
Inventories at the beginning of the year		
Finished Goods	90,14,528	9,32,93,847
Material -in-progress	-	2,84,329
	90,14,528	9,35,78,176
Net (Increase) / Decrease	(3,08,76,988)	8,45,63,648
NOTE 18 - EMPLOYEE BENEFIT EXPENSES		
Payments to & Provision for Employees :		
Salaries, Wages and Bonus	4,02,18,051	2,75,21,716
Contribution to Provident & Other Funds	35,12,743	25,57,900
Other Benefits	1,07,50,214	1,83,96,776
Salary to Managing Director & Directors	19,76,400	45,20,000
	5,64,57,408	5,29,96,392
NOTE 19 - FINANCE COST		
Interest on Loan from HDFC Bank Cash Credit	14,400	45,42,469
Bank Charges	5,26,653	5,26,924
	5,41,053	50,69,393

Nitiraj Engineers Limited

Notes on the financial statements for the year ended 31 March , 2018

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
NOTE 20 - DEPRECIATION		
Depreciation on		
Buildings	22,47,116	23,58,914
Plant and Machineries	76,78,130	35,48,287
Solar System	38,40,000	-
Electric Installation	2,56,155	1,76,183
Office Equipments	5,24,735	4,11,787
Furniture and Fixtures	7,10,890	6,10,000
Computers	16,47,601	11,76,401
Vehicles	5,57,132	6,93,455
	1,74,61,758	89,75,027
NOTE 21 - OTHER EXPENSES		
MANUFACTURING EXPENSES		
Power & Fuel	29,32,508	29,82,219
Labour and Processing Charges	2,43,12,033	3,23,58,865
	2,72,44,541	3,53,41,084
SELLING AND OTHER EXPENSES		
Commission to Selling Agents	60,19,432	1,16,79,481
Stamping Fee	1,07,47,118	2,10,57,024
Brokerage	47,519	-
Export Expenses	-	63,732
Advertisement	5,87,614	84,72,306
Transportation & Handling Charges [Net]	1,53,52,342	1,79,89,370
Tender Expenses	1,84,403	1,12,730
	3,29,38,428	5,93,74,643
OTHER EXPENSES		
Repairs & Maintenance of :		
Buildings	2,97,882	1,46,113
Plant & Machinery	3,58,231	43,749
Others	9,82,532	18,13,153
Rent	9,29,978	8,93,734
Rates & Taxes	11,25,443	47,40,933
Insurance [Net]	12,15,993	14,60,759
Telephone Exp.	16,19,185	17,93,969
Donations	64,400	30,78,800
Software & Computer Exp.	12,07,942	14,80,444
Professional Fees	13,60,450	5,59,469
Travelling	1,26,91,943	1,59,51,540
Loss on Sale of Assets	1,19,303	-
Sundry balances written off / written back	16,546	2,22,512
Preliminary Expenses written off	24,45,279	14,78,913
Miscellaneous Expenses	48,64,772	60,23,565
	2,92,99,879	3,96,87,653
Payment to Auditor comprises of -		
As Auditor	13,07,500	5,94,750
For Taxation Matters	4,00,000	1,00,000
	17,07,500	6,94,750
	9,11,90,348	13,50,98,130

Nitiraj Engineers Limited

Annexure B

Note 7 - Statement of Fixed Assets of Income Tax Act as on 31.03.2018

A.Y. : 2018 - 2019

F.Y. : 2017 - 2018

(All Amounts in Rs.)

Particulars	Rate of Depreciation	WDV As on 1.4.17	Additions		Deductions	Total as on 31.03.18	Depreciation for the year	WDV as on 31-03-18
			> Than 180 Days	< Than 180 Days				
Buildings :								
A] Factory Building	10% 5%	26,41,734	-	-	-	26,41,734	18,560 -	26,23,173
B] Office Building	10% 5%	1,02,15,256	96,070	3,07,668	-	1,06,18,994	10,28,357 15,383	95,75,254
C] Guest House	5% 3%	2,36,96,303	-	-	-	2,36,96,303	11,84,815 -	2,25,11,487
Land		40,83,760	-	-	-	40,83,760	-	40,83,760
Land (Capital W.I.P.)		-	-	5,59,318	-	5,59,318	-	5,59,318
Plant & Machinery	15% 7.5%	4,19,52,007 -	1,09,07,553 -	- 13,06,396	- -	5,41,65,956	75,80,150 97,980	4,64,87,824
Solar System	80% 40%	-	48,00,000	-	-	48,00,000	38,40,000	9,60,000
Electrical Installations	10% 5%	22,29,976 -	8,29,373 -	- 1,28,026	- -	31,87,375	2,49,753 6,401	29,31,220
Office Equipments	15% 7.5%	26,79,197 -	9,78,256 -	- 94,888	- -	37,52,341	5,17,619 7,117	32,27,605
Furniture & Fixtures	10% 5%	63,75,166 -	14,91,783 -	- 1,29,077	- -	79,96,026	7,04,436 6,454	72,85,135
Vehicles	15% 7.5%	45,21,029 -	- -	- -	5,27,795 -	39,93,234	5,57,132 -	34,36,101
Computers	60% 30%	12,82,260 -	12,74,163 -	- 4,05,243	- -	29,61,665	15,26,028 1,21,573	13,14,064
Grand Total		9,96,76,688	2,03,77,198	29,30,615	5,27,795	12,24,56,706	1,74,61,758	10,49,94,941
Intangible Assets								
Software Development		49,95,520	-	-	-	49,95,520	-	49,95,520
Research & Development		33,67,420	1,16,46,701	-	-	1,50,14,121	-	1,50,14,121
Total		83,62,940	1,16,46,701	-	-	2,00,09,641	-	2,00,09,640
Grand Total		10,80,39,628	3,20,23,899	29,30,615	5,27,795	14,24,66,346	1,74,61,758	12,50,04,581

Nitiraj Engineers Limited

Cash Flow Statement for the year ended 31 March, 2018

[Amount in Rs.]

	For the year ended 31st March 2018		For the year ended 31st March 2017	
A.) CASH FLOW FROM OPERATING ACTIVITIES				
Net profit after tax and extraordinary items adjustments for:		3,07,41,758		4,60,28,362
Depreciation on Fixed Assets	1,74,61,758		89,75,027	
(Profit)/Loss on Sale of assets			(20,97,567)	
Others (Dividend & Tax)			(41,43,596)	
MAT Credit available	-	1,74,61,758		27,33,864
Operating profit before working capital changes		4,82,03,516		4,87,62,226
Adjustments for :				
Decrease (Increase) in Investments	(2,67,54,525)		(21,00,02,000)	
Decrease (Increase) in Loans & Advances	38,60,123		(2,85,36,817)	
Decrease (Increase) in Receivables	1,23,51,053		4,98,26,270	
Decrease (Increase) in Inventories	(92,49,908)		8,41,11,232	
Decrease (Increase) in Other Current Assets	(1,38,74,661)		(59,82,266)	
Increase / (Decrease) in Deferred Tax Liabilities	29,37,744		-	
Increase / (Decrease) in Trade Payables	(4,56,55,627)		1,22,55,041	
Increase / (Decrease) in Short Term Provisions	-		-	
		(7,63,85,800)		(9,83,28,540)
Operating profit after working capital changes		(2,81,82,285)		(4,95,66,314)
B.) CASH FLOW FROM INVESTING ACTIVITIES				
(Purchase) Of Fixed Assets	(2,33,07,813)		(2,63,00,551)	
Sale of fixed assets	5,27,795		-	
Investment made (Net)				
(Investment) in Intangibles	(1,16,46,701)		(33,67,420)	
Cash Subsidy received during the year	12,43,793			
Net cash from investing activities		(3,31,82,926)		(2,96,67,971)
C.) CASH FLOW FROM FINANCIAL ACTIVITIES				
Issue of Share Capital & Share premium received			22,00,80,000	
Increase / (Repayment of Long Term Borrowings)	-			
Increase / (Repayment of Short Term Borrowings)	-		(7,18,89,890)	
Net cash used in financial activities C				14,81,90,114
Net increase/(decrease) in Cash and Cash Equivalents		(6,13,65,210)		6,89,55,834
Cash and cash equivalent at the beginning of the year		7,54,87,635		65,31,801
Cash and cash equivalent at the end of the year		1,41,22,425		7,54,87,635

See accompanying notes forming part of the financial statements

In terms of our report attached

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

For Nitiraj Engineers Limited,

 (Aashish S. Kakaria)
 Partner
 Membership No.102915

 (Rajesh R. Bhatwal) (Shakuntala R. Bhatwal)
 Managing Director Director
 Din No.00547575 Din No.01953906

 Mumbai
 May 29, 2018

Nitiraj Engineers Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2018

1. Corporate Information :
Nitiraj Engineers was incorporated in April 1999 as a private limited company. The company is engaged in the manufacturing and selling of a variety of Electronic Weighing Scales, Currency Counting Machines, Taxi Fare Meters etc.
The company was converted into a Limited Company on 22nd June, 2015 and the new name of the company is Nitiraj Engineers Limited. The company launched its Initial Public Offer of equity shares during the F.Y. 2016 – 2017 and got listed on the NSE Emerge [SME] Exchange.
 2. The Significant Accounting Policies followed by the company are as stated below
- A. BASIS OF ACCOUNTING POLICIES:
- a) Account Convention:
The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements are prepared under the historical cost convention on an accrual basis in accordance with applicable accounting standards, **except** for accounting of liability of Gratuity & Leave encashment which is not fully provided in the books of accounts.
The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
 - b) Fixed Assets :-
Fixed Assets are stated at cost less depreciation.
Intangible Assets
The company has debited the Research & Development expenditure incurred on development on new technologies and products under the Intangible assets.
 - c) Depreciation
During the year the company has charged depreciation on its fixed assets as per the rates prescribed under the Income Tax Act under the Written Down Value Method on assets put to use.
 - d) Translation of Foreign Currency Items:
Transactions in foreign currency are recorded at the rate of exchange in force at the date of transaction. Gains and losses resulting from the settlement of such transactions are recognized in the statement of profit & loss.
 - e) Investments:
Long term Investment are stated at cost. Investment income accrued on the Debt funds is credited to the Profit & Loss Account during the year.
 - f) Inventories
Inventories are valued at the lower of the cost and estimate net realizable value. Cost of inventories is computed on FIFO Basis. Finished goods and work in progress include costs of conversion and other cost incurred in bringing the inventories to their present location and condition. Obsolete, defective and unserviceable stocks are duly provided for.

g) Retirement Benefits:

Retirement benefits viz. Gratuity and Leave encashment are being accounted as and when paid. The company has not provided fully for Gratuity as per AS 15 "Employee Benefits" issued by the Institute of Chartered Accountants of India. In the absence of information the effect on the profitability cannot be quantified.

h) Taxes on Income

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same

i) Dividend

During the year the company has not declared any dividend.

j) Research & Development Expenditure

Revenue Expenditure is charged to the Profit & Loss Account and capital expenditure is added to the cost of Fixed Assets in the year in which it is incurred. The company is pursuing development of new technologies and has capitalized the expenditure incurred on the R&D.

k) Provisions, Contingent liabilities and Contingent Assets

Provisions are recognized only when :

- i) The company has a present obligation as a result of past events
- ii) A probable outflow of resources is expected to settle the obligation and
- iii) The amount of obligation can be reliably estimated

Since the company has not provided for Gratuity and Leave encashment as per AS 15 "Employee Benefits" issued by the Institute of Chartered Accountants of India, Contingent Liability arising from post-employment benefit obligations cannot be quantified.

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

i) Remuneration to Auditors

	<u>2017 – 2018</u>	<u>2016-2017</u>
Audit Fees	Rs.13,07,500	Rs.5,94,750
Taxation Matters	Rs. 4,00,000	Rs.1,00,000
Certifications & Other Services	Rs 15,00,000	
Out of Pocket Expenses	Rs 1,70,370	

m) Earnings per Share

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

earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity share

Earnings Per Share [Basic and Diluted]

	2017 – 2018	2016-2017
Net Profit after tax	Rs.3,07,41,758	Rs.4,60,28,362
Number of Equity Shares	82,00,800	82,00,800
Nominal Value of Shares	Rs.10 per share	Rs.10 per share

B. Segment Reporting

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

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

D. Related Party Disclosure

Key Management personnel comprise of the promoters / directors of the company

- 1) Rajesh R. Bhatwal
- 2) Shakuntala R. Bhatwal
- 3) Yi Hung Sin

[Amount Rs.]

Sr.No.	Particulars	Nature of transaction	2017-2018	2016 – 2017
1	Key Management Personnel			
	Mr.Rajesh Raghunath Bhatwal	Salaries	27,04,998	36,02,765
	Mrs.Shakuntala Rajesh Bhatwal	Salaries	4,84,998	4,81,965
	Mr. Yi Hung Sin	Salaries	4,84,998	4,44,165
	Mr.Rajesh Raghunath Bhatwal	Professional Fees	19,00,000	9,00,000
	Mrs.Shakuntala Rajesh Bhatwal		9,00,000	9,00,000
	Mr. Yi Hung Sin		4,80,000	
2	Hyper Drive Information Technologies Pvt Ltd [Associate]	Purchase of 1667 Equity Shares of Rs.10 each at a premium of Rs.5990 per share	--	1,00,02,000

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

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

(Aashish S. Kakaria)
Partner
Membership No.102915

Mumbai
29th May, 2018

Independent Auditor's Report

To
The Members,
Nitiraj Engineers Limited,
Mumbai

Report on the Consolidated Financial Statements

We have audited the accompanying financial statements of Nitiraj Engineers Limited [*hereinafter referred to as the Holding Company*] and consolidated the financials of Hyper Drive Information Technologies Private Limited [*hereinafter referred to as the Associate Company*] and [*both jointly referred to as the Group*] with that of the Holding company which comprise the Consolidated Balance sheet as at 31st March, 2018 and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the company for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 and presentation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, consolidated cash flows and change in equity of the Group including its associates and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Board of Directors of the Holding Company, as aforesaid

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

We did not audit the financial statements of the associate company whose financial statements reflect total assets of Rs.9.59 crores as at March 31, 2018 total revenues of Rs.4.27 crores for the year then ended, as the case may be, on that date and financial statements of the associate company in which the share of net profit / [loss] of the Holding Company is Rs.(-)3,02,602. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

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

Opinion

According to Note 2A(g) on the Significant Accounting Policies, Gratuity Liability and Leave Encashment Liability is not provided for fully in the books of accounts of the Holding Company and is thus not in accordance with Accounting Standard 15 on "Employee Benefits" issued by the Institute of Chartered Accountants of India.

Subject to the above, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, its profit for the year ended on that date and its Cash Flows for the same period.

Emphasis of Matters

There is no matter in the Notes to the financial Statements , which require the immediate attention of the members apart from the above non compliance of the AS 15 issued by the Institute of Chartered Accountants of India

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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 purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) in our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company, none of the directors of these entities is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure B which is based on the auditors' reports of the associate company.
 - (g) In our opinion and to the best of our information and according to the explanations given to us with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, we report as under
 - i. the Holding Company and its Associate Company has no pending litigations

having impact on the financial position of the Group;

- ii. the Group does not have any material foreseeable losses, on long-term contracts including derivative contracts; and
- iii. there has been no amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For and on behalf
P. D. DALAL & CO.,
Chartered Accountants,
Firm Reg No.102047W

Mumbai
25th July, 2018

(Aashish S. Kakaria)
Partner
Membership No.102915

Annexure "A" to the Independent Auditors Report

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

We have audited the internal financial controls over financial reporting of Nitiraj Engineers Limited as of 31st March, 2018 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

We believe that the audit evidence obtained by us and the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company and the associate company incorporated in India, internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in the Other Matters paragraph, the Holding Company and the associate company which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to consolidated/standalone financial statements of 1 associate company which is a company incorporated in India, is based on the corresponding reports of the auditors of that company

For and on behalf
P. D. DALAL & CO.,
Chartered Accountants,
Firm Reg No.102047W

Mumbai
25th July, 2018

(Aashish S. Kakaria)
Partner
Membership No.102915

Nitiraj Engineers Limited
Consolidated Balance Sheet as at 31 March, 2018

[Amount in Rs.]

Particulars	Note No.	As at 31.03.2018		As at 31.03.2017	
EQUITY AND LIABILITIES					
Share Holders Funds					
Share Capital	" 3 "	8,20,08,000		8,20,08,000	
Reserves & Surplus	" 4 "	52,58,35,356	60,78,43,356	49,41,54,015	57,61,62,015
Non-Current Liabilities					
Deferred Tax Liabilities (Net)			29,37,744		-
Current Liabilities					
Short Term Borrowings	" 5 "	-		-	
Trade Payables	" 6 "	2,98,81,337	2,98,81,337	7,55,36,963	7,55,36,963
TOTAL			64,06,62,437		65,16,98,978
ASSETS					
Non-Current Assets					
Fixed Assets					
Tangible Assets	" 7 "	10,49,94,941		9,96,76,680	
Intangible Assets		2,00,09,641	12,50,04,581	83,62,940	10,80,39,620
Non-Current Investments					
Long Term Loans And Advances	" 8 "	24,65,56,848		22,01,06,533	
	" 9 "	6,88,24,748	31,53,81,596	7,26,84,872	29,27,91,405
Current Assets					
Inventories	"10"	12,35,60,671		11,43,10,764	
Trade Receivables	"11"	4,18,82,398		5,42,33,452	
Cash And Cash Equivalents	"12"	1,41,22,425		7,54,87,635	
Other Current Assets	"13"	2,07,10,766	20,02,76,259	68,36,106	25,08,67,954
TOTAL			64,06,62,437		65,16,98,978

See accompanying notes forming part of the financial statements

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

For Nitiraj Engineers Limited,

 (Aashish S. Kakaria)
 Partner
 Membership No.102915

 (Rajesh R. Bhatwal) (Shakuntala R. Bhatwal)
 Managing Director Director
 Din No.00547575 Din No.01953906

 Mumbai
 25th July, 2018

Nitiraj Engineers Limited

Notes on the consolidated financial statements for the year ended 31 March, 2018

Particulars	As at 31.03.2018	As at 31.03.2017
NOTE 3 - SHARE CAPITAL		
Authorised Share Capital 9000000 Equity Shares of Rs. 10 each	9,00,00,000	9,00,00,000
Pursuant to the members resolution the authorised capital of the company was increased from Rs.1 crore to Rs.6 crores and subsequently to Rs.9 crores by creation of additional 8000000 shares		
Issued, Subscribed & Paid - up 6000000 Equity Shares of Rs. 10 each, fully paid- up	6,00,00,000	6,00,00,000
The Company had issued 2200800 fresh equity shares of face value of Rs.10 each by way of an Initial Public Offering during 2016 - 2017 at a premium of Rs.90 per share	2,20,08,000	2,20,08,000
All Shares are Equity Shares of a Single Class having equal voting rights and other rights, preferences and restrictions including restrictions on distribution of dividend and repayment of capital.		
EQUITY SHARES CAPITAL A/C		-
		-
	8,20,08,000	8,20,08,000
Reconciliation of shares - (No. of shares)		
Equity shares at the beginning of the year	82,00,800	60,00,000
Add : Issue of shares during the year		22,00,800
Less : Shares forfeited / cancelled during the year	-	-
Equity shares at the end of the year	82,00,800	82,00,800
More than 5% shares held by each shareholders at the end		
Name of shareholder	No of shares held	
1. Shri Rajesh Raghunath Bhatwal	33,49,500	33,49,500
2. Mrs. Shakuntala Rajesh Bhatwal	18,16,800	18,16,800
3. Mrs. Meerabai Raghunath Bhatwal		
4. Shri Yi Hung Sing	6,28,800	6,00,000
5. Shri Alok Raghunath Bhatwal		
NOTE 4 - RESERVES & SURPLUS		
I Securities Premium Account		
Balance at The Beginning of The Year	19,80,72,000	
Add : Amount received on Public Issue of Equity Shares		19,80,72,000
Less : Utilised / During The Year		
Balance at The End of The Year	19,80,72,000	19,80,72,000
II GENERAL RESERVE		
Balance at the beginning of the year		
Add : Additions / Transfer during the year		-
Less : Utilised / during the year	-	-
Balance at the end of the year	-	-
III SURPLUS / (DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS		
Balance at the beginning of the year	29,59,20,262	25,61,31,455
Add : Profit / (Loss) during the year	3,04,39,156	4,60,29,970
Less : Opening balance of profit of associate	(1,608)	
Add : MAT Credit available		(41,43,596)
	32,63,57,810	29,80,17,829
Less : Transfer to Reserve during the year	-	-
Interim Dividend paid during the year		18,00,000
Tax on the above Dividend		2,97,567
Bonus Shares Issued during the year	-	-
	-	20,97,567
Balance at the end of the year	32,63,57,810	29,59,20,262
IV CAPITAL RESERVES		
Cash Subsidy	14,05,546	1,61,753
	52,58,35,356	49,41,54,015

Nitiraj Engineers Limited

Notes on the consolidated financial statements for the year ended 31 March, :

Particulars	As at 31.03.2018	As at 31.03.2017
NOTE 5 - SHORT TERM BORROWINGS Secured loans repayable on demand from bank Cash Credit hypothecation loan from Banks HDFC.BANK LTD DHULE (Secured against Hypothecation of Stock, Debtors, Equitable Mortgage of Nasik and Dhule Property, and Personal Guarantee of Directors)	-	-
	-	-
NOTE 6 - TRADE PAYABLES Sundry Creditors Advances from Customers Other Liabilities	1,13,71,342 28,87,956 1,56,22,039	1,78,84,955 1,45,68,791 4,30,83,217
	2,98,81,337	7,55,36,963
NOTE 8 - NON CURRENT INVESTMENTS OTHER INVESTMENTS INVESTMENTS (Unquoted) (Long Term) (At cost) 690 Shares of 10 each of Merchant Co-op. Bank ltd In Associates Equity Shares of Hyper Drive Information Technologies Private Limited 3334 Equity Shares of Rs.10 each at a premium of Rs.5990 per share (Unquoted) (Long Term) Includes Goodwill paid on acquisition of shares Rs.312,557 Add : Share in Profit / [Loss] after tax during the year	6,905 2,00,04,000 (3,02,602)	6,905 2,00,04,000 1,608
	1,97,01,398	2,00,05,608
INVESTMENT IN HDFC MUTUAL FUND HDFC Cash Management Fund - Treasury (NAV Rs. 36.5867 Unit Balance 139251.329 as at 31.03.18) LFGN HDFC Liquid Fund Regular Plan-Growth (NAV Rs. 3,410.5605 Unit Balance 1622.725 as at 31.03.18) STG HDFC Regular Saving Fund Regular Plan-Growth (NAV Rs. 34.4339 Unit Balance 927563.476 as at 31.03.18)	50,00,000 52,01,391 3,00,00,000	4,00,00,000
INVESTMENT IN ICICI PRUDENTIAL ICICI Prudential Saving Fund - Treasury Adv (NAV Rs. 260.4125 Unit Balance 105764.343 as at 31.03.18) ICICI Prudential Regular Saving Fund (NAV Rs. 18.5751 Unit Balance 5354985.871 as at 31.03.18)	2,61,98,738 9,44,00,000	8,00,00,000
INVESTMENT IN BIRLA SUNLIFE Aditya Birla Sun Life Cash Plus (G) Regular Plan (NAV Rs. 278.2338 Unit Balance 3583.698 as at 31.03.18) Aditya Birla Sun Life Medium Term Regular Plan (NAV Rs. 21.9777 Unit Balance 493666.262 as at 31.03.18) Aditya Birla Sun Life Short Term Opportunity Fund (NAV Rs. 28.8553 Unit Balance 743428.096 as at 31.03.18)	9,49,396 1,00,00,000 2,00,00,000	7,00,00,000
INVESTMENT IN FRANKL TEMPLETON INVESTMENT Franklin India Ultra Short Bond Fund -Super Institutional P (NAV Rs. 24.0531 Unit Balance 450091.594 as at 31.03.18)	1,00,00,000	1,00,00,000
INVESTMENT IN RELIANCE REGULAR SAVING FUND SDGP - Reliance Regular Saving Fund Debt Plant (G) (NAV Rs. 24.2077 Unit Balance 1051079.513 as at 31.03.18)	2,50,00,000	
National Savings Certificate	99,020	94,020
	24,65,56,848	22,01,06,533

Nitiraj Engineers Limited

Notes on the consolidated financial statements for the year ended 31 March, :

Particulars	As at 31.03.2018	As at 31.03.2017
NOTE 9 - LONG TERM LOANS AND ADVANCES		
[Unsecured, considered good, except otherwise stated]		
Loans & Advances		
Advances recoverable in cash or kind or for value to be received	5,55,79,144	4,36,14,840
Deposits	86,62,247	1,52,95,630
Stock of Gold	16,69,650	16,69,650
Advance Payment of Taxes <i>(Net of Provisions)</i>	29,13,707	1,21,04,752
	6,88,24,748	7,26,84,872
NOTE 10 - INVENTORIES [Valued at Cost]		
[As Valued, Verified and Certified by the Management]		
Raw Materials	8,33,82,783	10,50,09,864
Work in progress	1,29,99,080	-
Stock in Trade	9,99,505	9,99,505
Finished Goods	2,61,79,303	83,01,395
	12,35,60,671	11,43,10,764
NOTE 11 - TRADE RECEIVABLES		
SUNDRY DEBTORS		
[Unsecured, considered good except otherwise stated]		
Over Six Months	15,90,168	15,90,168
Others	4,02,92,230	5,26,43,284
	4,18,82,398	5,42,33,452
NOTE 12 - CASH AND CASH EQUIVALENTS		
Cash in hand and remittance in transit	10,79,076	24,01,137
Balances with Banks :		
Scheduled Banks		
Current Account	95,13,756	4,99,07,857
Fixed Deposit Accounts	35,29,593	30,98,641
IPO Escrow Account	-	2,00,80,000
	1,41,22,425	7,54,87,635
NOTE 13 - OTHER CURRENT ASSETS		
Interest Accrued	1,24,08,566	9,20,454
Unamortized Expenditure	83,02,200	59,15,652
	2,07,10,766	68,36,106

Nitiraj Engineers Limited

Consolidated Statement of Profit and Loss for the year ended 31 March, 2018

[Amount Rs.]

Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Continuing Operations			
Revenue from Operations (Net)	" 14 "	38,82,84,161	53,49,25,476
Other Income	" 15 "	2,27,23,000	30,86,469
Total Revenue		41,10,07,161	53,80,11,945
Expenses			
Cost of Materials Consumed	" 16 "	23,32,48,778	17,86,86,574
Changes in Inventory	" 17 "	(3,08,76,988)	8,45,63,648
Employee Benefit Expenses	" 18 "	5,64,57,408	5,29,96,392
Finance Cost	" 19 "	5,41,053	50,69,393
Depreciation	" 20 "	1,74,61,758	89,75,027
Other Expenses	" 21 "	9,11,90,348	13,50,98,130
Corporate Social Responsibility		-	20,00,000
Service Tax		5,51,653	20,94,419
Total Expenses		36,85,74,009	46,94,83,583
Profit from Continuing Operations before Tax		4,24,33,152	6,85,28,362
Share in Profit [Loss] of Associates		(3,02,602)	1,608
Net profit after exceptional items		4,21,30,550	6,85,29,970
Tax Expenses			
Current Tax		87,53,650	2,25,00,000
Deferred Tax		29,37,744	-
Total Tax Expenses		1,16,91,394	2,25,00,000
Profit for the year		3,04,39,156	4,60,29,970
Earnings per share (of Rs.10 each):			
Basic / Diluted Earnings per share		3.71	5.61

See accompanying notes forming part of the financial statements

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

For Nitiraj Engineers Limited,

(Aashish S. Kakaria)
 Partner
 Membership No.102915

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

(Shakuntala R. Bhatwal)
 Director
 Din No.01953906

Mumbai
 25-Jul-18

Nitiraj Engineers Limited

Notes on the consolidated financial statements for the year ended 31st March, 2018

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
NOTE 14 - REVENUE FROM OPERATIONS		
Sales of Manufactured Goods	39,54,97,376	67,80,46,008
<i>Less : Inter Unit Sales</i>	58,65,886	8,75,56,235
Less : Local and Central Sales Tax	2,71,037	5,56,23,421
Net Sales of Manufactured Goods	38,93,60,453	53,48,66,352
Sales of Traded Goods		
Sales of Services		
Net Income from AMC Charges		
AMC Charges received during the year	-	16,97,657
Less : Consumption of Raw Material	10,76,292	10,65,005
Less : Salaries & Other Expenses	-	5,73,528
	(10,76,292)	59,124
Other Operating Revenue	-	-
	38,82,84,161	53,49,25,476
NOTE 15 - OTHER INCOME		
Interest	9,13,719	17,69,868
Other Income	2,18,09,281	13,16,601
	2,27,23,000	30,86,469
NOTE 16 - COST OF MATERIALS CONSUMED		
Raw Material Consumption	23,32,48,778	17,86,86,574
	23,32,48,778	17,86,86,574
NOTE 17 - CHANGES IN INVENTORY		
Inventories at the end of the year		
Finished Goods	2,68,92,436	90,14,528
Material - in - Progress	1,29,99,080	-
	3,98,91,516	90,14,528
Inventories at the beginning of the year		
Finished Goods	90,14,528	9,32,93,847
Material -in-progress	-	2,84,329
	90,14,528	9,35,78,176
Net (Increase) / Decrease	(3,08,76,988)	8,45,63,648
NOTE 18 - EMPLOYEE BENEFIT EXPENSES		
Payments to & Provision for Employees :		
Salaries, Wages and Bonus	4,02,18,051	2,75,21,716
Contribution to Provident & Other Funds	35,12,743	25,57,900
Other Benefits	1,07,50,214	1,83,96,776
Salary to Managing Director & Directors	19,76,400	45,20,000
	5,64,57,408	5,29,96,392
NOTE 19 - FINANCE COST		
Interest on Loan from HDFC Bank Cash Credit	14,400	45,42,469
Bank Charges	5,26,653	5,26,924
	5,41,053	50,69,393

Nitiraj Engineers Limited

Notes on the consolidated financial statements for the year ended 31st March, 2018

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
NOTE 20 - DEPRECIATION		
Depreciation on		
Buildings	22,47,116	23,58,914
Plant and Machineries	76,78,130	35,48,287
Solar System	38,40,000	-
Electric Installation	2,56,155	1,76,183
Office Equipments	5,24,735	4,11,787
Furniture and Fixtures	7,10,890	6,10,000
Computers	16,47,601	11,76,401
Vehicles	5,57,132	6,93,455
	1,74,61,758	89,75,027
NOTE 21 - OTHER EXPENSES		
MANUFACTURING EXPENSES		
Power & Fuel	29,32,508	29,82,219
Labour and Processing Charges	2,43,12,033	3,23,58,865
	2,72,44,541	3,53,41,084
SELLING AND OTHER EXPENSES		
Commission to Selling Agents	60,19,432	1,16,79,481
Stamping Fee	1,07,47,118	2,10,57,024
Export Expenses	-	63,732
Advertisement	5,87,614	84,72,306
Transportation & Handling Charges [Net]	1,53,52,342	1,79,89,370
Tender Expenses	1,84,403	1,12,730
	3,29,38,428	5,93,74,643
OTHER EXPENSES		
Repairs & Maintenance of :		
Buildings	2,97,882	1,46,113
Plant & Machinery	3,58,231	43,749
Others	9,82,532	18,13,153
Rent	9,29,978	8,93,734
Rates & Taxes	11,25,443	47,40,933
Insurance [Net]	12,15,993	14,60,759
Telephone Exp.	16,19,185	17,93,969
Donations	64,400	30,78,800
Software & Computer Exp.	12,07,942	14,80,444
Professional Fees	13,60,450	5,59,469
Travelling	1,26,91,943	1,59,51,540
Loss on Sale of Assets	1,19,303	-
Sundry balances written off / written back	16,546	2,22,512
Preliminary Expenses written off	24,45,279	14,78,913
Miscellaneous Expenses	48,64,772	60,23,565
	2,92,99,879	3,96,87,653
Payment to Auditor comprises of -		
As Auditor	13,07,500	5,94,750
For Taxation Matters	4,00,000	1,00,000
	17,07,500	6,94,750
	9,11,90,348	13,50,98,130

Nitiraj Engineers Limited

Annexure B

Note 7 - Statement of Fixed Assets of Income Tax Act as on 31.03.2018

A.Y. : 2018 - 2019

F.Y. : 2017 - 2018

(All Amounts in Rs.)

Particulars	Rate of Depreciation	WDV As on 1.4.17	Additions		Deductions	Total as on 31.03.18	Depreciation for the year	WDV as on 31-03-18
			> Than 180 Days	< Than 180 Days				
Buildings :								
A] Factory Building	10% 5%	26,41,734	-	-	-	26,41,734	18,560 -	26,23,173
B] Office Building	10% 5%	1,02,15,256	96,070	3,07,668	- -	1,06,18,994	10,28,357 15,383	95,75,254
C] Guest House	5% 3%	2,36,96,303	-	-	-	2,36,96,303	11,84,815 -	2,25,11,487
Land		40,83,760	-	-	-	40,83,760	-	40,83,760
Land (Capital W.I.P.)		-	-	5,59,318	-	5,59,318	-	5,59,318
Plant & Machinery	15% 7.5%	4,19,52,007	1,09,07,553	-	-	5,41,65,956	75,80,150 97,980	4,64,87,824
Solar System	80% 40%	-	48,00,000	-	-	48,00,000	38,40,000	9,60,000
Electrical Installations	10% 5%	22,29,976	8,29,373	-	-	31,87,375	2,49,753 6,401	29,31,220
Office Equipments	15% 7.5%	26,79,197	9,78,256	-	-	37,52,341	5,17,619 7,117	32,27,605
Furniture & Fixtures	10% 5%	63,75,166	14,91,783	-	-	79,96,026	7,04,436 6,454	72,85,135
Vehicles	15% 7.5%	45,21,029	-	-	5,27,795	39,93,234	5,57,132 -	34,36,101
Computers	60% 30%	12,82,260	12,74,163	-	-	29,61,665	15,26,028 1,21,573	13,14,064
Grand Total		9,96,76,688	2,03,77,198	29,30,615	5,27,795	12,24,56,706	1,74,61,758	10,49,94,941
Intangible Assets								
Software Development		49,95,520	-	-	-	49,95,520	-	49,95,520
Research & Development		33,67,420	1,16,46,701	-	-	1,50,14,121	-	1,50,14,121
Total		83,62,940	1,16,46,701	-	-	2,00,09,641	-	2,00,09,640
Grand Total		10,80,39,628	3,20,23,899	29,30,615	5,27,795	14,24,66,346	1,74,61,758	12,50,04,581

Nitiraj Engineers Limited

Cash Flow Statement for the year ended 31 March, 2018

[Amount in Rs.]

	For the year ended 31st March 2018		For the year ended 31st March 2017	
A.) CASH FLOW FROM OPERATING ACTIVITIES				
Net profit after tax and extraordinary items adjustments for:		3,04,39,156		4,60,29,970
Depreciation on Fixed Assets	1,74,61,758		89,75,027	
Opening Profit & Loss Balance of Associate	(1,608)			
Others (Dividend & Tax)			(20,97,567)	
MAT Credit available	-	1,74,60,150	(41,43,596)	27,33,864
Operating profit before working capital changes		4,78,99,306		4,87,63,834
Adjustments for :				
Decrease (Increase) in Investments	(2,64,50,315)		(21,00,03,608)	
Decrease (Increase) in Loans & Advances	38,60,123		(2,85,36,817)	
Decrease (Increase) in Receivables	1,23,51,053		4,98,26,270	
Decrease (Increase) in Inventories	(92,49,908)		8,41,11,232	
Decrease (Increase) in Other Current Assets	(1,38,74,661)		(59,82,266)	
Increase / (Decrease) in Deferred Tax Liabilities	29,37,744		-	
Increase / (Decrease) in Trade Payables	(4,56,55,627)		1,22,55,041	
Increase / (Decrease) in Short Term Provisions	-		-	
		(7,60,81,590)		(9,83,30,148)
Operating profit after working capital changes		(2,81,82,285)		(4,95,66,314)
		-		-
B.) CASH FLOW FROM INVESTING ACTIVITIES				
(Purchase) Of Fixed Assets	(2,33,07,813)		(2,63,00,551)	
Sale of fixed assets	5,27,795		-	
Investment made (Net)				
(Investment) in Intangibles	(1,16,46,701)		(33,67,420)	
Cash Subsidy received during the year	12,43,793			
Net cash from investing activities		(3,31,82,926)		(2,96,67,971)
C.) CASH FLOW FROM FINANCIAL ACTIVITIES				
Issue of Share Capital & Share premium received			22,00,80,000	
Increase / (Repayment of Long Term Borrowings)	-			
Increase / (Repayment of Short Term Borrowings)	-		(7,18,89,890)	
Net cash used in financial activities C		-		14,81,90,114
Net increase/(decrease) in Cash and Cash Equivalents		(6,13,65,210)		6,89,55,834
Cash and cash equivalent at the beginning of the year		7,54,87,635		65,31,801
Cash and cash equivalent at the end of the year		1,41,22,425		7,54,87,635

See accompanying notes forming part of the financial statements

In terms of our report attached

For P.D.Dalal & Co.,

Chartered Accountants,

Firm Registration No.102047W

For Nitiraj Engineers Limited,

(Aashish S. Kakaria)

Partner

Membership No.102915

Mumbai

July 25, 2018

(Rajesh R. Bhatwal) (Shakuntala R. Bhatwal)

Managing Director Director

Din No.00547575 Din No.01953906

Nitiraj Engineers Limited

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2018

1. Corporate Information :
Nitiraj Engineers was incorporated in April 1999 as a private limited company. The company is engaged in the manufacturing and selling of a variety of Electronic Weighing Scales, Currency Counting Machines, Taxi Fare Meters etc.
The company was converted into a Limited Company on 22nd June, 2015 and the new name of the company is Nitiraj Engineers Limited. The company launched its Initial Public Offer of equity shares during the F.Y.2016 – 2017 and got listed on the NSE Emerge [SME] Exchange.
2. The Significant Accounting Policies followed by the company are as stated below
 - A. BASIS OF ACCOUNTING POLICIES:
 - A.1 BASIS OF PREPARATION AND PRESENTATION
The consolidated financial statements relate to Nitiraj Engineers Limited ('the Company') and its associate Hyper Drive Information Technologies Limited. The consolidated financial statements have been prepared on the following basis:
 - a) Investment in Associates has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures.
 - b) As per the information and explanations given to us the 3334 equity shares of Hyper Drive Information Technologies Limited are held by the holding company, thereby making its holding 25% in the Equity of the associate.
 - c) The Net Assets of the associate company as on 31st March 2018 was Rs.7,66,12,498 and the holding company's share in the Net Assets of the associate company of 25% was Rs.1,91,53,124
 - d) The holding company's share in the profit / [loss] of the associate company for the year ended 31st March 2018 is Rs.(-)3,02,602
 - B. OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out under "Significant Accounting Policies" as given in the Company's standalone financial statements.

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

(Aashish S. Kakaria)
Partner
Membership No.102915

Mumbai
25th July, 2018