

**DIRECTORS' REPORT**

To  
The Members,

Your Directors are pleased to present the 21<sup>st</sup> Annual Report together with the Balance Sheet and Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019.

**FINANCIAL SUMMARY HIGHLIGHTS**

The highlights of the performance

	(Amt in Rs.)	
<b>Particulars</b>	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31st March, 2019</b>	<b>31st March, 2018</b>
TOTAL INCOME		
Contract Receipts	1093411863	1077006153
Other Income	9736586	78725095
<b>Total</b>	<b>1103148449</b>	<b>1155731248</b>
TOTAL EXPENDITURE		
Works Cost	1050283264	1066132018
Operations and Other Exp.	21761130	18464235
Depreciation	14357822	14757668
PROFIT/ (LOSS)	11608018	41290161
Tax		
Current Tax	2500000	3700000
Deferred Tax Assets/(Liabilities)	3303950	2063854
Bal. B/f. Prior period Adj.		
BALANCE CARRIED TO BALANCE SHEET	12660719	10413937

**PERFORMANCE REVIEW:**

During the year under review Income from Operations increased to Rs. 1,07,70,06,153/- from Rs. 1,09,34,11,863/- in previous year.

The Net Profit after charging interest, depreciation, tax and deferred tax liability stood at Rs. 1,26,60,719/-.

The Company is in business of infrastructure and engaged in-construction of highways, expressways, turnkey projects roads, bridges, tunnels, etc. However your Company is deploying its resources in the best possible way to increase business volumes and plans to achieve increased turnover in the years to come.

**DIVIDEND**

Your Directors do not recommend any dividend for the year under consideration due to insufficient profit.

**TRANSFER TO RESERVES**

Your Directors recommend, transferring of Rs. 1,34,83,61,951/- to general reserve for the financial year 2018-19.

**SHARE CAPITAL**

The paid up Equity Share Capital as on 31st March, 2019, was Rs. 18,65,53,000/- During the year under review, the Company has neither issued any shares with differential voting rights nor granted any stock options nor any sweat equity.

**PREFERENTIAL ALLOTMENTS**

The Company had issued 1,50,00,000 (One Crore Fifty Lakhs) convertible warrants on a preferential basis to the others i.e. persons/entities not forming part of the Promoters / Promoter Group vide Extra-ordinary General Meeting held on 10th January, 2017.

During the financial year 2018–19, the Company had issued and allotted 38,00,000 equity shares to others i.e. persons/entities not forming part of the Promoters / Promoter Group at a price of Rs. 16/- on preferential basis in accordance with and in terms of the provisions of Sections 42 and 62(1)(c) of the Companies Act, 2013 read with rules framed there under, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time and other applicable laws.

## **FINANCE**

Cash and cash equivalent as on March 31, 2019 was Rs. 3,85,44,515/-. The company continues to focus on judicious Management of its working capital, receivables, inventories and other working capital parameters are kept under strict checked by continuing monitoring.

## **DEPOSITS**

The Company has not accepted any deposits during the year which would be covered under Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 as amended time to time.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The particulars of loans, guarantees, investments and securities provided covered under the provisions of Section 186 of the Act have been disclosed in the Notes to the financial statements forming part of the Annual Report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTY**

All Related Party Transactions entered into during the Financial Year were in the Ordinary Course of Business and at Arm's Length basis. There were no materially significant Related Party Transactions entered into by the Company within the meaning of Section 188 of the Companies Act, 2013. Hence, Form AOC-2 is not applicable to the Company.

## **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company hence the Company has not constituted Corporate Social Responsibility (CSR) Committee and no amount has been spent on CSR activities.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34 read with Schedule V of the Listing Regulation is given separately which may be taken as forming a part of this Report.

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

The Company has an internal control system, commensurate with the size of its operations. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

The Company's Internal Auditor's submit quarterly reports which are placed before the Audit Committee. Based on the report, significant audit observations and corrective actions thereon are presented to the Board.

## **RISK MANAGEMENT**

Pursuant to Section 134 (3) (n) of the Companies Act, 2013, company has the Risk Management Plan. The details of risk have been covered in the Management Discussion and Analysis Report forming part of the Board's report.

## **WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

As per the provisions of Section 177(9) of the Companies Act, 2013 ('Act'), and listing regulation the Company is required to establish an effective Vigil Mechanism for directors and employees to report genuine concerns.

The Company has a Whistle Blower Policy to deal with the instances of fraud and mismanagement. The brief of the policy are explained in the Corporate Governance Report.

## **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. Internal Complaints Committees have been set up to redress complaints received on sexual harassment. There were no cases reported during the financial year ended March 31, 2019.

## SUBSIDIARIES AND ASSOCIATES

The Company has no subsidiary. Hence, the consolidated financial results are not prepared for the year ended 31<sup>st</sup> March, 2019 Disclosure pursuant to Section 197 (14) of Companies Act 2013 is not applicable to the Company.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Appointment:

There had been no change in the Board of Directors of the Company during the year.

The Board of Directors of the Company at its meeting held on 29<sup>th</sup> August, 2019, has re-appointed Mr. Gulshan Chopra (DIN: 01068051) as Managing Director of the Company for the period of 3 years liable to retire by rotation w.e.f. 1<sup>st</sup> April, 2020, subject to approval of Members at the ensuing Annual General Meeting.

A brief resume of Mr. Gulshan Chopra, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and / or membership / chairmanship of committees of the Board as stipulated under SEBI Listing Regulations is given in the Corporate Governance Report forming part of the Annual Report.

### Key Managerial Personnel:

There had been no change in Key Managerial Personnel of the Company / no new appointments during the year under review. However, Ms. Kajol Oswal tendered her resignation w.e.f. 20<sup>th</sup> April, 2019 as Company Secretary and Ms. Anupkumari Rajnarayan Shukla was appointed as Company Secretary & Compliance Officer w.e.f. 29<sup>th</sup> July, 2019.

### Director Liable to retire by rotation:

In terms of the provisions of Section 152(6) of the Companies Act, 2013, Mr. Ratan Chopra (DIN: 07413782), Director, retires by rotation at the forthcoming Annual General Meeting, and being eligible offers himself for re-appointment. He has confirmed that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The profile of the Directors seeking re-appointment pursuant to the Listing Regulation and Companies Act, 2013 is included in the notice which forms part of this Annual Report.

### Independent Director:

The Independent Directors hold office for a fixed term of five (5) years and are not liable to retire by rotation.

In terms of Sections 149 and 152 of the Companies Act, 2013, it is proposed to re-appoint Mr. Gurpur Ramdas Kamath (DIN: 02234255), Independent Director of the Company. Mr. Gurpur Ramdas Kamath is proposed to be re-appointed for the second consecutive term of 5 years i. e. from 1<sup>st</sup> April, 2019 till 31<sup>st</sup> March, 2024. Resolution for appointing Mr. Gurpur Ramdas Kamath as Independent Director for second consecutive term are recommended for passing by the members of the Company at the ensuing Annual General Meeting. A brief resume of Mr. Gurpur Ramdas Kamath, nature of his expertise in specific functional areas and names of the Companies in which he holds directorship and / or membership / chairmanship of Committees of the Board as stipulated under SEBI Listing Regulations is given in the Corporate Governance Report forming part of the Annual Report.

## DECLARATION BY INDEPENDENT DIRECTORS

The Company has received Declarations of Independence as stipulated under Section 149 of the Companies Act, 2013 from Independent Directors confirming that they are not disqualified from appointing/continuing as Independent Director. The terms and conditions of appointment of the Independent Directors are posted on Company's website.

## BOARD MEETINGS

During the year ended 31<sup>st</sup> March, 2019, the Board met six times and the gap between two Board Meetings did not exceed 120 days. Details of the Board Meeting are given in the Corporate Governance Report.

## COMMITTEE OF THE BOARD

Currently, there are four (4) Committees of the Board, namely

- Audit Committee
- Nomination and Remuneration Committee
- Investors' Grievance Committee / Stakeholders Relationship Committee
- Management Committee

The Board decides the terms of reference for these Committees. Minutes of meetings of the Committees are placed before the Board for information. The details as to the composition, terms of reference, number of meetings and related attendance, etc., of these Committees are provided in detail, in the Corporate Governance Report, which forms a part of this Annual Report.

## **BOARD'S EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations the Board carried out an annual evaluation of its own performance, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The criteria applied in the evaluation process is explained in the Corporate Governance Report. The Independent Directors, at a separate meeting held on 14<sup>th</sup> February, 2019, evaluated performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairpersons of the Company.

## **TRAINING IMPARTED TO THE INDEPENDENT DIRECTORS**

In compliance with the requirements of SEBI LODR Regulations, the Company has put in place a framework for Directors' Familiarization Programme to familiarize them with their roles, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model, etc.

## **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements and during the year, no reportable material weaknesses in the design or operation were observed.

## **AUDIT COMMITTEE**

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report, which forms part of this report. All the recommendations made by the Audit Committee were accepted by the Board.

## **COMPANY'S REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination and Remuneration Committee and pursuant to Listing Regulations and Section 178 of the Companies Act, 2013, framed a policy for selection and appointment of Directors, Key Managerial Personnel and fixing their remuneration. The brief description of Nomination and Remuneration Policy is provided in the Corporate Governance Report, which forms part of this Annual Report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief, your Directors confirm that:

- i. in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. they have selected such accounting policies and applied consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2019 and of the profit of the Company for the year ended on that date;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual financial statements on a going concern basis;
- v. they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **SECRETARIAL STANDARDS**

The Directors state that applicable Secretarial Standards, i.e. SS-1 relating to 'Meetings of the Board of Directors' and SS-2, relating to 'General Meetings', have been duly followed by the Company.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There were no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

## **STATUTORY AUDITORS**

M/s Chaturvedi Sohan & Co, Chartered Accountants (Firm Registration No111928W) were appointed as Auditors of the Company, for a term of 5 (Five) consecutive years, at the 20th Annual General Meeting held on 29th September, 2018. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

## **AUDITORS REPORT**

The emphasis remark mentioned in the Auditor's Report during financial year under review are self-explanatory.

## **REPORTING OF FRAUDS BY AUDITORS**

There were no frauds reported by Auditors under Section 143(12) of the Act.

## **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s DNG & Associates, Company Secretaries, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2018–19 forms part as "Annexure- A" to this Report.

## **SECRETARIAL AUDITOR OBSERVATION:**

There is no qualification, reservation or adverse opinion of the Secretarial Auditor except the Company had filed its audited financial results for the year ended as on 31<sup>st</sup> March, 2018 in delay of 15 days due date for which penalty was paid by the Company and the Company had not approached the exchange for listing of its 20,00,000 equity shares within twenty days from the date of allotment i.e. 14/05/2018. The due date for the same compliance was 3<sup>rd</sup> June, 2018 but it was filed on 4<sup>th</sup> June, 2018. Resulting in delay of One day. The Company could not file the same due to technical error.

## **COST ACCOUNTING RECORDS:**

The provisions of Section 148 of the Companies Act, 2013 are not applicable to the Company and hence, the Company does not maintain Cost Accounting records.

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

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under the Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed hereto and forms part of this Report. (Annexure- B)

## **CORPORATE GOVERNANCE**

Pursuant to the Listing Regulations, a Report on Corporate Governance and a certificate obtained from the Practicing Company Secretary confirming compliance is forming part of this Boards' Report.

## **EXTRACT OF THE ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT - 9 is annexed herewith as "Annexure-C". Further, the Annual Return of the Company in prescribed Form MGT-7 is available on the website of the Company at <https://www.niraj.co.in>

## **PARTICULARS OF EMPLOYEES**

The disclosures required pursuant to Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, are provided "Annexure- D" to this report.

The Statement of particulars of employees under Section 197(12) read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided with, as during the financial year under review, no employee of the Company was in receipt of remuneration in excess of the limits set out in the said rules.

## GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Changes in nature of business.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. Material changes and commitments affecting the financial position of the Company between end of the financial year and the date of this report.

## PERSONNEL

The relation between the employees' and the management of your Company continue to be cordial.

## ACKNOWLEDGEMENT

Your Directors wish to place on record the appreciation of the dedicated efforts by the employees at all levels. The Directors also wish to place on record their word of sincere appreciation to the bankers and financial institutions, the investors, the vendors, the customers and all other business associates for their continued support.

By Order of the Board of Directors  
For **Niraj Cement Structurals Limited**

Place: Mumbai  
Date: 29<sup>th</sup> August, 2019

**Ratan Krishan Chopra**  
Whole-Time Director  
DIN: 07413782

**Gulshan Vijaykumar Chopra**  
Managing Director  
DIN: 01068051