



**NIRAJ ISPAT INDUSTRIES
LIMITED**

[30TH ANNUAL REPORT 2014-2015]

BOARD OF DIRECTORS

Haryant Kumar Chaudhry	Director
Vaishali Chaudhry	Director
Chaitanya Chaudhary	Director
Anil Kumar Sharma	Independent Director
Rajeev Kumar Singhal	Independent Director

AUDITORS

M/s. Sanjeev Anand & Associates,
Chartered Accountants,
77, Navyug Market
Ghaziabad

SECRETARIAL AUDITORS

M/s. V Kumar and Associates,
Company Secretaries
T-59, Ground Floor,
West Patel Nagar,
New Delhi-110 008
Mobile: 9910218035
Mail: csvivekkumar@gmail.com,
vivek@vkumarassociates.in

REGISTRAR AND TRANSFER AGENT

M/s. Skyline Financial Services Pvt. Ltd
D-153, 1st Floor,
Okhla Industrial Area, Phase-I,
New Delhi – 110 020

BANKERS

State Bank of India
Sher Singh Place, G.T. Road,
Ghaziabad, Distt- Ghaziabad- 201002,
Uttar Pradesh

REGISTERED OFFICE

5140/41/34, Chaudhry Market, Gali Patli Wali,
Sardar Bazar, Delhi -110006

CORPORATE OFFICE

Chaudhary Cinema Building,
19, G.T. Road Ghaziabad-201002, Uttar Pradesh

TABLE OF CONTENTS

S. No.	Contents	Page No.
01	Notice of Annual General Meeting	1
02	Director's Report	7
03	Extract of Annual Return	14
04	Corporate Governance Report	24
05	Secretarial Audit Report	42
06	Independent Auditor's Report	46
07	Balance Sheet	51
08	Statement of Profit & Loss	52
09	Notes forming part of the Accounts	54
10	Cash Flow Statement	53
11	Notes on Accounts	61
12	Form "A"	71

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Shareholders of **M/s Niraj Ispat Industries Limited** will be held at its Registered Office of the Company on Wednesday September 30th, 2015 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet of the Company as at 31st March, 2015 and Profit and Loss Account for the year ended on that date together with Reports of Auditors and Directors thereon.
2. 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 and all other applicable provisions, if any, of the Companies Act, 2013 {“Act”}, and the Companies (Audit and Auditors} Rules, 2014, as amended from time to time and pursuant to the recommendations of Audit Committee M/s Sanjeev Anand & Associates., Chartered Accountants be and is hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next consecutive AGM of the Company, subject to ratification by members at Annual General Meeting, at such remuneration plus service tax, out-of pocket, other expenses, etc., as may be approved by the Board of Directors of the Company.

SPECIAL BUSINESS

3. **To Appoint Mr. Rajeev Kumar Singhal as an Independent Director 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 Section 152 and 161 and other applicable provisions, if any, of the Companies Act, 2013 and Schedule IV thereto, Mr. Rajeev Kumar Singhal, who was appointed as an Additional Director of the Company on March, 31, 2015, who holds this office only up to the date of this Annual General Meeting, and in respect of whom, the Company has received a notice in writing under section 160 of the said Act from a member proposing the candidature of Mr. Rajeev Kumar Singhal for the office of Director, subject to the consent of the member of the Company be and is hereby appointed as Independent Directors of the Company.

RESOLVED FURTHER THAT subject to the section 149, 152 and other applicable provisions of the Companies Act, 2013 and Rules made there under (including any amendment(s) or modification(s) thereof for the time being in forced, (hereinafter referred as Act), Subject to the consent of the members be and is hereby accorded for the appointment of Mr. Rajeev Kumar Singhal, who has submitted a declaration under section 149(7) of the Act, as

Independent Director of the Company for term up to five years ie. from 31st March, 2015 to 30th March, 2020, does not liable to retire by rotation.

4. To Appoint Mr. Chaitanya Chaudhry as Director 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 Section 152 and 161 and other applicable provisions, if any, of the Companies Act, 2013 and Schedule IV thereto, Mr. Chaitanya Chaudhary, who was appointed as an Additional Director of the Company on February 27, 2015, who holds this office only up to the date of this Annual General Meeting, subject to the consent of the member of the Company be and is hereby appointed as Director of the Company.

**By Order of the Board of Directors
For NIRAJ INSPAT INDUSTRIES LIMITED**

Place: New Delhi
Date: 28/08/2015

**Sd/-
Signature:
Name:** Haryant Kumar Chaudhry
Designation: Director
DIN: 00021795
Address: KD-46, Kavi Nagar,
Ghaziabad-201002, Uttar Pradesh

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of this Annual General Meeting.
2. Corporate members intending to send their authorized representatives to attend the meetings are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. A statement pursuant to section 102(1) of the Companies Act, 2013 relating to the special business to be transacted at the meeting is annexed hereto.
4. Members are requested to bring their attendance slip alongwith their copy of Annual Report to the meeting, Proxies should fill in the attendance slip for

attending the meeting.

5. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions to the Company secretary, at least 10 days before the meeting to enable the information required to be made available at the meeting to the best extent possible.
6. The Company has entered into necessary arrangement with National Securities Depository Limited (NSDL) to enable the members to dematerialize their shareholding in the Company, Shareholders are requested to avail this facility and get their shares converted into dematerialized form by sending the Dematerialization Request Form (DRF) alongwith the share certificates through their Depository Participant to the Register and Transfer Agents of the Company.
7. Brief resume of the Directors proposed to be appointed/re-appointed, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India as under:

Name	Rajeev Kumar Singhal	Chaitanya Chaudhary
Date of birth	14/05/1966	15/08/1995
Date of appointment	31/03/2015	27/02/2015

8. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
9. The Register of Members and the Share Transfer Books of the Company will remain closed from 22nd September, 2015 to 29th September, 2015 (both days inclusive).
10. The Board of Directors has appointed Mr. Vivek Kumar, Company Secretary in Practice, having COP No. 10438 and office at T- 59, Ground Floor, West Patel Nagar, Near Khanna Market, New Delhi-110008, as the Scrutinizer for conducting this E-voting process in a fair and transparent manner.
11. In compliance with the provisions of Section 108 of the Companies Act, 2013 along with rules there under and as per the provisions of listing agreement, the Company is pleased to provide its members the facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL).

The complete details of the instructions for e-voting are annexed to this notice.

PROCESS FOR E-VOTING:

The Company viz; Niraj Ispat Industries Limited of which you are a shareholder has engaged NSDL for providing Remote E-voting services through the e-Voting platform of NSDL. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in voting on resolutions placed by Company on e-Voting system. The process of login to e -Voting website is given below:

1. Launch internet browser by typing the URL <https://www.evoting.nsd.com/>.
2. Click on "Shareholder - Login".
3. Put your existing User ID and password.
4. Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
5. Select "EVEN" Niraj Ispat Industries Limited.
6. Now you are ready for "e-Voting" as "Cast Vote" page opens.
7. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

Members can cast their vote online from Saturday, 26th September, 2015 (9:00 A.M.) till Tuesday, 29th September, 2015 (5:00 P.M.). Kindly note that vote once casted cannot be modified. For EVEN, you can log-in any number of times on e-voting platform of NSDL till you have voted all the resolutions or till the end date of voting period.

Note: e-Voting shall not be allowed beyond said time i.e. 29th September, 2015, at 5:00 P.M.

8. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at csvivekkumar@gmail.com with a copy marked to evoting@nsdl.co.in.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password, in such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.

Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.

You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).

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

the following contact information:
Phone No.+91 22 24994600/24994738
Email ID: evoting@nsdl.co.in

The result of voting will be announced at 5140/41/34 Chaudhry Market, Sadar Bazar, Delhi-110006 by the Chairman of the Meeting of the AGM on 01st October, 2015. The result of the voting will be communicated to the stock exchanges and will also be posted on the website of the Company.

Name and Address of the Stock Exchange at which Company's shares was listed.

Delhi Stock Exchange Limited
3/1, Ashif Ali Road, Katra Chobey Lal,
Old Delhi, New Delhi-110001

The Company was listed on Delhi Stock Exchange Limited, which is currently derecognized by the SEBI so now the Company is sifted to Dissemination Board of BSE

Annexure to the NOTICE

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM No. 3

Mr. Rajeev Kumar Singhal was appointed by the Board in its meeting held on March, 31, 2015 as an Additional Director in accordance with the provisions of section 161 of the Companies Act, 2013, Mr. Rajeev Kumar Singhal hold his office as an Additional Director till the ensuing Annual General Meeting. Thereafter the Board of Directors at their meeting held on 28th August, 2015 has also appointed Mr. Rajeev Kumar Singhal as an Independent Director of the Company for a term upto Five years ie. from 31st March, 2015 to 30th March, 2020, not liable to retire by rotation from the date of appointment.

Pursuant to the provisions of the Companies Act, 2013 and Rules made there under which came into effect from 1st April, 2014, every listed public Company is required to have at least one third of the total number of Directors as Independent Directors, who are not liable to retire by rotation and such appointments are subject to certain criteria's and for such terms as stated in the Act. Further SEBI had notified amended clause 49 w.e.f. 01.10.2014 which also lays down certain criteria's and requirements for Independent Directors.

Mr. Rajeev Kumar Singhal has over 20 years of Experience in Finance. He has done Bachelor's Degree in Commerce.

Mr. Rajeev Kumar Singhal has given a declaration to the Company that he meets the criteria of Independence as provided under Section 149(6) of the Companies Act 2013. In the opinion of the Board, Mr. Rajeev Kumar Singhal fulfilled the conditions specified in the Act for appointment as Independent an Director.

In compliance of the Act, the appointment of Mr. Rajeev Kumar Singhal as an Independent Director is now being placed before the members for their approval.

ITEM NO.4

Mr. Chaitanya Chaudhary having DIN: 06813394, who was appointed as an Additional Director of the Company on February 27, 2015, who holds this office only up to the date of this Annual General Meeting, subject to the consent of the member of the Company be and is hereby appointed as Director of the Company.

**By Order of the Board of Directors
For NIRAJ INSPAT INDUSTRIES LIMITED**

Place: New Delhi
Date: 28/08/2015

Sd/-
Signature:
Name: Haryant Kumar Chaudhry
Designation: Director
DIN: 00021795
Address: KD-46, Kavi Nagar,
Ghaziabad-201002, Uttar Pradesh

DIRECTOR'S REPORT

Dear Members,

Your Directors take pleasure in presenting the 30th Annual Report of your Company together with the Audited Balance Sheet as on 31st March, 2015 and the statement of Profit & Loss for the year ended on that date.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March, 2015 is summarized below:

	Year ended 31.03.2015	Year ended 31.03.2014
Income(Gross)	71,407,223	61,377,477
Profit/(Loss) before depreciation & interest	13,519,997	60,212,240
<u>Less:</u>		
- Depreciation	3,148,472	3,639,818
- Interest	-	-
Profit before Taxes	1,0371,525	4,805,054
<u>Less:</u> Provision for Taxation		
- Current Tax/MAT	3,070,500	1,849,000
- Deferred Tax	38,685	(359,066)
- MAT Credit Entitlements	--	--
Profit/(Loss) After Tax	7,262,340	3,280,144
Prior period adjustments	31,953	17,488
Profit/(Loss) for the year after tax and prior period adjustments	7,230,386	3,297,632

DIVIDEND

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

RESERVES

The Company has transferred Rs. 1,400,000/- from the statement of profit and loss to general reserve during the year under review.

BUSINESS OPERATIONS

The fiscal year 2015 was a period of relative stability. During the year under review, your Company achieved a profit of Rs. 10,371,525/- before tax as against Profit 4,805,054/- in the preceding financial year.

DIRECTORS

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company, Mr. Rajeev Kumar Singhal and Mr. Chaitanya Chaudhry were appointed as Additional Directors with effect from 31st March, 2015 and 27th February, 2015 and they shall hold office up to the date of the ensuing Annual General Meeting. The Board had also appointed Mr. Chaitanya Chaudhry as a Director and Mr. Rajeev Kumar Singhal as an Independent Director to

hold office for a term of 5 years from 31st March, 2015 till 30th March, 2020, subject to approval of the Members in the ensuing Annual General Meeting.

The Company has received requisite notice in writing from a member proposing Mr. Rajeev Kumar Singhal and Mr. Chaitanya Chaudhry for appointment as Directors of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013 and Clause 49 of the listing Agreement with the Stock Exchange.

BOARD MEETINGS

The Board met 10 times during the financial year 2014-15.

MANAGERIAL REMUNERATION

Mr. Niraj Chaudhry, and Mr. H K Chaudhry are the Directors, in the Whole Time employment of the Company and their salary, perquisites, and allowances per annum are as under :-

Amount in Rupees			
S.No.	Name	Salary	Perquisites & allowances
1.	Mr. Niraj Chaudhry	3,60,000 p.a.	-
2.	Mr. H K Chaudhry	3,60,000 p.a.	-

BOARD COMMITTEES

The Board has re-constituted all the three functioning committees in accordance with the provisions of Companies Act, 2013 and Listing Agreement namely Audit Committee, Share Holders/Investors, Grievance Committee and the Nomination and Remuneration Committee. The members of each committee are highly educated and well experienced. The Role of each committee is given in the Report of Corporate Governance.

AUDITORS

The Auditors of the Company, M/s. Sanjeev Anand & Associates retire at the conclusion of the ensuing Annual General Meeting and being eligible have sought reappointment. The Auditors have confirmed that they satisfy the criteria provided under section 141 of the Companies Act, 2013 (The Act) and their appointment, if made, would be in compliance with the conditions prescribed under the Act.

The Audit Committee and the Board of Directors recommended the appointment of M/s. Sanjeev Anand & Associates, as an Auditor of the Company for a period of 1 year to hold office from the conclusion of the ensuing Annual General Meeting to the conclusion of the next Annual General Meeting of the Company, subject to ratification by the members at Annual General Meeting.

AUDITORS' REPORT

The Auditors report does not contain any reservation, qualification or adverse remark.

SECRETARIAL AUDITOR

The secretarial audit of the Company has been conducted by M/s. V Kumar and associates, Company secretaries and their report on the secretarial audit for the year under review is annexed hereto is attached as **ANNEXURE-III**

SECRETARIAL AUDIT REPORT

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

PUBLIC DEPOSITS

The Company has not accepted any fixed deposits during the financial year under review.

DETAILS REGARDING REMUNERATION TO THE EMPLOYEES

In terms of rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The name and other particulars of the employees, whose remuneration falls within the purview of the said rule, are required to be set out in the Annexure to the Directors Report. However during the year under review or any part thereof, The Company did not employ any person with remuneration falling within the purview as prescribed under the rule.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Your Company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, regarding conservation of energy and technology absorption are not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There has been no expenditure and/or earning in foreign exchange.

NOTES ON TAXATION

In the opinion of Directors, the provision for income tax is sufficient to meet Income Tax Demand, Shortfall, if any will be met, if necessary, out of reserves.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATES.

There have been no material changes and commitments occurred between the period affecting the financial position of the Company.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANY

The Company has no subsidiary, Associate Companies and joint venture Company.

EXTRACT OF THE ANNUAL RETURN

The details forming part of extract of Annual Return as on the financial year ended March 31, 2015, pursuant to section 92(3) of the Companies Act, 2013 in Form MGT-9 is attached as **ANNEXURE-I**

LOAN AND INVESTMENT BY COMPANY

The Company has neither given any loan to any persons or body corporate nor given any guarantee or provided security in connection with a loan to other body corporate or Persons. The Company has not made any investment in the purchase of shares of any associate Company during the year under review.

RELATED PARTY TRNSACTIONS

All the related party transactions that were entered into during the financial year were in the ordinary course of Company's business and on arm's length basis. There are no materially significant related party transactions made by the Company with the Promoters, Key Management Personnel or other designated persons which may have potential conflict with the interest of the Company at large. However the related party transactions are given in Note No.24.

DETAILS IN RESPECT OF ADEQUACY OF INTERIAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT

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

The Internal financial control system is periodically reviewed by the Directors who are highly educated and well experienced.

SEGMENT

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

SHARE CAPITAL

(A) Issue of Equity shares with deferential rights :	NIL
(B) Issue of Sweat Equity shares :	NIL
(C) Issue of employees stock options :	NIL
(D) Provision of Money by Company for purchase of its own share by employees or trustee for the benefit o employees :	NIL

RISK MANAGEMENT POLICY

At present, the Company has not identified any element of risk which may threaten the existence of the Company.

COPRORATE SOCIAL RESPONSIBILITY

The provisions of Section 135(1) of the Companies Act, 2013 are not applicable to the Company and therefore the Company has no corporate Social Responsibility Committee of the Board.

ANNUAL EVALUTION OF PERFORMANCE OF BOARD, ITS COMMITTEES AND UNDIVIDUAL DIRECTOR

The Board of Directors have complied with the provisions of Sec. 134(3)(p) of the Companies Act, 2013 and clause 49 of the Listing Agreement regarding Annual Evaluation of performance of the Board, the Committees and the individual Directors. Such evaluation was made on the parameters such as the level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance of the Board, its committees and the individual Directors is satisfactory.

CODE OF CONDUCT

The chairman of the Board Meetings has given a declaration that all Directors and senior Management Personnel concerned affirmed compliance with the code of conduct with reference to the year ended March, 31 2015.

CORPORATE GOVERNANCE

In compliance with the requirements of clause 49 of the Listing Agreement entered into with the Stock Exchange, a separate report on Corporate Governance along with Auditors Certificate confirming its compliance is annexed and form part of this report as **ANNEXURE-II**

DIRECTOR'S RESPONSIBILITY STATEMENT

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

- (i) In the preparation of the Annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

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

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

**Place: New Delhi
Date: 28.08.2015**

**Sd/-
(H K Chaudhry)
Director
DIN : 00021795**

**Sd/-
(Chaitanya Chaudhry)
Director
DIN : 06813394**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. OPERATING RESULTS OF THE COMPANY

During the Financial Year under consideration the performance of the Company was satisfactory. Net Profit for the year 2014-15 stood at Rs.7,230,386.63/- as against Net Profit of Rs.3, 297,632/- in the year 2013-14. Furthermore the total Revenue from operation for the year ended March 31st, 2015 stood at Rs. 71,407,223/-, as compared to Rs. 61,377,477/- revenue for the year 2013-14.

2. INDUSTRY STRUCTURE AND DEVELOPMENT

The principal activities of the Company are:

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

3. THREATS

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

4. PROSPECT & OUTLOOK

The Company presents the analysis of the Company for the year 2014-2015 & its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic & other developments, both in India and abroad.

5. RISKS AND CONCERNS

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

6. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

There are well-established procedures for Internal Controls for operations of the Company. The finance & audit functions are well equipped with professionally experienced qualified personnel

& play important roles in implementing the statutory obligations. The Company has constituted Audit Committee for guidance and proper control of affairs of the Company.

7. HUMAN RESOURCES

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

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2015**

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

I. REGISTRATION AND OTHER DETAILS:

- I. CIN:- L27106DL1985PLC021811
- II. Registration Date:- 19/08/1985
- III. Name of the Company:- Niraj Ispat Industries Limited
- IV. Category / Sub-Category of the Company:- Company limited by shares
- V. Address of the Registered office and contact details:- 5140/41/34, Chaudhry Market, Gali Patli Wali, Sadar Bazar New Delhi-110006
- VI. Whether listed company Yes
- VII. Name, Address and Contact details of Registrar and Transfer Agent, if any:-
Skyline Financial Services Private Limited,
D153A, 1st Floor, Okhla Industrial Area,
Phase I, New Delhi 110 020
Phone: 011- 64732681/82
Contact Person: Mr. Virender Rana
Mobile No: 9818456709

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1	Manufacturing of Polyester Buttons	25	93.62%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

i) Category-wise Share Holding

Category Code	Category of Shareholders	Number of share holders	Total number of shares	Number of shares held in dematerialized form	Total Shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(A)	Shareholding of Promoters and Promoter Group					
(1)	Indian					
(a)	Individual / Hindu Undivided Family	10	447500	0	74.58	74.58
(b)	Central Govt. / State Govt.(s)	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0
(d)	Financial Institutions / Banks	0	0	0	0	0
(e)	Any Other (specify)	0	0	0	0	0
	Sub-Total (A)(1)	10	447500	0	74.58	74.58
(2)	Foreign					
(a)	Individual (Non-Resident Indian / Foreign Individuals)	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0
(c)	Institutions	0	0	0	0	0
(d)	Any Other (specify)	0	0	0	0	0
	Sub-Total (A)(2)	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	10	447500	0	74.58	74.58
(B)	Public Shareholding					
(1)	Institutions	0	0	0	0	0

(a)	Mutual Funds / UTI	0	0	0	0	0
(b)	Financial Institutions / Banks	0	0	0	0	0
(c)	Central Government / State Government(s)	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0
(f)	Foreign Institutional Investors	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0
(h)	Any Other (specify)	0	0	0	0	0
	Sub-Total (B) (1)	0	0	0	0	0
(2)	Non-Institutions					
(a)	Bodies Corporate	2	110	0	.02	.02
(b)	Individuals -					
i.	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	498	132390	0	22.07	22.06
ii.	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1	20,000	0	3.33	3.33
(c)	Any Other (subsidiary company)(specify)	0	0	0	0	0
(d)	Hindu Undivided Family	0	0	0	0	0
	Sub-Total (B) (2)	501	152500	0	25.42	25.42
	Total Public Shareholding B= (B)(1)+(B)(2)	501	152500	0	25.42	25.42
	TOTAL (A)+(B)	511	600,000	0	100.00	100.00
(C)	Shares held by custodians and against which Depository Receipts have been issued	0	0	0	0	0

(ii) Shareholding of Promoters

Sl.no	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year				% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Madhu Choudhary	113900	18.98	0	113900	18.98	0	0
2	Neeraj Chaudhry.HUF	54300	9.05	0	54300	9.05	0	0
3	Niraj Steels Pvt. Ltd.	24600	4.1	0	24600	4.1	0	0
4	Pickup Suppliers (P) Ltd.	53900	8.98	0	53900	8.98	0	0
5	Haryant Stainless Steel Pvt. Ltd.	47900	7.98	0	47900	7.98	0	0
6	Haryant Kumar Chaudhry.	35700	5.95	0	35700	5.95	0	0
7	Neeraj Chaudhry.	46300	7.71	0	61600	10.27	0	0
8	Smt. Anuradha Kanodia.	20000	3.33	0	20000	3.33	0	0
9	Smt. Vaishali Chaudhry.	30400	5.07	0	30400	5.07	0	0
10	Km. Vaidehi Chaudhry.	5200	0.87	0	5200	0.87	0	0
11	Goddess Chint Purni Devi.	1800	0.3	0	0	0	0	0
12	Goddess Ma Chamunda Devi	1800	0.3	0	0	0	0	0
13	Goddess Ma Jagdamba Dei.	1800	0.3	0	0	0	0	0

14	Goddess Ma Jawala Devi.	1800	0.3	0	0	0	0	0
15	Goddess Ma Hindumba Devi.	1800	0.3	0	0	0	0	0
16	Goddess Mahalaxmi Devi.	1800	0.3	0	0	0	0	0
17	Goddess Ma Naina Devi.	1800	0.3	0	0	0	0	0
18	Goddess Ma Santoshi Devi.	1800	0.3	0	0	0	0	0
19	Goddess Ma Vaishnu Devi.	1800	0.3	0	0	0	0	0

(iii) Change in Promoter's shareholding (please specify if there is no change)

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	447500	74.58	447500	74.58
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer /bonus/sweat Equity etc.	0	0	0	0
	At the end of the Year	447500	74.58	447500	74.58

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

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	At the beginning of the Year	54,400	9.06	54,400	9.06
	Date wise Increase / Decrease in (other than Directors, Promoters and Holders of GDRs and ADRs) Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/bonus/sweat equity etc. (Changes in shareholding due to transfer of shares on 20th November, 2014))	(8000)	1.33	(8000)	1.33
	At the End of the year (or on the date of separation, if separated during the year)	46,400	7.73	46,400	7.73

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No		Shareholding at the beginning of the year 1 st April, 2014		Shareholding at the end of the year 31 st March, 2015	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Haryant Kumar Chaudhry	35700	5.95	35700	5.95
2	Vaishali Chaudhry	30400	5.07	30400	5.07
3	Neeraj Chaudhry	46300	7.71	61500	10.27

V INDEBTNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
I) Principal Amount	21,858,752	18,232,000	Nil	40,090,752
II) Interest due but not paid				
III) Interest accrued but not due				
Total (I+II+III)	21,858,752	18,232,000	Nil	40,090,752
Change in Indebtedness during the financial year				
• Addition	-	12677600	Nil	12677600
• Reduction	2,207,948	-	Nil	2,207,948
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
I) Principal Amount	19,650,804	30,909,600	-	50,560,404
II) Interest due but not paid				
III) Interest accrued but not due				
Total (I+II+III)	19,650,804	30,909,600	-	50,560,404

VI. Remuneration of Directors and Key Managerial Personnel

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

Sl. no	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Haryant Kumar Chaudhry Niraj Chaudhry	360,000 360,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
	Stock Option	-	-
	Sweat Equity	-	-
	Commission - as % of profit - others, specify	-	-
	Others, please specify	-	-
	Total (A)		-
	Ceiling as per the Act		-

A. Remuneration to other Directors:

Sl. no.	Particulars of Remuneration	Name of Directors	Total amount
	1. Independent Directors		
	· Fee for attending board committee meetings	NIL	NIL
	· Commission	NIL	NIL
	-Others, please specify		
	Total (1)	NIL	NIL
	Other Non-Executive Directors		
		NIL	

	· Fee for attending board committee meetings · Commission · Others, please specify	NIL NIL	NIL NIL NIL
	Total (2)	NIL	NIL
	Total (B)=(1+2)	NIL	NIL
	Total Managerial Remuneration	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	Niraj Chaudhry	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE TO THE DIRECTOR'S REPORT**REPORT ON CORPORATE GOVERNANCE**

Corporate Governance is the set of best practices. Corporate governance refers to the set of systems, principles and processes by which a Company is governed. They provide the guidelines as to how the Company can be directed or controlled such that it can fulfill its goals and objectives in a manner that adds to the value of the Company and is also beneficial for all stakeholders in the long term. Stakeholders in this case would include everyone ranging from the Board of Directors, management, shareholders to customers, employees and society. The Corporate Governance is a key element in enhancing investor confidence, promoting competitiveness and ultimately improving economic growth.

The aim of "Good Corporate Governance" is to ensure commitment of the Board in managing the Company in a transparent manner for maximizing long-term value of the Company for its shareholders and protection of the rights of the shareholders and your Board of Directors are putting their best efforts to fulfill its commitment towards good Corporate Governance.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence. The Corporate Governance philosophy is scripted as:

"As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success."

The Company's philosophy of Corporate Governance is to strengthen the investor's trust and ensures a long-term partnership that helps in achieving Company's objectives, meeting its obligations towards stakeholders, and is guided by a strong emphasis on transparency, accountability, integrity and environment responsibility.

Our Company's framework is designed to enable the Board to provide strategic guidelines for the Company the effective over-sight of management. The respective roles and responsibilities of Board Members and Senior Executives are clearly defined to facilitate accountability to Company as well as its shareholders. This ensures a balance of authority so that no single individual has unfettered powers.

Our Company has taken adequate steps to form various Committees at the Board level to focus attention on crucial issues before placing the same before the Board for consideration. These include 'Audit Committee' and 'Shareholders/Investors Grievance Committee' Independent Directors are appointed not merely to fulfill the listing requirement but for their

diverse skills, experience and external objectivity that they bring to effectively perform their role to provide strategic direction and guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions.

The Company is in compliance with all the requirements of the corporate governance code as enshrined in Clause 49 of the listing agreement.

MANDATORY REQUIREMENTS

A. BOARD OF DIRECTORS

The Board provides leadership and strategic guidance, objectively reviews management decisions and exercises control over the Company.

i) CATEGORY AND COMPOSITION

In compliance with the Listing Agreement, the Company has a balanced mix of executive, non-executive and Independent Directors. As on date of this report, the Board of Directors consists of 5 (Five) Directors, out of which 2 are Executive Directors, 1 is Non-Executive Director and 2 are Independent Directors in compliance with Clause 49 of the Listing Agreement.

The composition of Board during the year as follows:

Name of the Director	Designation	Category
Mr. Haryant Kumar Chaudhry	Director	Executive Director
Mr. Chaitanya Chaudhary	Director	Executive Director
Mrs. Vaishali Chaudhry	Director	Non-Executive Director
Mr. Rajiv Kumar Singhal	Director	Non-Executive & Independent Director
Mr. Anil Kumar Sharma	Director	Non-Executive & Independent Director

ii) BOARD MEETING

The Board meeting is held in every quarter to review the financial results and discuss other issues. Besides the quarter, Board meeting are also held whenever required. To conduct a Board meeting the Directors are informed by giving a notice in advance and the agenda of Board meeting is also dispatched with the notice. The members of Board discussed each agenda in the meeting and take decision after having a proper discussion and obtaining views of all members. The Board members are free to give their suggestions on any agenda item and can also submit their view for improving the performance of Company.

During the year Ten (10) Board Meetings have taken place on 20.05.2014, 20.06.2014, 15.07.2014, 25.07.2014, 02.09.2014, 10.11.2014, 12.02.2015, 27.02.2015, 02.03.2015 and 31.03.2015

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

Name of the Director	Designation	Category	No. of Board Meetings Attended	Last AGM attended
Mr. Haryant Kumar Chaudhry	Director	Executive Director	5	Yes
Mr. Niraj Chaudhry	Director	Executive Director	4	Yes
Mrs. Vaishali Chaudhry	Director	Non-Executive Director	7	Yes
Mr. Akash Khandelwal	Director	Non-Executive & Independent Director	6	Yes
Mr. Anil Kumar Sharma	Director	Non-Executive & Independent Director	5	Yes
Mr. Chaitanya Chaudhry*	Director	Executive Director	3	No
Mr. Rajeev Kumar Singhal*	Director	Non-Executive & Independent Director	1	No

* Date of Appointment is 27/02/2015 & 31/03/2015 respectively.

B. COMMITTEE OF DIRECTORS

AUDIT COMMITTEE:

An Audit committee is a key element in corporate governance process of any Company. The emergence of corporate governance, which refers to the establishment of a structural framework or reforming the existing framework to ensure the working of the Company to best serve the interest of all stakeholders, is a vital concept which has become indispensable in the present capital market state of affairs so as to safeguard the interest of stakeholders.

i) BOARD TERMS OF REFERENCE

The composition of audit committee meets the requirements of Section 177 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement. The terms of reference of this Committee covers the matters specified for Audit Committee under clause 49(II)(C) & (D) of the Listing Agreement read with Section 177 of the Companies Act, 2013. The terms of the reference of Audit Committee include inter alia the following:

Powers of Audit Committee

- i. To investigate any activity within its terms of reference.
- ii. To seek information from any employee.
- iii. To obtain outside legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Key responsibilities of Audit Committee

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is 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/Quarterly financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (3) sub clause (c) of section 134 of the Companies Act, 2013
 - 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
 - g. Qualifications in the draft audit report.
 - h. The quality and acceptability of:
 - i) The accounting policies and practices, including without limitation critical accounting policies and practices, all alternative accounting treatments within generally accepted accounting principles for policies and procedures related to material items that have been discussed with management, ramifications of the use of such alternative treatments and the treatment preferred by the external auditors; and

- ii) Financial reporting disclosures and changes thereto, including a review of any material items of correspondence between the Company and the external auditors;
 - i. The extent to which the financial statements are affected by any unusual transactions or any off-balance sheet arrangements, including any disclosable guarantees, indemnification agreements or interests in unconsolidated special purpose entities, in the year and how they are disclosed;
 - j. the policies and process for identifying and assessing business risks and the management of these risks;
 - k. material misstatements detected by the auditors that individually or in aggregate have not been corrected and management's explanations as to why they have not been adjusted;
 - l. possible impairments of the Group's assets;
 - m. compliance with financial reporting standards and relevant financial and governance reporting requirements;
- 5. 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 the Board to take up steps in this matter.
- 6. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- 7. 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.
- 8. Discussion with internal auditors any significant findings and follow up there on.
- 9. 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.
- 10. 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.
- 11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

12. To review the functioning of the Whistle Blower mechanism, in case the same is existing.

13. Mandatory reviews the following information:

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Chief internal auditor

14. Overseeing the relationships with the external auditors as follows:

- i. To consider the appointment of the external auditors and provide the Board with its recommendation to the shareholders on the appointment, reappointment and removal of the external auditors approve the audit engagement fees and terms and review annually their activities, findings, conclusions and recommendations. The external auditors shall report directly to the Audit Committee. The Audit Committee shall be responsible for ensuring the resolution of any disagreements between management and the external auditors regarding financial reporting;
- ii. To discuss with the external auditors the nature and scope of the audit (including any significant ventures, investments or operations which are not subject to audit) and ensure co-ordination if more than one audit firm is involved;
- iii. To review and monitor the independence of the external auditors and the objectivity and the effectiveness of the audit process including reviewing and monitoring the external auditors' quality control procedures and steps taken by the external auditors to respond to changes in regulatory and other requirements. This review will include a review of the experience and qualifications of the senior members of the audit team, including rotational procedures;
- iv. To pre-approve the scope and extent of audit and non-audit services provided to the Group by any third party in the case of audit services and by the external auditors in the case of audit and permitted non-audit services. The Audit Committee may delegate to the Chairman of the Audit Committee (and in his absence another member) the authority to pre-approve any audit or permitted non-audit service to be provided by the external auditors provided such approvals are presented to the Audit Committee at its next scheduled meeting;
- v. To consider communications from the external auditors on audit planning and findings and on material weaknesses in accounting and internal control systems that came to the auditors' attention, including a review of material items of correspondence between the Company and the external auditors; and

vi. To ensure that there are no restrictions on the scope of the statutory audit;

15. Such other function, as may be assigned by the Board of Directors from time to time or as may be stipulated under any law, rule or regulation including the Listing Agreement and the Companies Act, 2013.

THE COMPOSITION AND MEETING OF AUDIT COMMITTEE:

The Audit Committee of the Company has been constituted as per the requirements of clause 49 of listing agreement. Audit Committee consists of three Directors, namely Mr. Akash Khandelwal, is Non-Executive & Independent Director, Mr. Anil Kumar Sharma is Non-Executive & Independent Director and Mrs. Vaishali Chaudhry is Non-Executive Director. The Constitution of Audit Committee also meets the requirements under Section 177 of the Companies Act, 2013

The Audit Committee of the Company has been re-constituted due to change in directorship of the Company during the financial year, so after end of this financial year, Audit Committee consists of three Directors, namely Mr. Rajiv Kumar Singhal, is Non-Executive & Independent Director, Mr. Anil Kumar Sharma is Non-Executive & Independent Director and Mrs. Vaishali Chaudhry is Non-Executive Director. The Constitution of Audit Committee also meets the requirements under Section 177 of the Companies Act, 2013

The Chairman of the Committee is Mr. Anil Kumar Sharma an Independent Director nominated by the Board.

The Statutory Auditors and Internal Auditors are also the invitee to the meetings.

During the year under review, the Committee met Four times on 20.05.2014, 15.07.2014, 10.11.2014 and 12.02.2015.

The gap between two meetings did not exceed four months. Constitution of Audit Committee and other related information as on 31st March 2015 are as under:

The Composition of audit committee is as follows:

Name of the Director	Designation	Category
Mrs. Vaishali Chaudhry	Director	Non-Executive Director
Mr. Anil Kumar Sharma	Director	Non-Executive & Independent Director
Mr. Akash Khandelwal	Director	Non-Executive & Independent Director

Details of attendance of each member of Audit Committee meetings of the Company are as follows:

Name of the Director	Designation	Category	No. of Board Meetings attended	Last AGM attended
Mrs. Vaishali Chaudhry	Director	Non-Executive Director	2	Yes
Mr. Anil Kumar Sharma	Director	Non-Executive & Independent Director	4	Yes
Mr. Akash Khandelwal	Director	Non-Executive & Independent Director	3	Yes

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

Terms of Reference

The broad terms of reference includes the following:

- Redressal of shareholder and investor complaints including, but not limiting itself to transfer of shares and issue of duplicate share certificates, non-receipt of balance sheet, non-receipt of declared dividends, etc., and
- Monitoring transfers, transmissions, dematerialization, rematerialization, splitting and consolidation of shares issued by the Company.

Composition, meetings and attendance

In compliance with the Listing Agreement requirements and provisions of the Companies Act, 2013, the Company has constituted an Investor Grievance Committee consisting of majority of Non-Executive Independent Directors. As on 31st March 2015, Committee consists of three members comprising of Mr. Anil Kumar Sharma is Non-Executive & Independent Director, Mr. Niraj Chaudhry Executive Director and Mr. Akash Khandelwal is Non-Executive & Independent Director under the Chairmanship of an Independent & Non Executive Director viz Anil Kumar Sharma.

The Shareholders'/Investors' Grievance Committee of the Company has been re-constituted due to change in directorship of the Company during the financial year, So after end of this financial year, Shareholders'/Investors' Grievance Committee consists of three Directors, namely Mr. Rajiv Kumar Singhal, is Non-Executive & Independent Director, Mr. Anil Kumar Sharma is Non-Executive & Independent Director and Mrs. Vaishali Chaudhry is Non-Executive Director.

Name of the Director	Designation	Category
Mr. Niraj Chaudhry	Director	Executive Director
Mr. Anil Kumar Sharma	Director	Non-Executive & Independent Director
Mr. Akash Khandelwal	Director	Non-Executive & Independent Director

The Composition of Shareholders/ Investors Grievances Committee is as follows:

During the year under review, the Committee met four times on 20.05.2014, 15.07.2014, 10.11.2014, 12.02.2015

Details of attendance of each member of Shareholders/ Investors Grievance Committee meetings of the Company are as follows:

Name of the Director	Designation	Category	No. of Board Meetings attended	Last AGM attended
Mr. Niraj Chaudhry	Director	Executive Director	4	Yes
Mr. Anil Kumar Sharma	Director	Non-Executive & Independent Director	2	Yes
Mr. Akash Khandelwal	Director	Non-Executive & Independent Director	3	Yes

Share Transfers are processed and duly approved by the committee. Shareholders/Investor's Grievances are placed before the committee. There were no Shareholder/investors complaints pending at the end of the financial year ended on 31.03.2015.

The roles and responsibilities of Shareholders/ Investors Grievances Committee are as follows:

Role and Responsibilities

The role of Shareholders/ Investors Grievances Committee includes the review of following:

- To monitor the process of expeditious transfer of shares or debentures.
- To monitor and review the shareholders complaints related to transfer of shares, non-receipt of Balance Sheet, non receipt of declared dividend etc.
- To monitor and review from time to time the systems/ procedures relating to processing of transfer of shares, dematerialization/ re-materialization of share certificates, re-issued of share certificates against split, cancellation, consolidation and lost share certificates etc.
- To investigate any activity and seek information from any employee of the Company, in discharging its duties.
- To obtain outside legal or professional services, if consider necessary.
- To fix the record date for the purposes as required under the Companies act and/or listing agreement.

- To consider and approve issue of duplicate share certificate in lieu of those reported lost, misplaced, torn, mutilated etc.
- Any other powers which are specifically delegated by the Board from time to time.

NOMINATION AND REMUNERATION COMMITTEE

The Board constituted a Nomination and Remuneration Committee on pursuant to Clause 49 of Listing Agreement. The role, term of reference, authority and powers of the Remuneration Committee are in conformity with the requirements of the Companies Act, 2013 and listing agreement.

The Nomination And Remuneration Committee of the Company has been re-constituted due to change in directorship of the Company during the financial year, So after end of this financial year, Nomination And Remuneration Committee consists of three Directors, namely Mr. Rajiv Kumar Singhal, is Non-Executive & Independent Director, Mr. Anil Kumar Sharma is Non-Executive & Independent Director and Mrs. Vaishali Chaudhry is Non-Executive Director.

Name of the Director	Designation	Category
Mrs. Vaishali Chaudhry	Director	Non-Executive Director
Mr. Anil Kumar Sharma	Director	Non-Executive & Independent Director
Mr. Akash Khandelwal	Director	Non-Executive & Independent Director

The broad terms of reference of the Nomination and Remuneration Committee are:

- Determining remuneration packages payable to Executive/ Managing Director of the Company.
- Determining remuneration packages payable to key managerial personnel of the Company.

During the year under review, the Committee met Four times on 20.05.2014, 15.07.2014, 10.11.2014, 12.02.2015

Details of attendance of each member of Nomination and Remuneration Committee meetings of the Company are as follows:

Name of the Director	Designation	Category	No. of Board Meetings attended	Last AGM attended
Mrs. Vaishali Chaudhry	Director	Non-Executive Director	2	Yes
Mr. Anil Kumar Sharma	Director	Non-Executive & Independent Director	4	Yes
Mr. Akash Khandelwal	Director	Non-Executive & Independent Director	3	Yes

The details of the Remuneration to Directors for the year ended March 31, 2015:

Managing Director and Executive Directors

Amount in Rupees

Name	Salary	Benefits and Allowances	Perquisites
Mr. Haryant Kumar Chaudhry	360,000	Nil	
Mr. Niraj Chaudhry	360,000	Nil	

SUB-DELEGATION

In order to expedite the process of shares transfers, In compliance with the Listing Guidelines, every six months, the Share Transfer System is audited by a Company Secretary in Practice and a certificate to that effect is issued by them.

CODE OF CONDUCT:

As per Clause 49 (I) (D), the Board of the Company has laid down Code of Conduct for all the Board members of the Company and Senior Management as well and the same has been posted on Website of the Company. Annual Compliance Report for the year ended 31st March, 2015 has been received from all the Board members and senior management of the Company regarding the compliance of all the provisions of Code of Conduct. Declaration regarding compliance by Board members and senior management personnel with the Company's Code of Conduct is hereby attached as annexure to this report.

MATERIAL NON-LISTED SUBSIDIARY COMPANIES:

Clause 49 defines a 'material non-listed Indian subsidiary' as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding Company and its subsidiaries in the immediately preceding accounting year.

Company does not have any such subsidiary during the accounting year under review.

COMPLIANCE OFFICER OF THE COMPANY

Mr. Haryant Kumar Chaudhry, Director is the Compliance Officer for complying with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & clause 47 (a) of listing agreement and is responsible for complying with the requirements of Listing Agreement with the Stock Exchanges. The Compliance Officer can be contacted at:

Niraj Ispat Industries Limited

Registered Office:

5140/41/34 Choudhry Market, Gali Patliwali,
Sadar Bazar, New Delhi-110006
E-Mail: nirajispatindustries@gmail.Com

GENERAL MEETING:-

Location and time for the last 3 AGMs were as follows:-

Particulars	FY 2011-2012	FY 2012-2013	FY 2013-2014
Date and time	29 th September, 2012, 10:30 A.M.	30 th September, 2013, 2:30 P.M.	30 th September, 2014, 2:30 P.M.
Venue	5140/41/34 Choudhry Market, Gali Patliwali, Sadar Bazar, New Delhi- 110006	5140/41/34 Choudhry Market, Gali Patliwali, Sadar Bazar, New Delhi-110006	5140/41/34 Choudhry Market, Gali Patliwali, Sadar Bazar, New Delhi- 110006
Special Resolution	No	No	No

POSTAL BALLOT

During the year under review, we have not conducted any postal ballot in pursuance of Section 108 of the Companies Act, 2013 and Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

STATUTORY DISCLOSURES

No transactions of material nature have been entered into by the Company with any of the promoters, Directors, their related companies, firms, subsidiaries or relatives etc. that may have a potential conflict with interest of the Company. The Company has not been penalized, nor have any strictures been passed by the Stock Exchanges, SEBI etc.

MEANS OF COMMUNICATIONS

Up-to-date financial results, annual reports, shareholding patterns, official news releases, financial analysis reports and latest presentation have been made to the institutional investors.

The notice of the AGM along with Annual Report will be sent to the shareholders well in advance of the AGM.

DISCLOSURES

The Board of Directors receives from time to time disclosures relating to financial and commercial transactions from key managerial personnel of the Company where they and /or their relatives have personal interest. There are no materially significant related party transactions, which have potential conflict with the interest of the Company at large.

The details of the Related Party Transactions are placed before the audit committee as well as to the Board of Directors in terms of Clause 49(IV) (A) and other applicable laws for approval.

RISK MANAGEMENT

The Company has in place a Risk Management policy, which lays down a robust and dynamic process for identification and mitigation of risks. This policy has been adopted by the Audit Committee as well as the Board of Directors of the Company. The Audit Committee reviews the risk management and mitigation plan from time to time.

ANNUAL GENERAL MEETING

Date: 30th September 2015
Time: 10:00 AM
Venue: 5140/47, Chaudhry Market,
Gali Patli Wali, Sadar Bazar,
New Delhi -110006

FINANCIAL CALENDAR (tentative)

Financial Year- 1st April to 31st March

Financial Reporting for the First Quarter ending 30th June 2014: 15.07.2014

Financial Reporting for the Half Year ending 30th September 2014: 10.11.2014

Financial Reporting for the Third Quarter ending 31st December 2014: 12.02.2015

Financial Reporting for the Quarter & Year ending 31st March 2015: 23.05.2015

DATE OF BOOK CLOSURE:

22nd September, 2015 to 29th September, 2015 (both days inclusive)

LISTING ON STOCK EXCHANGE:

1. Delhi Stock Exchange Limited
DSE House, 3/1
Asif Ali Road,
Delhi-110002

The Company was listed on Delhi Stock Exchange Limited, which is currently derecognized by the SEBI so now the Company is sifted to Dissemination Board of BSE

CORPORATE IDENTIFICATION NUMBER: L27106DL1985PLC021811**REGISTRAR AND SHARE TRANSFER AGENT:**

Skyline Financial Services Private Limited
D-153, 1st Floor, Okhla Industrial Area,
Phase – 1, New Delhi – 110 020
Telephone: 011-64732681-88
Fax: 011-26812682
E-mail: viren@skylinerta.com

STATUS FOR SHAREHOLDERS' COMPLAINTS FOR THE PERIOD 01.04.2014 TO 31.03.2015

Complaint received from the shareholders of the Company during the year was duly resolved upto the satisfaction of our shareholders & no complaint was pending at the end of financial year.

LOCATION OF PLANTS

D-10, Industrial Area,
Bulandshahar Road,
Ghaziabad
Email: eureka_polygems@yahoo.com

ADDRESS FOR CORRESPONDENCE**Niraj Ispat Industries Limited****Registered Office:**

5140/41/34 Choudhry Market Gali Patliwali,
Sadar Bazar, New Delhi-110006
E-Mail: sanjeevgzb@Gmail.Com

Corporate Office:

Chaudhary Cinema Building,
19, G.T. Road Ghaziabad-201001, Uttar Pradesh

DECLARATION

None of the Director of the Company is a Director of more than 20 Companies and member of more than 10 committees or Chairman of more than 5 committees across all companies in which he is a Director.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

To reconcile the total admitted capital with NSDL & CDSL and the total issue and listed capital, A Reconciliation of Share Capital Audit Report under clause 55A of Depository Participants Act, is carried out by a Company Secretary in Practice on Quarterly basis.

AUDITOR'S CERTIFICATE OF CORPORATE GOVERNANCE

To
The Members of
Niraj Ispat Industries Limited
5140/41/34 Choudhry Market, Gali Patliwali,
Sadar Bazar, New Delhi-110006

We have examined the compliance of the conditions of Corporate Governance by Niraj Ispat Industries Limited for the year ended 31st March, 2015 as stipulated in clause 49 of the listing agreement of the said Company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the financial statements of the Company.

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

We state that in respect of Investor Grievances received during the year ended 31st March 2015, no investor grievances are pending against the Company as per the record maintained by the companies which are presented to Investor Grievance Committee.

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

Place: Ghaziabad
Date: 28/08/2015

For **Sanjeev Anand & Associates,**
Chartered Accountants,

(S. Agarwal)
Partner
Membership No. 72907
Firm Regn. No: 007171C

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

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

(a) I have reviewed financial statements and the cash flow statements for the year and that to the best of my knowledge and belief:

i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations

b) There are no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct;

c) I accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.

d) I have indicated to the auditors and the Audit Committee:

(i) Significant changes in the internal control over financial reporting during the year under reference;

(ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

(iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**By Order of the Board of Directors
For NIRAJ INSPAT INDUSTRIES LIMITED**

Place: New Delhi

Date: 28/08/2015

Sd/-

Signature:

Name: Niraj Chaudhry

Designation: CFO

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

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

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. The Code of Conduct as adopted is available on the Company's website. I confirm that the Company has in respect of the Financial Year ended March 31, 2015, received from the Senior Management team of the Company and the members of the Board, a declaration of Compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Presidents, Sr. Vice Presidents and Vice President Cadre as on March 31, 2015.

**By Order of the Board of Directors
For NIRAJ INSPAT INDUSTRIES LIMITED**

Place: New Delhi

Date: 28/08/2015

Sd/-

Signature:

Name: Haryant Kumar Chaudhry

Designation: Director

DIN: 00021795

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

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

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

To,
The Members,
Niraj Ispat Industries Limited,
5140/41/31 Choudhry Market, Gali Patliwali
Sadar Bazar, Delhi – 110006

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

Based on our verification of the **Niraj Ispat Industries Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Niraj Ispat Industries Limited** (“the Company”) for the financial year ended on **31st March, 2015** 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- a. Factories Act, 1948
- b. Industrial Dispute Act, 1947
- c. The Payment of Wages Act, 1936
- d. The Minimum Wages Act, 1948
- e. Employees' State Insurance Act, 1948
- f. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- g. The Payment of Bonus Act, 1965
- h. The Payment of Gratuity Act, 1972
- i. The Contract Labour (Regulation & Abolition) Act, 1970
- j. The Maternity Benefit Act, 1961
- k. The Child Labour (Prohibition & Regulation) Act, 1986
- l. The Industrial Employment (Standing Order) Act, 1946
- m. The Employee Compensation Act, 1923
- n. The Apprentices Act, 1961
- o. Equal Remuneration Act, 1976
- p. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956

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

- (i) The Listing Agreement entered into by the Company with Delhi Stock Exchange Limited, 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:
 - The Company has not appointed Company Secretary, as required to be appointed in a listed Company as per section 203 of Companies Act, 2013.
 - The company has not made annual filing of forms of financial year 2013- 2014 within the time period prescribed by the Companies Act, 2013. It has made annual filing of forms with additional fees.

We further report that:

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

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

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

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

We further report that during the audit period the company has taken the ISIN Number from both the Depositories. i.e. CDSL and NSDL and decided to get listed at NSE and under process to get it listed at NSE.

Date: -28/08/2015
Place: -New Delhi

Signature
V Kumar and Associates
ACS No: - 21295
CP No: - 10438

This report is to be read with our letter of even date which is annexed as **ANNEXURE-A** and form part of an integral part of this report.

To,
The Members,
Niraj Ispat Industries Limited,
5140/41/31 Choudhry Market, Gali Patliwali
Sadar Bazar, Delhi – 110006

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

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

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

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

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

The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

Date: -28/08/2015
Place: - New Delhi

Signature
V Kumar and Associates
ACS No: - 21295
CP No: - 10438

INDEPENDENT AUDITORS' REPORT

To

The Members of
Niraj Ispat Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Niraj Ispat Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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 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 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 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 and adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law, have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - (i) The Company does not have any pending litigations which would impact its financial position;

- (ii) The Company did not have any long term contracts including derivatives contracts for which they have any material foreseeable losses;
- (iii) There were no amounts which required to be transferred by the company to the Investor Education and Protection Fund.

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

(S. AGARWAL)
Partner
M.NO. 072907

Place: GHAZIABAD
Date: 23rd May 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our report of even date on accounts for the year ended 31st March, 2015 of **Niraj Ispat Industries Limited**:

1. In respect of fixed assets of the Company:
 - a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
2. In respect of the inventories of the Company:
 - a. As explained to us, the inventories were physically verified during the year by the management at reasonable intervals.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
 - d. As informed to us, 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 Act.
2. 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 for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
3. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public and does not have any unclaimed deposits.
4. As informed to us, the Central Government has not prescribed maintenance of cost records under section 148(1) of the Act in respect of the activities carried out by the Company.

5. According to the information and explanations given to us, in respect of statutory dues:
 - a. The Company has been generally regular in depositing statutory dues including provident fund, employees' state insurance, Income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues applicable to it with appropriate authorities.
 - b. There were no undisputed amounts payable in respect of provident fund, employees' state insurance, Income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
 - c. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
6. The Company does not have accumulated losses. The Company has not incurred cash losses during the financial year covered by the audit and the immediately preceding financial year.
7. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the year.
8. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
9. Based on the examination of the records and information and explanations given to us, the Company has utilized term loans only for the purpose they are raised.
10. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

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

(S. AGARWAL)
Partner
M.NO. 072907

Place: GHAZIABAD
Date: 23rd May 2015

SANJEEV ANAND & ASSOCIATES

Chartered Accountants

77, Navyug Market, Ghaziabad

NIRAJ ISPAT INDUSTRIES LIMITED**BALANCE SHEET AS AT 31st MARCH 2015**

Particulars	Note No	As on 31.03.2015	As on 31.03.2014
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	6,000,000	6,000,000
Reserves and Surplus	2	45,796,721	38,882,865
Non-Current Liabilities			
Long-term borrowings	3	50,560,404	40,090,752
Deferred tax liabilities (Net)	4	1,090,177	1,051,492
Current Liabilities			
Short-term borrowings	5	8,562,485	9,467,590
Trade payables	6	11,570,859	8,170,950
Other current liabilities	7	2,981,128	1,597,350
Short Term Provisions	8	3,070,500	1,849,000
Total		129,632,273	107,110,000
II.Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	18,579,914.39	17,738,337
Long term loans and advances	10	843,827	736,337
Current assets			
Current investments	11	226,105	226,105
Inventories	12	2,139,507	7,922,377
Trade receivables	13	7,142,503	5,980,079
Cash and cash equivalents	14	4,351,066	82,017
Short-term loans and advances	15	96,349,351.00	74,424,747
Total		129,632,273	107,110,000

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

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

Place: Ghaziabad
Dated: 23rd May 2015

(S. AGRAWAL)
Partner
M.No. 072907

(H. K. Chaudhry) (Chaitanya Chaudhry)
Director Director
Din 00021795 Din 06813394

NIRAJ ISPAT INDUSTRIES LIMITED

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31st MARCH 2015

Particulars	Note No	As on 31.03.2015	As on 31.03.2014
Income			
Revenue from operations	16	67,424,077	57,651,979
Other Income	17	3,983,146	3,725,498
Total (I)		71,407,223	61,377,477
Expenses:			
Cost of materials consumed	18	41,631,953	34,075,539
Changes in inventories of finished goods & WIP	19	986,786	6,024,840
Employee benefit expense	20	3,132,296	2,128,374
Financial costs	21	3,355,760	3,610,747
Depreciation and amortization expense	9	3,148,472	3,639,818
Other expenses	22	8,780,432	7,093,105
Total Expenses		61,035,698	56,572,422
Profit before exceptional items and tax (I - II)		10,371,525	4,805,054
Exceptional Items			
Prior Period Adjustments		31,953	17,488
Profit before exceptional items and tax		10,339,572	4,787,566
Tax expense:			
Current tax		3,070,500	1,849,000
Deferred tax		38,685	(359,066)
Profit/(Loss) for the period		7,230,386.63	3,297,632
Earning per equity share:			
(1) Basic		12.05	5.50
(2) Diluted		12.05	5.50

Notes on Financial Statements &

Significant accounting policies

1 to 30

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

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

Place: Ghaziabad
Dated: 23rd May 2015

(S. AGRAWAL)
Partner
M.No. 072907

(H. K. Chaudhry) (Chaitanya Chaudhry)
Director Director
Din 00021795 Din 06813394

M/S NIRAJ ISPAT INDUSTRIES LTD**CASH FLOW STATEMENT AS ON 31ST MARCH, 2015**

<u>PARTICULARS</u>	<u>31.03.2015</u>	<u>31.03.2014</u>
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit before tax and extraordinary items	10,371,525	4,805,054
<u>Adjustments for :</u>		
Depreciation	3,148,472	3,639,818
Finance Cost	3,355,760	3,610,747
Other Income from Investments	(3,983,146)	(3,725,498)
Operating profit before working capital changes	12,892,610	8,330,121
<u>Adjustments for :</u>		
Trade & Other Receivables	(23,194,518)	(33,286,218)
Inventories	5,782,870	9,816,303
Trade & Other Payables	5,342,317	(2,143,549)
Cash generated from operations	823,280	(17,283,344)
Direct Taxes	(3,070,500)	(1,866,488)
Previous Year Adjustment	(31,953)	
NET CASH FROM OPERATING ACTIVITIES (A)	(2,279,173)	(19,149,832)
<u>CASH FLOW FROM INVESTMENTS ACTIVITIES</u>		
Purchase of fixed assets	(4,306,580)	(72,120)
Sale of fixed assets	-	-
Other Income from Investments	3,983,146	3,725,498
NET CASH USED IN INVESTING ACTIVITIES (B)	(323,434)	3,653,378
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceeds from Unsecured Loans	12,677,600	18,232,000
Proceeds from borrowing from working capital	(905,106)	1,780,366
Proceeds from borrowing from term loans	(1,545,078)	(1,009,208)
Increase /(Decrease) in Investments	-	-
Interest paid	(3,355,760)	(3,610,747)
NET CASH USED IN FINANCING ACTIVITIES (C)	6,871,657	15,392,411
Net change in cash and cash equivalents	4,269,049	(104,043)
Cash and cash equivalents as at 1st April	82,017	186,059
Cash and cash equivalents as at 31st March	4,351,066	82,017

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

(0) For & ON BEHALF OF BOARD
(0) For NIRAJ ISPAT INDUSTRIES LTD.

Place: Ghaziabad
Dated: 23rd May 2015

(S. AGRAWAL)
Partner
M.No. 072907

(H. K. Chaudhry) (Chaitanya Chaudhry)
Director Director
Din 00021795 Din 06813394

NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

Particulars	Note No	As on 31.03.2015	As on 31.03.2014
1. <u>SHARE CAPITAL</u>			
<u>Authorised Capital</u>			
6,00,000 Equity Shares of Rs.10/- each (Previous year 6,00,000 Equity Shares of Rs. 10/- each)		6,000,000	6,000,000
<u>Issued, Subscribed capital</u>			
6,00,000 Equity Shares of Rs.10/- each (Previous year 6,00,000 Equity Shares of Rs. 10/- each)		6,000,000	6,000,000
<u>Paid -up Capital</u>			
6,00,000 Equity Shares of Rs.10/- each (Previous year 6,00,000 Equity Shares of Rs. 10/- each)		6,000,000	6,000,000
TOTAL:		6,000,000	6,000,000

Details of shareholding more than 5%	As on 31.03.2015		As on 31.03.2014	
	No. of shares	% Held	No. of shares	% Held
Smt. Madhu Chaudhary	113,900	18.98%	86,600	14.43%
Sh. Neeraj Chaudhary (HUF)	54,300	9.05%	54,300	9.05%
M/s Pickup Suppliers (P) Ltd.	53,900	8.98%	53,900	8.98%
Haryant Stainless Steel (P) Lt	47,900	7.98%	47,900	7.98%
Sh. Neeraj Chaudhary	61,600	10.27%	46,300	7.72%
Sh. Haryant Kumar Chaudhar	35,700	5.95%	35,700	5.95%
Smt. Vaishali Chaudhry	30,400	5.07%	30,400	5.07%

2. RESERVES AND SURPLUS

General Reserve

Balance as per the last financial statements	3,400,000	3,400,000
<u>Less:</u> Depreciation on Fixed Assets (As per Note "30(iv)")	316,531	-
	3,083,469	3,400,000
Add : Amount transferred from Surplus balance in the statement of Profit & Loss	1,400,000	-
Closing Balance	4,483,469	3,400,000

Surplus in the statement of Profit & Loss

Balance as per the last financial statements	35,482,865	32,185,233
Add: Profit for the year	7,230,387	3,297,632
Amount available for appropriation	42,713,252	35,482,865
Less: Appropriations:		
Amount transferred to General Reserve	1,400,000	-
Closing Balance	41,313,252	35,482,865

TOTAL:	45,796,721	38,882,865
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NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

Particulars	Note No	As on 31.03.2015	As on 31.03.2014
3. <u>LONG-TERM BORROWINGS</u>			
<u>Secured Term Loans:</u>			
Life Insurance Corporation		595,290	595,290
Standard Chartered Bank		19,055,514	21,263,462
<u>Unsecured Loans</u>			
From Body-Corporate		30,909,600	18,232,000
Net Amount		50,560,404	40,090,752
The term loan from Life Insurance Corporation of India Ltd. is secured against the life insurance policies of the director of the company. The term loan from Standard Chartered Bank is secured by way of first charge on the property located at KD-45, Kavi Nagar, Ghaziabad belonging to the director of the company and personal guarantee of the directors of the company.			
4. <u>DEFERRED TAX LIABILITY (Net)</u>			
Related to Fixed Assets		1,090,177	1,051,492
TOTAL:		1,090,177	1,051,492
5. <u>SHORT TERM BORROWINGS</u>			
<u>Secured working capital Loans:</u>			
Bank of India		8,562,485	9,467,590
Net Amount		8,562,485	9,467,590
Working capital limits are secured by first charge on the entire current assets of the company including stocks of raw material, work-in-progress, finished goods, book-debts both present & future. Working capital limits are further secured by way of equitable mortgage of immovable property of the company at D-10, B.S. Road Industrial Area, Ghaziabad and personal guarantee of the directors of the company.			
6. <u>TRADE PAYABLE</u>			
Sundry Creditors		11,570,859	8,170,950
TOTAL:		11,570,859	8,170,950
7. <u>OTHER CURRENT LIABILITIES</u>			
Current Maturity of Long Term Borrowings		1,732,433	1,069,563
Liabilities for Expenses		999,971	359,375
Liabilities for Taxes		248,724	168,412
TOTAL:		2,981,128	1,597,350

M/S NIRAJ ISPAT INDUSTRIES LIMITED

SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH, 2014

NOTE '9'

PARTICULARS	N E T B L O C K			D E P R E C I A T I O N			N E T B L O C K				
	W.D.V. As on	Addi-	Deduc-	Cost As on	Up to	For the	On assets of	Adjustment	Total as on	W.D.V.as on	W.D.V.as on
	1,4,14	tion	tion	31.3.15	31.3.14	year	which life expired		31.3.15	31.3.15	31.3.14
	215,728	-	-	215,728	-	-	before 01.04.14	-	-	215,728	215,728
Lease Hold Land	215,728	-	-	215,728	-	-	-	-	-	215,728	215,728
Office Building	1,050,000	-	-	1,050,000	754,909	6,384	-	-	761,293	288,707	295,091
Factory Building	1,314,084	-	-	1,314,084	1,128,840	14,942	-	-	1,143,782	170,302	185,244
Furniture & Fixture	45,399	-	-	45,399	32,561	2,472	-	-	35,033	10,366	12,838
Electric Installation	1,290,617	-	-	1,290,617	731,615	104,778	17,666	-	854,059	436,558	559,002
Crane	25,000	-	-	25,000	24,982	-	-	-	24,982	18	18
Generator	537,055	-	-	537,055	339,305	15,716	-	-	355,021	182,034	197,750
Typewriter	8,570	-	-	8,570	8,379	-	-	-	8,379	191	191
Tools & Implements	3,257	4,725	-	7,982	3,139	204	-	-	3,343	4,639	118
Plant & Machinery	17,044,575	4,293,332	-	21,337,907	12,937,224	504,021	69,280	-	13,510,525	7,827,382	4,107,351
Computer	394,272	-	-	394,272	359,451	-	18,329	-	377,780	16,492	34,821
Lab. Equipment	25,407	-	-	25,407	24,215	-	-	-	24,215	1,192	1,192
Air Compressor	160,437	-	-	160,437	99,029	4,868	-	-	103,897	56,540	61,408
Weighing Scale	120,699	-	-	120,699	108,756	545	16	-	109,317	11,382	11,943
Air Dryer	29,146	-	-	29,146	27,689	-	-	-	27,689	1,457	1,457
Tubewell & Pump	48,570	-	-	48,570	31,618	1,332	-	-	32,950	15,620	16,952
Grinder	5,519	2,223	-	7,742	5,260	103	-	-	5,363	2,379	259
Packing Machine	20,534	-	-	20,534	10,181	848	-	-	11,029	9,505	10,353
Moulds & Dies	93,755	-	-	93,755	87,794	-	1,273	-	89,067	4,688	5,961
Air Cooler	17,509	-	-	17,509	14,793	604	28	-	15,425	2,084	2,716
Car	332,149	-	-	332,149	321,502	-	-	-	321,502	10,647	10,647
Energy Control Equipment	134,670	-	-	134,670	104,664	7,213	1,634	-	113,511	21,159	30,006
Pollution Control Equipment	281,597	-	-	281,597	263,280	-	4,238	-	267,518	14,079	18,317
Fire Equipment	10,050	-	-	10,050	9,336	-	212	-	9,548	502	714
Fixtures & Accessories	25,678,876	-	-	25,678,876	13,735,013	2,482,700	201,120	-	16,418,833	9,260,043	11,943,863
Office Equipment	30,678	6,300	-	36,978	19,756	1,742	294	-	21,792	15,186	10,922
Air Conditioner	20,690	-	-	20,690	17,215	-	2,441	-	19,656	1,034	3,475
CURRENT YEAR	48,938,843	4,306,580	-	53,245,423	31,200,505	3,148,472	316,531	-	34,665,508	18,579,914	17,738,337
PREVIOUS YEAR	48,866,723	72,120	-	48,938,843	27,560,687	3,639,818	-	-	31,200,505	17,738,337	21,306,035

NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

Particulars	Note No	As on 31.03.2015	As on 31.03.2014
8. <u>SHORT TERM PROVISIONS</u>			
Provision for Income tax		3,070,500	1,849,000
		3,070,500	1,849,000
10. <u>LONG TERM LOANS & ADVANCES</u>			
(Unsecured, Considered good unless stated otherwise)			
Security Deposits		843,827	736,337
TOTAL:		843,827	736,337
11. <u>CURRENT INVESTMENT</u>			
(At cost Price)			
<u>TRADE INVESTMENT</u>			
<u>(a) Quoted Shares</u>			
Arihant Industries Ltd.		1,000	1,000
Arihant Cotsyn Ltd.		2,500	2,500
Carona Ltd.		2,000	2,000
Balasore Alloys Ltd.		2,881	2,881
Usha India Ltd.		5,308	5,308
Vegpro Food & Fed Ltd.		1,000	1,000
Digjam Ltd.		750	750
Total (a)		15,439	15,439
<u>(b) Quoted Debenture & Bonds</u>			
Apollo Tyre Ltd.		730	730
Essab India Ltd.		910	910
Essar Gujrat Ltd.		1,750	1,750
Ring Telbros Ltd.		5,625	5,625
Usha India Ltd.		251	251
Sterlite Industries Ltd.		1,800	1,800
Total (b)		11,066	11,066
<u>(c) Unquoted Shares</u>			
North India Petro Chemicals		99,600	99,600
Crystal Trexim Pvt Ltd		100,000	100,000
Total (c)		199,600	199,600
Aggregate amount of quoted Investment	(a+b)	26,505	26,505
Aggregate amount of Unquoted Investment	(c)	199,600	199,600
Total Investment		226,105	226,105
Market Value of Quoted Investment		15,182	16,271

NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

Particulars	Note No	As on 31.03.2015	As on 31.03.2014
12. <u>INVENTORIES</u>			
(As taken, valued and certified by the management)			
(At lower of cost and net realizable value unless stated otherwise)			
Raw Materials		367,440	5,135,144
Finished & Semi-finished Goods		1,747,697	2,734,483
Stores, Spares & Packing Materials		24,370	52,750
TOTAL:		2,139,507	7,922,377
13. <u>TRADE RECEIVABLES</u>			
(Unsecured considered good unless stated otherwise)			
Outstanding for a period exceeding six months from the date, they are due			
		-	82,795
Others		7,142,503	5,897,284
		7,142,503	5,980,079
14. <u>CASH AND CASH EQUIVALENT</u>			
Cash In hand		61,485	33,491
<u>Balances with banks</u>			
In current and deposit accounts		4,289,581	48,526
TOTAL:		4,351,066	82,017
15. <u>SHORT TERM LOANS & ADVANCES</u>			
(Unsecured, considered good unless stated otherwise)			
Advances recoverable in cash or in kind or for value to be received			
		94,925,350	72,633,428
<u>Other Loans and advances:</u>			
Advance Income Tax		900,000	1,200,000
Prepaid Expenses		30,688	21,166
Balances with statutory / government authorities		493,313	570,153
TOTAL:		96,349,351	74,424,747

NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

Particulars	Note No	As on 31.03.2015	As on 31.03.2014
16. <u>REVENUE FROM OPERATIONS</u>			
Gross Sales		68,243,117	57,884,126
Less: Excise Duty		1,389,905	1,131,852
Net Sales		66,853,212	56,752,274
Hire Charges		570,865	899,705
TOTAL:		67,424,077	57,651,979
17. <u>OTHER INCOME</u>			
Interest		3,983,146	3,725,498
		3,983,146	3,725,498
18. <u>COST OF RAW MATERIAL CONSUMED</u>			
Inventory at the beginning of the year		5,135,144	8,763,957
Add: Purchases		36,864,249	30,446,726
		41,999,393	39,210,683
Less: Inventory at the end of the year		367,440	5,135,144
Cost of raw material consumed		41,631,953	34,075,539
19. <u>CHANGES IN INVENTORIES OF FINISHED & SEMI-GOODS</u>			
Inventories at the beginning of the year		2,734,483	8,759,323
Inventories at the end of the year		1,747,697	2,734,483
TOTAL:		986,786	6,024,840
20. <u>EMPLOYEE BENEFIT EXPENSES</u>			
Salaries, Wages & Bonus		3,103,971	2,125,366
Staff Welfare Expenses		28,325	3,008
TOTAL:		3,132,296	2,128,374

NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

Particulars	Note No	As on 31.03.2015	As on 31.03.2014
21. <u>FINANCE COST</u>			
Interest on borrowings		3,331,574	3,566,948
Bank Commission & Charges		24,186	43,799
TOTAL:		3,355,760	3,610,747
22. <u>OTHER EXPENSES</u>			
Consumption of Stores & Spares		2,314,553	1,824,203
Electricity Expenses		4,219,994	3,749,433
Security Charges		153,150	127,250
<u>Repairs & Maintenance :</u>			
Plant & Machinery		550,361	138,254
Others		126,096	79,132
Freight & Forwarding		387,265	255,822
Packing Charges		509,155	341,711
Commission		85,535	77,595
Telephone Expenses		54,422	55,774
Printing & Stationery		17,507	6,907
Postage & Telegram		57,302	35,304
Travelling and Conveyance		64,774	7,425
Legal & Professional Expenses		53,236	60,300
<u>Payment to Auditors as :</u>			
Audit Fees		17,000	17,000
for Taxation Matter		8,000	8,000
Insurance		50,584	49,745
Rates, Taxes & Fees		63,550	117,588
Miscellaneous Expenses		47,947	141,663
TOTAL:		8,780,432	7,093,105

NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

23. Figures of the previous year have been regrouped or rearranged wherever it was deemed necessary to make them comparable with those of current year.

24. Related Party Disclosure as required as per Accounting Standard (AS-18) on "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as below:

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

- (a) Key Management Personnel :
Sh. Neiraj Chaudhry
Sh. H. K. Chaudhry

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

Nature of Transaction	(Rs. In Lacs)			
	Key Management Personnel		Relative of Key Management Personnel	
	2014-15	2013-14	2014-15	2013-14
<u>Expenses</u>				
Remuneration Paid	7.20	7.20	-	-

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

25. <u>VALUE OF IMPORTS ON CIF BASIS</u>	(Rs. In Lacs)	
	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Capital Goods	34.81	-
	34.81	-

26. <u>INCOME/ EXPENDITURE IN FOREIGN CURRENCY</u>	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
EXPENDITURE	Nil	Nil
EARNINGS	Nil	Nil

27. CONTINGENT LIABILITIES

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

NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

28. <u>EARNINGS PER SHARE</u>	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Net profit after tax as per statement of Profit & Loss attributable to Equity Shareholders (in lacs)	7,230,387	3,297,632
No. of Equity Shares	600,000	600,000
Basic and diluted Earning per share (in Rs.)	12.05	5.50
Face value per Equity Share	10	10

- 29.** Estimated amount of contracts remaining to be executed on capital account and not provided for amounts to NIL. (Previous year NIL).

30. SIGNIFICANT ACCOUNTING POLICIES

(i) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements are prepared under the historical cost convention, on accrual basis of accounting, in accordance with the generally accepted accounting principles, as applicable, accounting standards issued by The Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013.

(ii) USE OF ESTIMATES

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets, liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

(iii) TANGIBLE ASSETS

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any,

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

SIGNIFICANT ACCOUNTING POLICIES

(iv) DEPRECIATION AND AMORTISATION

Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting period commencing after 1st April, 2014, the Company has reviewed and revised the estimated useful life of the fixed assets in accordance with the provisions of the schedule II of the Act. Therefore, the depreciation charged for the year ended 31st March 2015 is higher by Rs. 1,34,669/-.

In respect of assets of which useful life expired before 1st April, 2014 depreciation of Rs. 3.17 lacs has been set-off out of brought forward General Reserve of the Company in pursuance to the amendment in Schedule II of the Companies Act, 2013.

(v) REVENUE RECOGNITION

Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(vi) EMPLOYEES' BENEFITS

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

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

(vii) PROVISION FOR TAXATION

Provision for current tax is made after taking into consideration benefits admissible under the provision of Income Tax Act, 1961.

In accordance with the Accounting Standard (AS) - 22 "Accounting for taxes on income", issued by The Institute of Chartered Accountants of India, the Deferred Tax Liability/ Assests for timing differences between the book and tax profits is accounted for using the tax rates and tax laws that have been enacted or substantially enacted as of the Balance Sheet date.

NIRAJ ISPAT INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

(viii) FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are normally recorded at exchange rate at the time of transaction. Monetary items demonstrated in foreign currencies outstanding at year end are translated at exchange rate applicable at the year end rates.

(viii) PROVISIONS, CONTINGENT LIABILITIES AND ASSETS

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognized or disclosed in the financial statements.

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

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

Place: Ghaziabad
Dated: 23rd May 2015

(S. AGRAWAL)
Partner
M.No. 072907

(H. K. Chaudhry) (Chaitanya Chaudhry)
Director Director
Din 00021795 Din 06813394

NIRAJ ISPAT INDUSTRIES LIMITED**DETAILS TO BALANCE SHEET AS ON 31st MARCH 2015****CURRENT MATURITY OF LONG TERM BORROWINGS**Standard Chartered Bank(Against personal guarantee of directors)

1,732,433.24

1,732,433.24

LONG TERM LOANSFrom Body-corporate

Active Buildcon Pvt. Ltd.

9,700,000.00

M. S. G. Engineering Pvt. Ltd.

21,209,600.00

30,909,600.00

Trade Payables

M/s Sanjeev Anand & Associates

25,000.00

Advance Crane Charges

315,750.00

Security Rent

30,000.00

M/s Bonetti Buttons

1,518,975.00

M/s Balaji Chempex Pvt. Ltd.

382,174.00

M/s Chadha Engineers

101,280.00

M/s Croda Enterprises

56,182.00

M/s Crystic Resins (I) Pvt. Ltd.

441,917.00

M/s Dhingra Plastic And Plasticiers Pvt Ltd.

197,676.00

M/s First Connection

23,973.00

M/s P. P. Plastic Industries

18,270.00

M/s Revex Plasticisiers Pvt. Ltd.

121,892.00

M/s Revex Polymers Pvt. Ltd.

7,733,880.00

M/s Ritesh Engineers

56,100.00

M/s Shri Shyam Automotation

6,310.00

M/s Spectra Color Paste

73,548.00

M/s Gaurav Enterprises

250,000.00

M/s Well Worth Packers Pvt. Ltd.

82,393.00

Sh. C. P. Singh

1,000.00

Sh. N.K. Jain

134,539.00

11,570,859.00

Liabilities for Expenses

Bonus Payable

105,568.00

Establishment Payable

611,340.00

Interest Payable

88,743.00

Telephone Charges Payable

2,434.00

Electric Charges Payable

191,886.00

999,971.00

NIRAJ ISPAT INDUSTRIES LIMITED**DETAILS TO BALANCE SHEET AS ON 31st MARCH 2015****LIABILITIES FOR TAXES**

C S T	898.00
TDS Payable	3,127.00
E.S.I. Payable	5,377.00
TCS Payable	220.00
TDS	262.00
TDS Payable	6,000.00
VAT	24,574.17
Lease Rent	1,440.00
VAT-Delhi	206,826.00

248,724.17**Trade Receivable**

M/s Ambika Fashion	502,324.82
M/s Ankit International	397,101.35
M/s Kaushal Creation No. 23	169,785.00
M/s BBC Impex	271,815.25
M/s Bombay Button Centre	49,924.00
M/s Grace Enterprises	381,355.88
M/s GSR Sourcing Co.	323,441.70
M/s Jyoti Garments & Fabrics	35,786.00
M/s Laxmi Narayan Agencies	43,939.00
M/s Mangal Plastic Udhog	352,387.42
M/s Paraga Garments Accessories	9,979.50
M/s Vaibhav Button Udyog	6,511.00

DELHI BRANCH

M/s Shiva Enterprises	227,280.00
M/s Jewel International	600,205.00
M/s Zaisa India	200,000.00
M/s Sethi Threads	1,751,375.60
M/s Naveen Button Designer	164,783.00
M/s Kalka Craft	614,561.00
M/s Diamond Handicraft	609,447.00
M/s Ayush International	430,500.00

7,142,502.52**Balance with Bank**

State Bank of India	4,278,922.92
Bank of India	10,658.55

4,289,581.47**Security Deposits**

Electric Security	834,827.00
Mobile Telephone Security	9,000.00

843,827.00

843,827.00

NIRAJ ISPAT INDUSTRIES LIMITED

DETAILS TO BALANCE SHEET AS ON 31st MARCH 2015

Advance Recoverable in Cash or in Kind

Amanat Builders Pvt. Ltd.	6,200,000.00
Carnation Projects Pvt. Ltd.	13,796,697.00
Global Land Con	250,000.00
Global Landcon Pvt. Ltd.	4,675,180.00
Habitat Infrastructure Pvt. Ltd.	3,824,280.00
Himgiri Hotels Pvt. Ltd.	7,289,296.00
Ilex Infrastructure Pvt. Ltd.	835,743.00
Krishna Assets Reconstruction (P) Ltd.	2,666,337.00
Lupin Infrastructure Pvt. Ltd.	13,386,009.00
North India Petrochemicals	7,292,000.00
Omkara Project	5,650,000.00
Pine Infrastructure Pvt. Ltd.	1,338,714.00
Silver Oak Projects Pvt Ltd	3,795,828.00
Spiderman Infrastructure Pvt. Ltd.	21,512,300.00
Verve Infra Projects Pvt. Ltd.	505,227.00
Vigneshwara Projects Pvt. Ltd.	1,905,000.00

Imprest to Staff 2,739.00

94,925,350.00

Imprest to Staff

Imprest to Sh. Rajesh Srivastava 2,739.00

2,739.00

Balance with Government / Statutory Authority

Tax Deducted at sources 493,313.00

493,313.00

PREPAID EXPENSES

Prepaid Insurance 19,703.00
Prepaid AMC 10,985.00

30,688.00

-----Tear Here-----

NIRAJ ISPAT INDUSTRIES LIMITED

Regd. Off: 5140/41/34 Choudhry Market, Gali Patliwali, Sadar Bazar, New Delhi-110006

ATTENDANCE SLIP

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

I hereby record my presence at the Annual General Meeting of the Company at 5140/41/34 Choudhry Market Gali Patliwali, Sadar Bazar, New Delhi-110006 at 10:00 A.M. on 30th September 2015.

Shareholder /Proxy Signature

Note:

- 1) You are requested to sign and hand over this slip at the entrance of the Meeting venue.
- 2) If you intend to appoint a proxy to attend the meeting instead of yourself, the Form of Proxy must be deposited at the Registered Office of the Company not later than 48 Hours before the time for holding the meeting.

NIRAJ ISPAT INDUSTRIES LIMITED

Regd. Off: 5140/41/34 Choudhry Market,
Gali Patliwali, Sadar Bazar, New Delhi-110006

Proxy form

I/We of being a member / members of the above named Company, hereby appoint Mr. of as my /our proxy to vote for me/ us on my/ our behalf at the Annual General Meeting of the Company to be held on 30th September 2014 at Regd. Office at 5140/41/34 Choudhry Market, Gali Patliwali, Sadar Bazar, New Delhi-110006 at 10:00 A.M. and at any adjournment thereof.

Signed this Day of 2015

Regd. Folio No. /DP. Id/ Client Id:

No. of Share held:

Affix Revenue Stamp

Note:

1. The proxy, to be effective, should be duly completed and deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the aforesaid meeting.
2. A Proxy need not to be a Member of the Company

FORM A

**Format of covering letter of the annual audit report to be filed with the
Stock exchanges**

1	Name of the Company	Niraj Ispat Industries Limited
2	Annual financial statements for the year ended	31st March, 2015
3	Type of Audit observation	None
4	Frequency of observation	- --N.A---
5	To be signed by- CEO/Managing Director (Haryant Kumar Chaudhry) CFO (Niraj Chaudhry) Auditor of the Company (Sanjeev Anand & Associates) Audit Committee Chairman (Anil Kumar Sharma)	 Sd/- Sd/- Sd/- Sd/-

