



**NITIN CASTINGS  
LIMITED**

**CIN: L65990MH1982PLC028822**

**37<sup>th</sup> Annual Report  
2019-20**

### **Board of Directors**

Mr. Nitin S. Kedia	– Chairman and Managing Director
Mr. Shyamlal K. Agarwal	– Wholetime Director
Mr. Nirmal B. Kedia	– Executive Director
Mr. Nipun N. Kedia	– Executive Director
Mr. Arvind B. Jalan	– Independent – Non Executive Director
Ms. Preethi Anand	– Independent – Non Executive Director
Mr. Ravi Nevatia	– Independent-Non Executive Director
Mrs. Barkharani Choudhary	– Independent-Non Executive Director (Appointed w.e.f. 14/08/2019)

### **Chief Financial Officer**

Mr. Murlidhar Gupta

### **Company Secretary**

Ms. Shruti Yeshwant Laud

### **Bankers**

ICICI Bank Limited  
Axis Bank Limited

### **Statutory Auditors**

**Sandeep Rathi & Associates**  
Chartered Accountants

### **Legal Advisors**

Narayanan & Narayanan  
Advocate & Solicitor

### **Registered Office**

202, 2<sup>nd</sup> Floor,  
Rahul Mittal Industrial Premises Co. Op. Soc. Ltd.,  
Sanjay Building No. 3, Sir M.V. Road,  
Andheri (East), Mumbai – 400 059

### **Corporate Office**

Prestige Precinct, 3<sup>rd</sup> Floor, Almeida Road, Panchpakhadi, Thane (West) – 400 601

### **Works**

1. Plot No. 183/1, Surangi, Silvassa,  
Dadra & Nagar Haveli – 396 230
2. Plot No. 7, Survey No. 679/1,  
Village-Karvad, Taluka-Vapi,  
District-Valsad, Gujrat – 396195

### **Registrar & Share Transfer Agent**

Shared Dynamic (India) Pvt. Ltd.  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai - 400 083

### **Website:**

[www.nitincastings.com](http://www.nitincastings.com)

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**31<sup>st</sup> August, 2020**

BSE Limited  
Department of Corporate Services Floor 25,  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai – 400 001

Scrip Code No.:  
Dear Sir/Madam,

**Sub.: Notice of 37th Annual General Meeting**

We are enclosing herewith notice of Thirty Seventh (37th) Annual General Meeting (AGM) of Nitin Castings Limited (“the Company”) to be held on Wednesday, September 30, 2020 at 03.00 p.m. (IST) through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

The said notice is also available on the website of the Company at <http://www.nitincastings.com/>

Kindly take same on record.

Thanking you,  
Yours faithfully,  
For Nitin Castings Limited

Shruti Laud  
Company Secretary & Compliance Officer  
Membership No.: ACS38705

**NOTICE**  
**37<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the Thirty Seventh (37th) Annual General Meeting (“AGM”) of the members of Nitin Castings Limited (“Company”) will be held on **Wednesday, September 30, 2020 at 03.00 p.m. (IST)** through Video Conferencing (VC)/ Other Audio Visual Means (“OAVM”) to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020, including the Audited Balance Sheet as at 31<sup>st</sup> March, 2020 and the Statement of Profit and Loss of the Company for the year ended on that date, along with the reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Nitin Kedia (DIN: 00050749) who retires by rotation and, being eligible, offers himself for re-election.

3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

**“Resolved that**, in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, Messrs. GMJ & CO., Chartered Accountants (Registration No. 103429W), be and are hereby appointed as the Auditors of the Company from the conclusion of this Meeting to hold such office for a period of five years till the conclusion of the 42<sup>nd</sup> Annual General Meeting, at a remuneration of Rs. 3,50,000/- (Rupees Three Lakhs Fifty thousand only) to conduct the audit for the financial year 2020-21 payable in one or more installments plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred.”

4. Re-appointment of Mr. Shyamlal Agarwal (Din No. 00347757) as Wholetime Director:

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

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment there thereof, for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Shyamlal K. Agarwal (DIN: 00347757) as a Whole-time Director, designated as Executive Director of the Company, for a period of 5 (five) years with effect from September 30, 2020 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Shyamlal K. Agarwal, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

#### 5. Appointment of Mr. Arvind Jalan (Din No. 00381535) as an Independent Director:

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 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Arvind B. Jalan (DIN 00381535), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from September 30, 2020 up to September 30, 2025.”

#### **SPECIAL BUSINESS:**

#### **6. Ratification/Approval for transaction with Related Parties**

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

**“RESOLVED THAT** pursuant to the provisions of Section 177, 188 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), read with rules made thereunder (‘the Rules’), including any statutory modification(s) or amendment(s) thereto or substitution(s) or re-enactment(s) made thereof for the time being in force and pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and subject to such other approvals, consents, permissions and sanctions of any authorities, as may be necessary, the approval of the Members be and is hereby accorded to ratify/approve the transactions entered into/proposed to be entered into contracts / arrangements /agreements/ transactions, up to the limit given in table as set out in the Explanatory Statement annexed to the Notice convening this meeting, within the meaning of the aforesaid law and as per the terms and conditions mutually agreed from time to time and as set out in the Explanatory Statement annexed to the Notice convening this meeting, which are in the ordinary course of business of the Company and all the terms and conditions including pricing are at arm’s length basis, in which the Directors of the Company, are interested.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above Resolution, any Director and/ or the Company Secretary of the Company be and are hereby authorized, jointly and/or severally, to agree, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as they may deem fit and execute all agreements, addendum agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as the Board in its absolute discretion may deem fit.”

**By Order of the Board of Directors  
For Nitin Castings Limited**

Shruti Laud  
Company Secretary  
Membership No: A38705  
Place & Date: Mumbai, 31st August, 2020

Notes:

1. In view of the continuing Novel Coronavirus (COVID-19) pandemic, social distancing is a norm to be followed and Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/ 2020 dated 5<sup>th</sup> May, 2020, read with General Circular No. 14/ 2020 dated 8<sup>th</sup> April, 2020 and General Circular No. 17/ 2020 dated 13<sup>th</sup> April, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/ OAVM, without the physical presence of the members at a common venue.

Accordingly, in compliance with the applicable provisions of the Companies Act, 2013 ("Act") read with the aforesaid MCA circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 37<sup>th</sup> AGM is being held VC/ OAVM and the members can attend and participate in the ensuing AGM through VC/ OAVM.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with as per the said MCA Circulars read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 ("said SEBI Circular") issued by the Securities and Exchange Board of India ("SEBI"), **Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
3. In terms of the provisions of Section 112 and 113 of the Act read with the aforesaid circulars Institutional/ Corporate Shareholders (i.e. other than individuals, HUF and NRI etc.) are entitled to appoint their authorized representatives to attend the AGM through VC/ OAVM on their behalf and participate thereat, including cast votes by electronic means (details of which are provided separately in this notice). Such Corporate Members are requested to refer 'General Guidelines for Shareholders' provided in this notice on page 6 for more information.
4. The attendance of the Members at the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Members seeking any information with regard to the accounts or resolutions placed at the AGM are requested to send an email to the Company on [naglmumbai@gmail.com](mailto:naglmumbai@gmail.com) by **26<sup>th</sup> September, 2020**. The same will be replied by the Company suitably.
6. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, September 23, 2020 to Wednesday, September 30, 2020** (both days inclusive) in connection with the Annual General Meeting.
7. In accordance with the provisions of Section 139 of the Act, at the Annual General Meeting ("AGM") held on 08<sup>th</sup> August, 2016, M/s. Sandeep Rathi & Associates, Chartered Accountants (Firm Registration No.# 113728W) were appointed as the Statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of the 32<sup>nd</sup> AGM till the conclusion of 37<sup>th</sup> AGM, subject to the ratification by members at every AGM. The requirement to place the matter relating to the appointment of Auditors for ratification by Members at every Annual General Meeting was omitted vide notification dated 7<sup>th</sup> May, 2018, issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of appointment of Auditors in this Notice of AGM of the Company.

8. Pursuant to the provisions of Section 72 of the Companies Act, 2013, members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company are requested to submit Form SH-13 to the Registrar and Transfer Agent of the Company. Members holding shares in demat form may contact their respective Depository Participant (“DP”) for recording of nomination.
9. In case of joint holders attending the Meeting. Only such joint holder who is higher in the order of names will be entitled to vote.
10. Members are requested to follow below procedure for Registration/updating Email ID, Bank details, Mobile Number & other details:
  1. Shareholders holding Shares in Physical Mode: Such Shareholders are requested to register their e-mail ID and Bank details with the Registrar and Share Transfer Agent of the Company, viz., Sharex dynamic (India) Private Limited(“Sharex”) on its email (at support@sharexindia.com). Apart from the changes in email id, any other changes can be intimated to sharex at support@sharexindia.com or to the Company at naglmumbai@gmail.com.
  2. Shareholders holding Shares in Dematerialized Mode are requested to contact their Depository Participant(s) for any changes in their details with respect to change in their email, bank details, mobile number, PAN and any other detail. For temporary registration, the procedure in point 1 above can be followed.
11. Members, whether holding shares in electronic/ physical mode, are requested to quote their DPID & Client ID or Folio No. for all correspondence with the Company/RTA.
12. NRI Members are requested to:
  - a) Change their residential status on return to India permanently.
  - b) Furnish particulars of bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code No., if not furnished earlier.
13. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form at earliest.
14. Members holding shares under different Folio Nos. in the same names are requested to apply for consolidation of folios and send relevant original share certificates to the Company’s RTA for doing the needful.
15. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (“PAN”) by every participant in securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to their respective DP. Members holding shares in physical form are requested to submit their PAN details to the Company /RTA.



16. In compliance with MCA General Circular 20/2020 dated 05<sup>th</sup>May, 2020 and SEBI Circular dated May 12, 2020, Notice of the 37<sup>th</sup> AGM along with the Annual Report FY 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website at <http://www.nitincastings.com/> and website of the BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL <https://www.evoting.nsdl.com>.

Members of the Company holding shares either in physical form or in Dematerialised forms as on i.e. **Friday, September 04, 2020** will be sent Annual Report for the Financial Year 2019-20 through electronic mode.

17. Members who wish to inspect statutory registers required to be made available /kept open for inspection at AGM and Relevant documents referred to in this Notice of AGM can send an email to [naglmumbai@gmail.com](mailto:naglmumbai@gmail.com).

18. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The deemed venue for the AGM will be the Corporate Office of the Company.

19. Those shareholders who have not yet claimed Original Share Certificates of Face value of Rs.5/- (After the Sub-division of the Company dated February 19, 2020) are requested to contact the Company.

#### ***INSTRUCTIONS FOR REMOTE E-VOTING***

Pursuant to the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2015 as amended from time to time, and Regulation 44 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing 'remote e-voting' facility through National Securities Depository Limited (NSDL) to all its Members to enable them to cast their votes electronically, on all resolutions mentioned in the notice of the 37<sup>th</sup> Annual General Meeting ("AGM") of the Company.

#### **General Instructions:**

- a) The remote e-voting period begins on, **Sunday, September 27, 2020 at 9.00a.m. (IST) and ends on Tuesday, September 29, 2020 at 5.00 p.m. (IST)**. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Wednesday, September 23, 2020** may cast their votes by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting after 5.00 p.m. (IST) on Sunday, September 29, 2020.
- b) Ms. Kala Agarwal, Proprietor of M/s. Kala Agarwal, Practicing Company Secretaries (Membership No. :ACS 5976; CP No: 5356), has been appointed as a Scrutinizer to scrutinize the remote e-voting process and e-voting at AGM in a fair and transparent manner.
- c) In accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed **Wednesday, September 23, 2020** as the "cut-off date" to determine the eligibility to vote by remote e-voting or e-voting at the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date ,i.e. **Wednesday,**

**September 23, 2020**, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. Only those members, who will be present at the AGM through VC/OAVM facility and who would not have cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.

- d) The members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/ OAVM but shall not be entitled to cast their vote again.
- e) Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- f) The voting rights of Members shall be in proportion to their shares in the paid-up equity shares capital of the Company as on the cut-off date.
- g) The Scrutinizer shall submit his consolidated report to the Chairman within 48 hours from the conclusion of the AGM.
- h) The result declared along with the Scrutinizer's Report shall be placed on the website of the Company at <http://www.nitincastings.com/> and on the website of NSDL at <https://www.evoting.nsdl.com> and shall simultaneously be communicated to BSE Limited at [www.bseindia.com](http://www.bseindia.com). Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Wednesday, 30<sup>th</sup> September, 2020.

**Process and manner for e-voting at the Annual General Meeting:**

- a) The procedure for e-Voting on the day of the Annual General Meeting is same as the instructions mentioned above for remote e-voting.
- b) Only those Members /shareholders, who will be present in the meeting through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Annual General Meeting.
- c) Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the meeting.
- d) The details of the persons who may be contacted for any grievances connected with the facility for e-Voting on the day of the Annual General Meeting shall be the same persons mentioned for Remote e-voting.

**EXPLANATORY STATEMENT:**

**Annexed to the Notice convening the Thirty Seventh Annual General Meeting to be held on Wednesday, 30<sup>th</sup> September, 2020.**

**ITEM No. 3:**

The Members of the Company at the Annual General Meeting ('AGM') held on 08<sup>th</sup> August, 2016 approved the appointment of Messrs. Sandeep Rathi & Associates, Chartered Accountants, as the Auditors of the Company for a period of five years from the conclusion of the said AGM. Messrs. Sandeep Rathi & Associates will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014. The present remuneration of Messrs. Sandeep Rathi & Associates for conducting the audit for the financial year 2018-19, as approved by the Members, is Rs. 3,50,000/- plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of Messrs. GMJ & Co., Chartered Accountants, as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 42<sup>nd</sup> AGM. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of GMJ & Co. for the financial year 2019-20 as set out in the Resolution relating to their appointment.

The Committee considered various parameters like capability to serve a diverse and complex business landscape that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s. GMJ & Co. to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s. GMJ & Co. have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

**ITEM No. 4**

The Board of Directors of the Company (the 'Board'), at its meeting held on August 31, 2020 has, subject to the approval of members, re-appointed Mr. Shyamlal Agarwal as Whole-time Director, designated as Executive Director, for a period of 5 (five) years with effect from September 30, 2020, at the remuneration recommended by the Nomination & Remuneration Committee of the Board and approved by the Board. It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr. Shyamlal Agarwal as Whole-time Director, designated as Executive Director, in terms of the applicable provisions of the Act. Salary per Annum: Rs. 5.20 Lacs None of the Directors or Key Managerial Personnel and their relatives, except Shri Shyamlal Agarwal, are concerned or interested (financially or otherwise) in this Resolution. The Board commends the Ordinary Resolution set out at Item no. 4 for approval of the Members. The Board recommends the resolution set forth in Item no. 5 for the approval of the members

## ITEM No. 5

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with Stock Exchanges, appointed Mr. Arvind B. Jalan, as Independent Director in compliance with the requirements of the clause.

Mr. Arvind B. Jalan, non-executive director of the Company, has given a declaration to the Board that they meet the criteria of independence as provided under section 149 (6) of the Act. In the opinion of the Board, Mr. Arvind B. Jalan fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Mr. Arvind B. Jalan as Independent Director is now being placed before the Members for their approval.

## ITEM No. 6

### **RATIFICATION/APPROVAL FOR TRANSACTION WITH RELATED PARTY:**

The Company has entered into/propose to enter into contracts / arrangements /agreements/ transactions with the related parties as per the terms and conditions mutually agreed from time to time, which are in the ordinary course of business of the company and terms and conditions including pricing are at arm's length basis and the same are reviewed by the Audit Committee on quarterly basis.

The transactions entered into/proposed to be entered constitutes 'Professional fees' as per Related Party Transactions Policy of the Company and Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all material Related Party Transactions require approval of the shareholders, in which the concerned related parties are required to abstain from voting.

The particulars of the transactions pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

Sr. No.	Particulars	Relationship	Nature of Transaction	Rs. In lakhs Current year (FY 2019-2020)	Rs. In lakhs Previous year (FY 2018-2019)
1.	Nitin Kedia	Director-KMP	Director Remuneration	60.01	56.01
2.	Nirmal Kedia	Director-KMP	Director Remuneration	60.01	60.01
3.	Nipun Kedia	Director-KMP	Director Remuneration	18.84	18.90
4.	S L Agarwal	Director	Director Remuneration	5.20	5.20
5.	Preethi Anand	Director	Director Fees	0	0.50
6.	Ravi Nevatia	Director	Director Fees	0.50	0.50
7.	Barkharani Choudhary	Director	Director Fees	0.38	0

8.	Suman Kedia	Relative of Director	Rent Paid	44.15	44.15
9.	Suman Kedia	Relative of Director	Closing Balance of Rent Deposit paid	14.50	14.50
10.	Shalini Kedia	Relative of Director	Rent Paid	44.15	44.15
11.	Shalini Kedia	Relative of Director	Closing Balance of Rent Deposit paid	14.50	16.50
12.	Kedia Construction Co. Ltd.	Significant Control of KMP	Professional Fees paid	38.00	29.00
13.	Kirti Investments Limited	Significant Control of KMP	Professional Fees paid	16.00	28.00
14.	Arvind Engineering Works	Significant Control of KMP	Purchase / Sales of Spares & Machinery	3.73	1.90
15.	Arvind Engineering Works	Significant Control of KMP	Service Charges paid	61.27	69.58
16.	Rajshila Construction Private Limited	Significant Control of KMP	Closing Balance of Advance Given	238.66	367.72

The copy of respective documents entered/ to be entered containing broad terms and conditions are open for inspection during business hours between 11.00 a.m. to 1.00 pm on all days except Saturday(s), Sunday(s) and Public Holiday(s) at the Registered Office of the Company up to and including the date of Annual General Meeting and same is also available for inspection by members at the Annual General Meeting.

No Directors, Key Managerial Personnel or their relatives, except Mr. Nitin Kedia, Nipun Kedia, Nirmal Kedia and his relatives, are concerned or interested, financially or otherwise, in the Resolution as set out at Item No. 4 of the accompanying Notice.

**Annexure to AGM Notice:**

Additional Information as required under Regulation 36(3) of SEBI Listing Regulations & Secretarial Standard – 2 on General Meetings

Re-appointment of Mr. Nitin Kedia (DIN: 00050749), Director liable to retire by rotation:

<b>Name of the Director</b>	Mr. Nitin Kedia
<b>Age</b>	60 years
<b>DIN</b>	00050749
<b>Category</b>	Executive - Non- Independent
<b>Brief Resume and nature of expertise in specific functional areas</b>	Mr. Nitin Kedia, a Civil Engineer from Mumbai has more than 35 years of experience in the industry. He started his career from 1983 and had held various key positions in the family business. He was instrumental in turning around its castings business introducing innovative technology and export culture. In the year 1997, he promoted Nitin Castings Ltd.
<b>Terms of conditions of re-appointment</b>	Mr. Nitin Kedia is Executive & Non-Independent Director and liable to retire by rotation
<b>Details of remuneration sought to be paid and remuneration last drawn.</b>	60.01 lacs
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the company</b>	Mr. Nipun Kedia - Son of Mr. Nitin Kedia Mr. Nirmal Kedia - Brother of Mr. Nitin Kedia
<b>Number of Board Meetings attended during the year</b>	During the Financial year 4 Board meeting were held and Mr. Nitin Kedia has attended all the 4 Board Meeting.
<b>Directorships held in other Public Companies, including listed Companies [excluding Foreign Companies, Private Companies and Deemed Public Company] as on 31st March, 2020</b>	1. Kedia Construction Co. Limited

## DIRECTORS' REPORT

To,  
The Members,  
**NITIN CASTINGS LIMITED**

Your Directors have the pleasure in submitting the **Thirty Seventh Annual Report** of your Company together with the Audited Statement of Accounts and the Auditors' Report for the financial year ended 31<sup>st</sup> March, 2020.

### **1. FINANCIAL RESULT**

The performance of the Company for the financial year ended 31<sup>st</sup> March, 2020 is summarized below:

*(Rs. in Lakhs)*

Particulars	Current Year	Previous Year
Total Revenue	6523.22	7,558.23
Expenditure (excluding Depreciation and Amortization)	5907.61	6,806.31
<b>Earnings before Depreciation and Taxes</b>	<b>615.61</b>	<b>751.92</b>
Depreciation and Amortization	449.98	431.16
<b>Earnings before Taxes</b>	<b>166.32</b>	<b>331.56</b>
Tax expenses including Deferred tax	33.71	97.84
<b>Profit after Taxes</b>	<b>132.61</b>	<b>233.72</b>
Add : Balance brought forward from previous year	1885.03	1,709.48
Add : Other Comprehensive Income	6.37	(28.01)
Less : Dividend (Including Dividend Tax)	(31.04)	30.15
<b>Balance carried to Balance Sheet</b>	<b>1992.96</b>	<b>1,885.03</b>

### **OPERATING RESULT & PROFIT**

During the year under review, your Company has registered a Turnover of **Rs. 6523.22 Lakhs** as against **Rs. 7558.23 Lakhs** in the previous year. The Profit before taxes in the current year is **Rs. 166.32 Lakhs** as against **Rs. 331.56 Lakhs** in the previous year and profit after taxes are **Rs. 132.61 Lakhs** as against **Rs. 233.72 Lakhs** in the previous year.

### **TRANSFER TO RESERVES**

During FY 2019-20, no amount has been transferred to the general reserves/ retained earnings of the Company.

### **COVID-19 Pandemic**

In the month of March, 2020, the outbreak of Novel Coronavirus (COVID-19) pandemic developed rapidly into a global crisis. This led to declaration of the lockdowns by the governments in the countries all over the world. For your Company, the focus immediately shifted to ensuring the health, safety and well-being of all employees. The Corporate office of the Company was temporarily closed from March 21, 2020 to contain the spread of COVID-19 as per Central/ State Government directions. The Company resumed partial operations from June 8, 2020 with limited workforce subject to the conditions prescribed by the Government/Local Authorities. However, COVID-19 pandemic have aggravated the problems of Construction industry and going forward, the situation appears to be challenging for the Company. More details on impact of COVID-19 Pandemic are provided in Management Discussion and Analysis Report.

## **FINANCE**

Cash and cash equivalents as at 31<sup>st</sup> March, 2020 was **Rs. 155.88 Lakhs**. The company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

## **DIVIDEND**

In order to conserve the resources for future, your Directors do not recommend any dividend for the financial Year 2019-20.

## **SHARE CAPITAL:**

During the Financial Year under review the paid up Equity Share Capital as on March 31, 2020 is Rs. 257.07 Lakhs comprising of 51,41,330 shares with the face value of Rs. 5/- per share. During the financial year 2019-20, your company has neither issued equity shares with differential rights as to dividends, voting or otherwise nor has issued Sweat Equity shares. Your Company does not have any Employee Stock Option Schemes or Employee Stock Purchase Scheme.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Management's discussion and analysis is set out in this Annual Report.

## **CORPORATE GOVERNANCE**

A report on Corporate Governance along with a Certificate from M/s. Sandeep Rathi & Associates, Chartered Accountants in practice, regarding compliance of the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report. The auditors' certificate for fiscal 2019-2020 does not contain any qualification, reservation or adverse remark.

## **DIRECTORS & KEY MANAGERIAL PERSONNEL**

During the period under review Mrs. Barkharani Choudhary was appointed as a Non-Executive Director of the Company for a first consecutive years w.e.f. August 14, 2019. Her appointment was duly approved by the members of the Company at the Annual General Meeting (AGM) of the Company held on September 30, 2019.

Mrs. Preethi Anand (DIN: 07178887), Non-Executive Director of the Company has resigned from the Directorship of the Company w.e.f. May 29, 2019 due to personal reasons. The board places on record its appreciation and gratitude for the valuable guidance and contribution made by Mrs. Preethi Anand as a Board Member during her association with the Company.

During the period under review, Mrs. Preethi Anand has resigned from the company w.e.f. May 29, 2019 from the position of (Women) Independent Director of the Company, and Mrs. Barkharani Choudhary (DIN:08531880) has been appointed as the (Women) Independent Director of the Company w.e.f. August 14, 2019.

The aforesaid appointments were made by the Board pursuant to the recommendation of Nomination and Remuneration Committee (NRC).



Members are requested to refer the Notice of the ensuing AGM for brief profile and other related information of Directors seeking appointment/re-appointment.

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence. In the opinion of the Board, all Independent Directors are independent of the management

Pursuant to Rule 6 of Companies (Appointment and qualification of Directors) Rules, 2014 as amended w.e.f. 1st December, 2019, all Independent Directors of the Company viz. Mr. Ravi Nevatia, Mrs. Barkharani Choudhary, Mr. Arvind Jalan has registered themselves in the Independent Directors databank maintained with the Indian Institute of Corporate Affairs (IICA). In the opinion of the Board of Directors of the Company, all Independent Directors possess high integrity, expertise and experience including the proficiency required to discharge the duties and responsibilities as Directors of the Company

#### **LISTING OF SHARES AND DEMATERIALIZATION**

The Company's shares are listed and traded at Bombay Stock Exchange (BSE) and its scrip code is **508875** and ISIN No. **INE861H01020**

#### **RISK MANAGEMENT**

During the year, the company has developed and implemented Risk Management Policy consistent with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to identify the elements of risk which may threaten the existence of the Company and possible solutions to mitigate the risk involved.

#### **FUTURE OUTLOOK**

The Company's plans for securing the growth is under way and appropriate action will be taken in future at appropriate time for future development.

#### **PUBLIC DEPOSITS**

During the year under review, the Company did not raise funds by way of Public deposits and, as such, no amount of principal or interest was outstanding as on the balance sheet date.

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT**

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2019-20 and the date of this report

#### **FIXED DEPOSIT**

During the year under review, the Company has not raised any funds by way of fixed deposits and as such, no amount of principal or interest was outstanding as of the balance sheet date.

## **ANNUAL EVALUATION OF BOARD PERFORMANCE AND ITS COMMITTEE AND INDIVIDUAL DIRECTORS**

Criteria of performance evaluation of the Board Committees and Directors are laid down by Nomination and Remuneration Committee (NRC) of the Company. Further, pursuant to provisions of the Companies (Amendment) Act, 2017, NRC decided to continue existing method of performance evaluation through circulation of performance evaluation sheets based on SEBI Guidance Note dated 5th January, 2017 and that only Board should carry out performance evaluation of Board, Committees and Individual Directors.

An assessment sheet based on aforesaid SEBI Guidance Note, containing the parameters of performance evaluation along with rating scale was circulated to all the Directors. The Directors rated the performance against each criteria. Thereafter, consolidated score was arrived. Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out performance evaluation of its own, evaluation of working of the Committees and performance evaluation of all Directors in the said manner.

A meeting of Independent Directors of the Company was held on 20.03.2020, in which Independent Directors inter-alia reviewed performance of Non-Executive Independent Chairman and other Non-Independent Directors and the Board as a whole through performance evaluation sheets.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state and confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 and loss of the company for that period;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis;
- (e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- (f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **BOARD MEETINGS**

The Board of Directors met Four times during this financial year. The details of the meetings are elaborated in the Corporate Governance Section of this Report.

## **POLICY ON DIRECTORS APPOINTMENT AND THEIR REMUNERATION**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The said policy is uploaded on the website of the Company and web-link thereto is <http://www.nitincastings.com/codeofconduct.html>. The Remuneration Policy is stated in the Corporate Governance Report.

## **DECLARATION OF INDEPENDENCE**

Criteria of performance evaluation of the Board Committees and Directors are laid down by Nomination and Remuneration Committee (NRC) of the Company. Further, pursuant to provisions of the Companies (Amendment) Act, 2017, NRC decided to continue existing method of performance evaluation through circulation of performance evaluation sheets based on SEBI Guidance Note dated 5th January, 2017 and that only Board should carry out performance evaluation of Board, Committees and Individual Directors.

An assessment sheet based on aforesaid SEBI Guidance Note, containing the parameters of performance evaluation along with rating scale was circulated to all the Directors. The Directors rated the performance against each criteria. Thereafter, consolidated score was arrived. Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out performance evaluation of its own, evaluation of working of the Committees and performance evaluation of all Directors in the said manner.

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Schedules and Rules issued thereunder and under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

## **REMUNERATION TO NON-EXECUTIVE / INDEPENDENT DIRECTORS**

**Sitting Fees:** Independent Directors are entitled for sitting fees for attending meetings of the Board or Committee of the Board or for any other purposes as may be decided by the Board, of such sum as may be approved by the Board of Directors of the Company within the overall limits prescribed under the Act and the rules made thereunder, Listing regulations or other applicable law.

## **SEPARATE INDEPENDENT DIRECTORS' MEETINGS**

The Independent Directors meet at least once in a year, without the presence of Executive Directors or Management representatives. They also have a separate meeting with the Non-Executive Chairman, to discuss issues and concerns, if any.

The Independent Directors met on Friday, **20<sup>th</sup> March, 2020** during the Financial Year ended 31<sup>st</sup> March, 2020.

## **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

The Company proactively keeps its Independent Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry. The said policy is uploaded on the website of the Company and web-link thereto is <http://www.nitincastings.com/familiarization.html>.

## **BOARD & COMMITTEE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and under Regulation 25 of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit committee, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

## **AUDIT COMMITTEE**

The details pertaining to composition of audit committee is included in the Corporate Governance Report which forms part of Annual Report.

During the period under review, Mrs. Preethi Anand, Independent Director ceased to be members of the Audit Committee, Mrs. Barkharani choudhary was been appointed as the Independent Director was appointed as members of the Audit Committee in her place.

As on 31st March, 2020, the Audit Committee comprises of 3 members viz. Mr. Ravi Nevatia, Independent Director as a chairman, Mr. S.L Agarwal, Independent Director and Ms. Barkharani Choudhary, Independent Director. *(Mrs. Barkharani Choudhary has appointed w.e.f. 14.08.2019)* More details on the Audit Committee are given in Corporate Governance Report. All the recommendations made by the Audit Committee during the year under review were accepted by the Board

## **STATUTORY AUDITORS**

The Board had appointed **M/s. Sandeep Rathi & Associates**, Chartered Accountants, (FRN # 113728W) to hold the office of the statutory auditor of the Company from the conclusion of the **Thirty Third Annual General Meeting** till the **Annual General Meeting to be held in the year 2020** and at a remuneration to be fixed by the Board of Directors in consultation with the auditors, plus applicable GST and reimbursement of out of pocket expenses incurred by them for the purpose of audit.

The requirement to place the matter relating to appointment of Auditors for ratification by Members at every Annual General Meeting was omitted vide notification dated 7th May, 2018, issued by the Ministry of Corporate Affairs. Accordingly, no resolution is proposed for ratification of the appointment of Auditors in the ensuing AGM of the Company.

Further, Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under section 139 of the Companies Act, 2013.

## **STATUTORY AUDITORS' REPORT**

The Auditors' Report on standalone financial statements for the year ended 31st March, 2020 forms part of this Annual Report. The Auditors' Report does not contain any qualifications, reservations, adverse remarks, disclaimer or emphasis of matter. Notes to the Financial Statements are self-explanatory and do not call for any further comments.

### **SECRETARIAL AUDITOR**

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed **Kala Agarwal**, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report issued by them in Form No. MR-3 has been annexed to this Report.

Further, in terms of the provisions of the Circular No. CIR/ CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India (SEBI), Ms. Kala Agarwal, Practicing Company Secretaries have issued the Annual Secretarial Compliance Report for the financial year ended 31st March, 2020, thereby confirming compliance of the applicable SEBI Regulations and circulars / guidelines issued thereunder by the Company.

### **EXTRACT OF ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended as annexure to the Board's report as Annexure - I.

### **DISCLOSURE RELATING TO SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES / JOINT VENTURES:**

The Company does not have any Subsidiary Company / Associate Company / Joint Ventures.

However, Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014, Form AOC-1 is annexed to this report as Annexure - II.

### **PARTICULARS OF CONTRACTS & ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Your Company has adopted a policy on Related Party Transactions and is uploaded on the website of the Company at <http://www.nitincastings.com/pdf/Related Party Transaction Policy.pdf>

Pursuant to the provisions of section 134 (3) (h) of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014, Form AOC-2 is annexed to this report as Annexure - III.

Prior approval of Audit Committee is obtained for all Related Party Transactions. A statement of all Related Party Transactions is reviewed by the Audit Committee and Board on quarterly basis. Your Company has adopted a policy on Related Party Transactions and is uploaded on the website of the Company at <http://www.nitincastings.com/pdf/Related Party Transaction Policy.pdf>.

### **INTERNAL AUDIT SYSTEM**

The Company's internal Auditors had conducted periodic audit to provide reasonable assurance that the Company's established policies and procedure have been followed.

### **INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

The Company has a proper and adequate internal control system for all its activities including safeguarding and protecting its assets against any loss from its unauthorized use or disposition. All transactions are properly documented, authorized, recorded and reported correctly. The Company has well defined Management Reports on key performance indicators. The systems are reviewed continuously and its improvement and effectiveness is enhanced based on the reports from various fields. Normal foreseeable risks to the company's assets are adequately covered by comprehensive insurance.

### **PUBLIC DEPOSITS**

During the year under review, your Company has not accepted any deposits from public under Chapter V of the Act.

### **SUBSIDIARIES**

During the year under review, your Company does not have any subsidiaries or joint ventures or associate companies as defined under the Act.

### **PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197(12) of the Companies Act, 2013 and the Companies (Particulars of Employee) Rules, 1975, names and other particulars of the employees required are not given as none of the employee is covered under the said provisions of the Act.

### **ENVIRONMENT PROTECTION AND POLLUTION CONTROL**

The Company has always been socially conscious corporate, and has always carried forward all its operations and procedures following environment friendly norms with all necessary clearances. Your Company has taken the following steps towards environment and Ecological balance in manufacturing of Castings.

- Continuous plantation activities in and around the Factory as usual has helped in keeping the environment pollution free.

### **CONSERVATION OF ENERGY**

The Company has taken all possible measures for the conservation of energy by undertaking melting operations in consolidated and economical lot sizes for optimum utilizations of furnace.

### **FOREIGN EXCHANGE EARNING AND OUTGO**

The information regarding the foreign exchange earnings and outgo is contained in to the Notes to Accounts.

### **SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS / COURTS**

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

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

In order to prevent sexual harassment of women at workplace, your Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to look into the complaints relating to sexual harassment at workplace of any woman employee. During the year under review, your Company has not received any complaint pertaining to sexual harassment and no complaint was pending as on 31st March, 2020

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

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Vigil Mechanism / Whistle Blower Policy may be accessed on the Company's website at <http://www.nitincastings.com/pdf/Whistle Blower Policy.pdf>.

The Company has a Fraud Risk and Management Policy to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

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

During the year under review, no frauds were reported by Auditors under sub-section (12) of section 143.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 are NIL as on 31.03.2020.

## **CORPORATE SOCIAL RESPONSIBILITY**

As the Company does not fall in the mandatory bracket for Corporate Social Responsibility pursuant to Section 135 of the Companies Act, 2013 the Company did not adopt any activity pursuant to the same for the financial year 2019-20.

## **CODE OF CONDUCT**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

## **SHARE CAPITAL**

### **a) Issue of Equity Shares:**

No Equity Shares were issued in current financial year.

### **b) Issue of Sweat Equity Shares:**

No Sweat Equity Shares were issued in current financial year.

### **c) Issue of Employee Stock Options:**

No Employee Stock Options were issued in current financial year.

## **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All the Directors and the designated employees have confirmed compliance with the Code.

## **SECRETARIAL STANDARDS**

During the year under review, your Company has complied with all the applicable secretarial standards issued by the Institute of Company Secretaries of India. The same has also been confirmed by Secretarial Auditors of the Company in the Secretarial Audit Report.

### General

1. During the year under review, cost audit was not applicable to the Company; however, pursuant to the Order made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, the prescribed accounts and records have been made maintained.
2. There was no change in the general nature of business of the Company during FY 2019-20.
3. The provisions pertaining to Corporate Social Responsibility (CSR) were not applicable to the Company during the year under review.
4. As required in terms of Secretarial Standard (SS)-4, it is hereby confirmed that there is no corporate insolvency resolution process initiated under the Insolvency and Bankruptcy Code, 2016.

## **ACKNOWLEDGEMENTS**

The Directors wish to convey their appreciation to all the Company employees for their enormous personal efforts as well as their collective contribution to Company's record performance.

The Directors would also like to thank their Shareholders, Customers, Dealers, Suppliers, Bankers, Financial Institutions, Government Authorities and all Other Business Associates for the continued support given by them to the Company and their confidence in the Management.

BY ORDER OF THE BOARD OF DIRECTORS  
**FOR NITIN CASTINGS LIMITED**

**NITIN KEDIA**  
**MANAGING DIRECTOR**  
**DIN: 00050749**

**NIPUN KEDIA**  
**DIRECTOR**  
**DIN: 02356010**



**The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

	<b>Requirements</b>	<b>Disclosures</b>	
I.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2019-2020	<b>Name of Director</b>	<b>Ratio to median remuneration</b>
		Mr. Nitin Kedia	60.1
		Mr. Nirmal Kedia	60.01
		Mr. Nipun Kedia	18.84
		Mr. Arvind Jalan	Nil
		Mr. Shyamlal Agarwal	5.20
		Mr. Ravi Nevatia	0.50
		Mrs. Barkharani Choudhary	0.38
II.	The percentage increase in remuneration of each directors, CFO, CEO, CS in the financial year	NIL	
III.	The percentage of increase in median remuneration of employees in the Financial year	NIL	
IV.	The number of permanent employees on the payroll of the Company	163 as on March 31, 2020	
V.	The explanation on the relationship between average increase in remuneration and Company performance	NA	
VI.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Not applicable	
VII.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Not applicable	
VIII.	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	Not applicable for the financial year 2019-20, in order to conserve the profit	
IX.	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed.	

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR NITIN CASTINGS LIMITED**

**NITIN KEDIA  
MANAGING DIRECTOR  
DIN: 00050749**

**NIPUN KEDIA  
DIRECTOR  
DIN: 02356010**

**Mumbai, August 31, 2020**

**Management Discussions and Analysis forming part of Directors' Report for the year ended  
31<sup>st</sup> March, 2020**

**Industry Structure and Development**

The Management's Discussion and Analysis ("MD&A") summarizes the financials and relays management's insights into the company's performance. This Management Discussion and Analysis Report of Nitin Castings Limited, for the year ended on March 31, 2020 contains financial highlights but does not contain the complete financial statements of the Company. This should be read in conjunction with the Company's audited financial statements, the schedules and notes thereto and the other information included elsewhere in the Annual Report. Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results might differ materially from those expressed or implied. MD&A is headed towards providing a narrative explanation of a company's financial statements that enables investors to see the company through the eyes of management and to enhance financial disclosure.

**Opportunities :**

In the future there are more opportunities and people have understood that they would focus on technology as new opportunities are going to provide growth. The growth is expected to come from agriculture, infrastructure, water pipes, wind turbines, automotive, railways, defense and oil & gas sectors, Emerging opportunities are investment in infrastructure, in oil and gas within the country, mining sector, railways and defense. These sectors will drive the future of the industry. The strong demand conditions coupled with the availability of young and skilled workforces and abundant mineral resources in India has also been a crucial reason behind the competitive mind set of Indian steel industries which has also been an inducement to expand the plant capacities. Further, the Indian steel industries are also penetrating the rural market by expanding their distribution networks in the rural areas.

Re-implementation of Public Procurement Policy, Pradhan Mantri MUDRA Yojana, Make in India, Startup India, and Skill India initiatives and recent initiative of Aatmanirbhar Bharat and Vocal to Local would extend great help in the growth of the MSME sector in the country.

**THREATS:**

- Competition in the market is intense and is likely to remain so in the foreseeable future. Most international players have identified India as a focus market. Competition's response to rising cost of goods might be slower than the Company, putting pressure on volume growth.
- The main challenge causing the industry down is lack of resources for technology upgradation and access to quality manpower as the availability of skilled manpower and the retention of managerial talent have become a key issue.
- The commodity sector is highly volatile and changes in the cycle are hardly predictable. It thus becomes imperative to improve product mix and diversify business over long gestation industrial sectors.
- Additive manufacturing techniques are no longer in their infancy and are finding increased application in the production of metallic parts. It is necessary to track changes of this unfolding technology and develop similar capabilities.
- Since most of the castings manufacturing units fall under small and medium enterprises (SMEs), they cannot use advanced technological equipment or automation due to high costs, thus limiting their marketing strength. It is challenging for them to sustain their position in the global marketplace. The inability to meet the domestic demand for castings and to supply quality products to the global market acts as a huge barrier for the industry to grow further.

### **Risk and Concerns**

The factors like slowdown in the infrastructure investment can lead to lower order intake. The other factor like power shortages and its cost; increase in labour cost and transportation cost due to petrol/diesel price increase etc. could contribute to inflation. The Company considers good corporate governance as a pre-requisite for meeting the needs and aspiration of its shareholders. The main risk to the Company which may arise is mainly due to Government policies and decisions, Fluctuations in prices of Raw materials, Exchange rate fluctuations, Industry demand etc.

### **ECONOMY AND MARKET RISK:**

The Automotive industry plays a major role in enabling economic growth, any slowdown in the overall economy will affect demand. COVID-19 pandemic has brought-out downfall into auto industries which will definitely affect the performance of the Company, however, your Company not much more dependent on automotive industry, thus, might not be significantly affected on the performance of the Company. However, your Company has been developing its exports countering this risk. The Company continuously evaluates its marketing and sales strategy and alters its sales plan in terms of products to be manufactured and markets to be served and keeps itself current with the changing environment.

### **SEGMENT OR PRODUCT WISE PERFORMANCE**

The Company is operating in one segment known as Alloys Steel Castings in the range of static and centrifugal. The product wise comparison is not possible as every product is specific as per order and to the size, shape and alloy mix. Therefore, performance of the Company has to be seen in overall manner and the Company has done reasonably well in the present scenario.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has developed adequate internal control system commensurate to its size and business. The Company has appointed Internal Auditors, an outside independent agency to conduct the internal audit to ensure adequacy of internal control system, compliance of rules and regulations of the country and adherence to the management policies.

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

During the year under review, your Company has registered revenue of **Rs. 6,408.22 Lakhs** as against **Rs. 7,376.01 Lakhs** in the previous year. The Profit before taxes in the current year is **Rs. 166.32 Lakhs** as against **Rs. 331.56 Lakhs** in the previous year and profit after taxes are **Rs. 132.61 Lakhs** as against **Rs. 233.72 Lakhs** in the previous year.

### **COMPLIANCE WITH INDIAN ACCOUNTING STANDARDS (IND-AS)**

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind-AS) notified by Ministry of Corporate Affairs from time to time. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

### **ENVIRONMENT PROTECTION AND POLLUTION CONTROL**

The Company has always been socially conscious corporate, and has always carried forward all its operations and procedures following environment friendly norms with all necessary clearances.

Your Company has taken the following steps towards environment and Ecological balance in manufacturing of Castings.

Continuous plantation activities in and around the Factory as usual has helped in keeping the environment pollution free.

**KEY FINANCIAL RATIOS:**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key-specific financial ratios.

During the period under review, there is no significant change in in the key-specific ratio, as compared to the pervious year.

**GOAL**

The main goal of the company to set and achieve highest standard in performance and quality. The goal is to align all sections of the organization internally to generate even better customer value propositions and returns for share holders. The goal is also to set and maintain high safety and environment norms for the company.

**HUMAN RESOURCES**

Human resources are integral and important part for the Company. It has put in place sound policies for the growth and progress of its employees. During the year, Company maintained harmonious and cordial industrial relations. No man days were lost due to strike, lock out etc.

**DISCLOSURE BY THE SENIOR MANAGEMENT PERSONNEL I.E. ONE LEVEL BELOW THE BOARD INCLUDING ALL HOD'S**

None of the Senior Management Personnel has financial and commercial transaction with the Company, where they have personal interest that would have a potential conflict with the interest of the Company at large.

**CAUTIONARY STATEMENT**

The statements in this management discussion and analysis describing the outlook may be “forward looking statement” within the meaning of applicable laws and regulations. Actual result might differ substantially or materially from those expected due to the developments that could affect the company’s operations. The factors like significant change in political and economic environment, tax laws, litigation, technology, fluctuations in material cost etc. may deviate the outlook and result.

## CORPORATE GOVERNANCE REPORT

**[As per Regulation 34(3) read with Schedule V (c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015")]**

### **COMPANY'S GOVERNANCE PHILOSOPHY**

The Company believes that sound corporate practices based on fairness, transparency and accountability is essential for its sustained long-term growth. It is in recognition of such requirements that the Company has adopted good governance principles and practices, in order to achieve its objectives and also help to build confidence of the shareholders in the management of the Company.

### **BOARD OF DIRECTORS:**

The total strength of the Board as on 31<sup>st</sup> March, 2020 was Eight Directors, The composition as detailed herein below:

Sr. No.	Name	Nature of Directorship	Directorships held in other Listed Companies along with nature of Directorship	As on 31 <sup>st</sup> March 2020		
				Directorship in Other Companies	Committee Member in other Companies	Committee Chairman in Other Companies
1.	Mr. Nitin Kedia	Non-Executive Chairman and Managing Director	1. Kedia Construction CO. Ltd-Director	1	1	0
2.	Mr. Nirmal Kedia	Executive Directors	1. Shree Pushkar Chemicals & Fertilisers limited – Independent Director	1	0	0
3.	Mr. Shyamlal Agarwal	Whole-time Director	Nil	0	0	0
4.	Mr. Nipun Kedia	Executive Director	1. Kirti Investments Limited-Executive Director	1	1	0
5.	Mr. Arvind Jalan	Independent Non-Executive	Nil	0	0	0
6.	Ms. Preethi Anand*	Independent Non-Executive	1. Kedia Construction Co. Limited- Independent Director 2. Kirti Investments Limited- Independent Director	2	4	0
7.	Mr. Ravi Nevatia**	Independent Non-Executive	1. Kedia Construction Co. Ltd- 2. ABS shipping Ltd 3. Kirti Investments Ltd- 4. Western India Shipyard Limited 5. KHFM Hospitality And Facility Management services Limited – <b>Independent Director</b>	5	1	1
8.	Mrs. Barkharani Choudhary***	Independent Non-Executive	1. Kedia Construction Co. Limited- Independent Director 2. Kirti Investments Limited- Independent Director	2	2	0

- \* Ms. Preethi Anand has resigned from the Company w.e.f. 27.05.2019 [Due to pre-occupancy elsewhere, Mrs. Preethi Anand has resigned from the Company, further there were no material reason for the resignation]
- \*\* Mr. Ravi Nevatia has resigned from ABG shipping Ltd and Western India Shipyard Limited, the relevant form DIR-11 has been also filed for the same.
- \*\*\* Mrs. Barkharani Choudhary was appointed w.e.f.14.08.2019
- # Number of Directorships held in other public companies excludes Directorship of Nitin Castings Limited, Directorships in private companies, deemed public companies, foreign companies and companies under Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956) and alternate Directorships.
- @ Only Membership / Chairmanship of Audit Committee and Stakeholders' Relationship Committee of listed and unlisted public limited companies including Nitin Castings Limited are considered. Further, number of Memberships does not include number of Chairmanships.

None of the Director of the Board is a member of more than ten Committees and Chairman of more than five committees as per Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all companies in which they are Directors.

Memberships or Chairmanships of the stipulated Board Committees held by all Directors are within the limit specified under Regulation 26 (1) of the Listing Regulations. Further, none of the Directors hold Directorships in more than 20 Companies including 10 Public Companies pursuant to the provisions of Section 165 of the Companies Act, 2013. Further, the other directorships held by all Directors including Independent Directors are within the limit prescribed under Listing Regulations.

During the year under review, all Independent Directors of the Company fulfill the criteria of Independence as specified under Section 149 (6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations and have furnished declaration of independence to that effect pursuant to Section 149 (7) of the Companies Act, 2013 and Regulation 25 (8) of the Listing Regulations. The said declarations of independence were reviewed and taken on record by the Board and in the opinion of the Board, all Independent Directors of the Company fulfill the criteria of independence and all conditions specified in the Listing Regulations and are independent of the management.

#### **BOARD MEETINGS AND ANNUAL GENERAL MEETING:**

During the financial year 2019-20, Four Board Meetings were held on Wednesday, 29<sup>th</sup> May, 2019, Wednesday, 14<sup>th</sup> August, 2019, Wednesday, 30<sup>th</sup> October, 2019, Monday, 10<sup>th</sup> February, 2020 and the Annual General Meeting was held on Monday, 30<sup>th</sup> September, 2019.

**THE ATTENDANCE OF EACH DIRECTOR IN THE BOARD MEETING AND ANNUAL GENERAL MEETING IS DETAILED HEREIN BELOW.**

Sr. No.	Name of Directors	No. of meetings held during the tenure of Director in FY 2019-20	No. of Board Meetings attended during FY 2019-20	Attendance at the AGM held on 30-09-2019
1.	Mr. Nitin Kedia	4	4	Yes
2.	Mr. Nirmal Kedia	4	4	Yes
3.	Mr. Shyamlal Agarwal	4	4	Yes
4.	Mr. Nipun Kedia	4	4	Yes
5.	Mr. Arvind Jalan	4	4	Yes
6.	Ms. Preethi Anand*	4	1	No
7.	Mr. Ravi Nevatia	4	4	Yes
8.	Mrs. Barkharani Choudhary	2	2	Yes

\* Ms. Preethi Anand has resigned from the Company w.e.f. May 27, 2019

\*\*Mrs. Barkharani Choudhary has appointed w.e.f. August 14, 2019

**BOARD MEETINGS PROCEDURE**

In order to ensure maximum presence of all Directors in the Board Meeting, dates of the Board Meetings are fixed in advance after consultation with individual Directors and considering their convenience. The agenda papers along with relevant explanatory notes and supporting documents are circulated within prescribed time to all Directors.

Apart from any specific matter, the Board periodically reviews routine business items which includes approval of financial results along with Auditors review report, operational performance of the Company, minutes of committee meetings, quarterly corporate governance report, statement of investor complaints, shareholding pattern, compliance report on all laws applicable to the Company, annual financial statements, annual budget, capital expenditure and other matters placed before the Board pursuant to Part A of Schedule II of Listing Regulations

**DECLARATION BY INDEPENDENT DIRECTORS:**

During the year under review, all Independent Directors of the Company fulfill the criteria of Independence as given under Section 149 (6) of the Act and Regulation 16(1) (b) of the Listing Regulations and have furnished declaration of independence pursuant to Section 149 (7) of the Act and Regulation 25(8) of the Listing Regulations. The said declarations of independence were assessed, reviewed and taken on record by the Board and in the opinion of the Board, all Independent Directors of the Company fulfill the criteria of independence and all conditions specified in the Act and Listing Regulations and are independent of the management

**FAMILIARISATION PROGRAMME:**

Your Company has in place Familiarization Programme for the Independent Directors to familiarize them about the Company and their role, rights and responsibilities in the Company. At the time of appointment of Independent Director, a formal letter of appointment is given to them, which inter-alia explains the role, function, duties and responsibilities expected from them as Directors of the Company. The draft letter of appointment containing terms and conditions of their appointment is available on the website of the Company <http://www.nitincastings.com/familiarization.html>. The Chairman also does one to one discussion with the newly appointed Directors to familiarize them with the Company's operations. On request of individual director, site visits to plant locations are

also organized by the Company for the Directors to enable them to understand the operations of the Company. Further, on an ongoing basis as a part of Agenda of Board meetings, discussions are made on various matters inter alia covering the Company's business and operations, Industry and regulatory updates, compliances etc.

**MATRIX OF SKILLS/COMPETENCE/EXPERTISE OF DIRECTORS:**

The following matrix summarizes list of core skills/ expertise/competencies identified by the Board as required in the context of its business and the sector in which the Company operates.

Broad parameter	Specific skills/ expertise/ competency
<b>Industry knowledge &amp; experience</b>	Understanding of the relevant laws, rules, regulation policies applicable to the organization/ industry/ sector and level/ status of compliances thereof by the organization
	Understanding of the best corporate governance practices, relevant governance codes, governance structure, processes and practices followed by the organization
	Understanding of business ethics, ethical policies, codes and practices of the organization
	Understanding of the structures and systems which enable the organization to effectively identify, asses and manage risks and crises
	Understanding of international practice

The Company's Board comprises of qualified members, who possesses aforesaid knowledge, experience, technical skills, expertise and competencies for effective contribution to the Board and its Committees. Details of the skills/ expertise/ competencies possessed by the Directors who were part of the Board as on 31st March, 2020, are as follows:

Name	Qualification	Years of Experience	Expertise
Mr. Nitin Kedia	Mechanical Engineer	35+	Has more than 35 years of experience in the industry. He started his career from 1983 and had held various key positions in the family business. He was instrumental in turning around its castings business introducing innovative technology and export culture. In the year 1997, he promoted Nitin Castings Ltd.
Mr. Nirmal Kedia	B. Com (Hons.)	35+	Holds a Bachelor's degree in Commerce from University of Bombay. He has more than 2 decades of experience in the field of Management, Finance, Chemical, Castings, Engineering, Construction & Software Industry
Mr. Nipun Kedia	Bachelor's Degree in Engineering (Mech.)	12+	Holds a Bachelor's Degree in Engineering (Mech.) from Carnegie Mellon University, Pittsburgh, Pennsylvania. He has served 12 years of his exposure in Foundry (Manufacturing), Marketing & Investment departments of the Co.



Mr. Arvind Jalan	B. Com	35+	Expertise in Commercial & Operations activities
Mr. Ravi Nevatia	Chartered Accountant & Fellow Member of ICAI	15+	Finance, Taxation, Accounts & Audit
Mrs. Barkharani Choudhary	Chartered Accountant & Fellow Member of Institute of ICAI	10+	Finance, Taxation, Accounts & Audit

### **BOARD MEETINGS PROCEDURE**

In order to ensure maximum presence of all Directors in the Board Meeting, dates of the Board Meetings are fixed in advance after consultation with individual directors and consideration of their convenience. The agenda papers along with relevant explanatory notes and supporting documents are circulated within prescribed time to all Directors.

Apart from any specific matter, the Board periodically reviews routine business items which includes approval of financial results along with Auditors' review report, operational performance of the Company, minutes of committee meetings, quarterly corporate governance report, statement of investor complaints, shareholding pattern, compliance report on all laws applicable to the Company, annual financial statements, annual budget, capital expenditure and other matters placed before the Board pursuant to Part A of Schedule II of Listing Regulations.

### **BOARD COMMITTEES:**

The Company in conformity with code of Corporate Governance has constituted the following committees:

Audit Committee, Shareholders / Investors Grievance Committee, Nomination & Remuneration Committee, Operational and Managing Committee

***The changes in the composition of Board of directors & Committee meeting has been mentioned on the website of the Company viz. <http://www.nitincastings.com/committeeofdirectors.html>.***

### **1) AUDIT COMMITTEE AS AT 31<sup>ST</sup> MARCH, 2020#:**

The Details of Audit Committee meetings held and attended by the all Committee Members are as under.

The Audit committee comprises of three Directors and four meetings were held on Wednesday, 29<sup>th</sup> May, 2019, Wednesday, 14<sup>th</sup> August, 2019, Wednesday, 30<sup>th</sup> October, 2019, Monday, 10<sup>th</sup> February, 2020.

Sr. No.	Name of Director	Category	No. of Audit Committee Meetings held in tenure	No. of Audit Committee Meetings attended
1.	Mr. Ravi Nevatia-Chairman	Independent Non-Executive Director -	4	4
2.	Mr. Shyamlal Agarwal	Whole-Time Director	4	4
3.	Mrs. Barkharani Choudhary	Independent Non-Executive Director	2	2

\*\*Mrs. Barkharani Choudhary has appointed w.e.f. August 14, 2019

#Ms. Preethi Anand has resigned from the Company w.e.f. 27.05.2019 & Mrs. Barkharani Choudhary has appointed as an Independent Director of the Company w.e.f. 14.08.2019

**a) PRIMARY OBJECTIVES OF THE AUDIT COMMITTEE:**

The Audit Committee of the Board of Directors of the Company inter-alia provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

As required under Section 177 of the Companies Act, 2013 read with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted an Audit Committee (the "Committee"). The Committee acts as a link between the Statutory Auditors and the Board of Directors. It addresses itself to matters pertaining to adequacy of internal controls, reliability of financial statements and other management information and adequacy of provisions of liabilities. The primary objective of the "Committee" is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting.

The terms of reference of the Audit Committee are as outlined in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the companies Act, 2013.

**b) SCOPE OF THE AUDIT COMMITTEE:**

1. Provide an open avenue of communication between the independent auditor and the Board of Directors ("BOD").
2. Recommending the appointment of statutory auditors, fixation of audit fees and also to approve the payment for other services.
3. Meet four times a year or more frequently as circumstances require. The Audit Committee may ask members of management or others to attend meetings and provide pertinent information as necessary.
4. Confirm and assure the independency of the external auditor.
5. Review with Independent Auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of all audit resources.
6. Consider and review with the Independent Auditor for the adequacy of internal controls including the computerized information system controls and security.
7. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
8. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
  - (a) Any changes in the accounting policies and practices,
  - (b) The going concern assumption,
  - (c) Compliance with Accounting Standards,
  - (d) Compliance with stock exchange and legal requirements concerning financial statements, and;
  - (e) Significant adjustment arising out of audit.
9. Consider and review with the management and the independent auditor:
  - (a) Significant findings during the year, including the status of previous audit recommendations, and;
  - (b) Any difficulties encountered in the course of audit work including any restrictions on the scope of activities or access to required information.
10. Review of the following information:
  - (a) Management discussion and analysis of financial condition and results of operations;

(b) Statement of significant related party transactions submitted by the management.

(c) Management letter/letters of internal control weaknesses issued by the Statutory Auditors.

## **2) STAKEHOLDER RELATIONSHIP COMMITTEE:**

The Stakeholder Relationship Committee comprises of three Directors and two meetings were held on 29th May, 2019 & 14th August, 2019.

\*\* Ms. Preethi Anand has resigned from the Company w.e.f. 27.05.2019 & Mrs. Barkharani Choudhary has appointed as an Independent Director of the Company w.e.f. 14.08.2019.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Category</b>	<b>No. of Meetings held in tenure</b>	<b>No. of Meetings attended</b>
1.	Mr. Shyamlal Agarwal	Whole Time Director	2	2
2.	Mr. Nipun Kedia	Director	2	2
3.	Mr. Ravi Nevatia	Independent Director	2	2

In accordance with the Authority Granted by the Board of Share Transfer Committee, **Ms. Shruti Y. Laud**, Company Secretary, deals with the following matters concerning shareholders once in a month.

## **DETAILS OF COMPLAINTS RECEIVED AND REDRESSED DURING THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020:**

No complaint was received during the financial year ended 31<sup>st</sup> March, 2020 and none of the complaint is pending to be resolved.

The Board has consented to the understanding that complaints of non receipt of Annual Report will not be treated as Complaints under Regulation 13 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as the Company's Liability is discharged when the relevant articles are posted at the last known address of the investor and that in the above cases the letters received from the investors will be serviced in addition to the responsibility under Regulation 13 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as investor friendly measure beyond the legal obligation.

The Share Transfer and Investors Grievances Committee, inter-alia, deals with various matters like share transfer, transmissions, issue of duplicate share certificates, approve the demat requests, request for consolidation of shares as and when received, and to generally deal with all investors related matters and redress the grievances of investors if any.

## **3) NOMINATION & REMUNERATION COMMITTEE:**

The Nomination & Remuneration Committee is managed by a Committee of Directors comprising of **Mr. Ravi Nevatia, Mr. Nitin Kedia, Mr. Arvind B. Jalan** and **Ms. Barkharani Choudhary**.

\*\* Ms. Preethi Anand has resigned from the Company w.e.f. May 27, 2019 & Mrs, Barkhrani Choudhary has joined the company w.e.f. August 14, 2019

## **REMUNERATION POLICY:**

The board terms of reference of the Remuneration Committee is to ensure that the remuneration practices of the Company in respect of the Senior Executive including the Executive Director are competitive keeping in view prevalent compensation packages so as to recruit and retain suitable individuals(s) in such capacity.

**INDEPENDENT DIRECTORS MEETING:**

During the year under review, the Independent Directors met on Saturday, March 20<sup>th</sup>, 2020 inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**DIRECTORS WITH MATERIALLY SIGNIFICANT, PECUNIARY OR BUSINESS RELATIONSHIP WITH THE COMPANY:**

There is no pecuniary or business relationship between the Independent Directors and the Company.

**SITTING FEES**

The Company has provided the sitting fees to the Independent Directors for attending Board and Committee meetings.

The criteria for making payment to Non-Executive Directors of the Company is disclosed under web-link <http://www.nitincastings.com/pdf/Remuneration Policy.pdf>.

**THE SHAREHOLDING OF THE NON-EXECUTIVE / INDEPENDENT DIRECTORS OF THE COMPANY AS ON 31ST MARCH, 2020 IS AS FOLLOWS:**

Sr. No.	Name of the Director	Nature of Relationship	No. of Shares Held	Percentage to the Paid up Capital
1.	Mr. Arvind B. Jalan	Independent Director	Nil	Nil
2.	Ms. Preethi Anand	Independent Director	Nil	Nil
3.	Mr. Ravi Nevatia	Independent Director	Nil	Nil

**GENERAL MEETINGS:**

Location and Time of last three Annual General Meetings

Sr. No.	Financial year	Location	Day/ Date	Time	No. of Special Resolutions
1.	2016-2017	Mumbai	Tuesday, August 8, 2017	1.00 P.M	0
2.	2017-2018	Mumbai	Wednesday, August 8, 2018	2.30 P.M	2
3.	2018-2019	Mumbai	Monday, September 30, 2019	3.00 P.M.	3

**b) EXTRA ORDINARY GENERAL MEETING(S) (EGMS):**

During the year no Extra Ordinary General Meetings of the members of the Company was held.

**c) POSTAL BALLOT:**

No Postal Ballot was conducted during the year under review. At present, there is no proposal to pass any resolution through postal ballot.

## **DISCLOSURES:**

### **RELATED PARTY TRANSACTIONS:**

Related Party Transactions under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are defined as the transaction of the Company of a material nature, with its promoters, the Directors or the management, their Subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.

Among the related party transactions are the contracts or arrangements made by the Company from time to time with companies in which the directors are interested. All these contracts or arrangements are entered in the Register of Contracts under section 189 of the Companies Act, 2013 and the Register is placed before the Board from time to time. There were no material transactions with related parties during the year 2018-19 that are prejudicial to the interest of the Company.

### **STATUTORY COMPLIANCE:**

The Company has complied with all the requirements of the Stock Exchange/ SEBI and other statutory authorities on all matters related to the capital markets during the last three years. There were no penalties or strictures imposed on the Company by the Stock Exchange, the SEBI or any statutory authority on matters relating to capital markets during last three years. The Company has also obtained Secretarial Audit Report and Annual Compliance Certificate for the year ended 31st March, 2020 as per Regulation 24A of Listing Regulations from M/s. Somani & Associates, Practicing Company Secretaries. The said report & certificate does not contain any qualifications or adverse remarks.

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

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Vigil Mechanism / Whistle Blower Policy may be accessed on the Company's website at [http://www.nitincastings.com/pdf/Whistle\\_Blower\\_Policy.pdf](http://www.nitincastings.com/pdf/Whistle_Blower_Policy.pdf).

### **DISCLOSURE RELATING TO SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES / JOINT VENTURES:**

The Company does not have any Subsidiary Company / Associate Company / Joint Ventures.

However, Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014, Form AOC-1 is annexed to this report as Annexure – II.

### **CODE OF CONDUCT**

Your Company has adopted a Code of Conduct applicable for all Directors and Senior Management of the Company which is in consonance with the requirements of Listing Regulations. The said code is available on the website of the Company

All the Directors and Senior Management Personnel of the Company have affirmed compliance with Code of Conduct of the Company for the year ended 31st March, 2020. A declaration to this effect signed by Murlidhar Gupta, Chief Financial Officer forms part of this Report as an August 31, 2020

### **COMPLIANCE WITH INDIAN ACCOUNTING STANDARDS (IND-AS)**

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind-AS) notified by Ministry of Corporate Affairs from time to time. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

### **CFO CERTIFICATION**

Pursuant to the provisions of Regulation 17(8) of Listing Regulations, Mr. Murlidhar Gupta, Chief Financial Officer of the Company have furnished certificate to the Board for the year ended 31st March, 2020, in the prescribed format. The said certificate has been reviewed by the Audit Committee and taken on record by the Board at the Meeting held on August 31, 2020

### **RECONCILIATION OF SHARE CAPITAL AUDIT**

In terms of the provisions of Clause 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary. The said report is also submitted to BSE Limited.

### **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All the Directors and the designated employees have confirmed compliance with the Code.

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

Kala Agarwal, Practicing Company Secretaries have certified that for the financial year ended on 31st March, 2020, none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India (SEBI) or Ministry of Corporate Affairs (MCA) or any such authority. A certificate issued by Kala Agarwal to that effect is attached is forming part of this report.

### **RECOMMENDATIONS OF THE COMMITTEES**

During FY 2019-20, the Board has accepted all recommendations made by Audit Committee and Nomination and Remuneration Committee.

Total fees paid to Statutory Auditors and all entities in network group is amounting to Rs. 3.50 lacs

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

In order to prevent sexual harassment of women at workplace, your Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to look into the complaints relating to sexual harassment at workplace of any woman employee. During the year under review, your Company has not received any complaint pertaining to sexual harassment and no complaint was pending as on 31st March, 2020

### **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

As per Schedule V LODR, disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. Number of complaints filed during the financial year	0
b. Number of complaints disposed of during the financial year	0
c. Number of complaints pending as on end of the financial year	0

## **COMPLIANCE WITH MANDATORY & NON-MANDATORY REQUIREMENTS**

The Company has complied with all mandatory requirements of Corporate Governance specified in Listing Regulations. The Company has adopted discretionary requirements specified in Part E of Schedule II of Listing Regulations as given below:

**The Board:** The Company has a Non-Executive Chairman and he is allowed reimbursement of expenses in relation to performance of his duties.

**Shareholder's Rights:** Quarterly, half-yearly, annual financial results of the Company are published in English and Marathi newspapers and are also forwarded to BSE Limited. The said results are also uploaded on the website of the Company <http://www.nitincastings.com> Hence, the same are not sent to the Shareholders of the Company by email or physically.

**Modified Opinion in Audit Report:** there was no qualification or modified opinion in the Independent Auditors' Report on Audited Financial Statements for the year ended 31st March, 2020, or in past 2 years. NITIN CASTINGS LIMITED Annual Report 2019-20  
During the period under review the Company has paid Rs. 3,50,000/- + tax (as applicable) to the auditor as auditors remuneration.

**Reporting of Internal Auditors:** The representatives of Internal Auditors of the Company are permanent invitee to the Audit Committee Meeting. They attend each Audit Committee Meeting and present their internal audit observations to the Audit Committee. They directly interact with Audit Committee Chairman & Members during the meeting.

### **GENERAL**

During the year under review, the Company has no borrowings or has not raised any funds, hence disclosure pertaining to utilization of funds and Credit Rating is not applicable.

### **Compliance with the requirements of Corporate Governance**

All the requirements of Corporate Governance specified in Regulation 17 to 27 of Listing Regulations and of sub-regulation (2) of Regulation 46 of Listing Regulations have been complied with. Provisions of Registration 21 and 24 of Listing Regulations are not applicable to the company.

### **GENERAL SHAREHOLDERS INFORMATION:**

#### **MEANS OF COMMUNICATION:**

➤ **Website:** The Company's website [www.kirtiinvestments.com](http://www.kirtiinvestments.com) contains the updated information pertaining to quarterly, half-yearly and annual financial results, shareholding pattern, important announcements made to the stock exchanges, intimation of board meeting dates, newspaper advertisements etc. The said information is available in a user friendly and downloadable form in "Investor Section" of website.

➤ **Financial Results:** Pursuant to Regulation 33 of the Listing Regulations, the quarterly, half-yearly and annual financial results of the Company are submitted to BSE Limited after approval of the Board of Directors of the Company within prescribed time. The uploading of financial results on BSE is made through BSE listing centre electronic platform. The financial results of the Company are published in one English daily newspaper viz. Business Standard and one Hindi newspaper viz. Navshakti within prescribed time & one English newspaper viz. Freepress Journey. The financial results are also uploaded on the website of the Company.

➤ **Annual Report:** Annual Report containing inter-alia Standalone Financial Statements, Auditors' Report, Board's Report, Management Discussion and Analysis Report, Corporate Governance Report is sent to all Members of the Company and is also available on the website of the Company [www.nitincastings.com](http://www.nitincastings.com).

➤ **Designated Exclusive Email ID:** The Company has designated Email Id [naglmumbai@gmail.com](mailto:naglmumbai@gmail.com) exclusively for shareholder/ investor grievances redressal.

➤ **SCORES (SEBI Complaints Redressal System):** SEBI has commenced processing of investor complaints in a centralized web based complaints redress system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.

➤ **Uploading on BSE Listing Centre:** The quarterly results, quarterly compliances and all other corporate communications and disclosures are filed electronically on BSE Listing Centre.

➤ **Presentations:** No presentations were made to analysts, Institutional Investors during the year under review.

The Management Discussion and Analysis Report is Attached with the Director's Report in this 36<sup>th</sup> Annual Report of the Company delivered to the shareholders.

#### **Annual General Meeting:**

Day, Date and Time	Wednesday, September 30, 2020
Venue	Via Conferencing
Financial Year	Year ending 31 <sup>st</sup> March, 2020
Dates of Book Closure	September 23, 2020 to September 30, 2020
Listing on Stock Exchange	(i) Bombay Stock Exchange Limited Script code: 508875

**Listing Fees :** The Company has paid Listing Fees for FY 2019-20 and 2020-21 to Bombay Stock Exchange Limited of India within prescribed time.

**Annual Custody Fees :** The Company has paid the Annual Custody Fees to Central Depository Services (India) Ltd. and National Securities Depository Limited for the year 2019-20.

**ISIN :** INE861H01020

**CIN :** L65990MH1982PLC028822

#### **SCORES (SEBI COMPLAINTS REDRESSAL SYSTEM):**

SEBI has commenced processing of investor complaints in a centralized web based complaints redress system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.

#### **SHARE TRANSFER SYSTEM**

Pursuant to SEBI press release dated December 3, 2018, except in case of transmission or transposition of securities, requests for effecting transfer of securities after April 1, 2019, have not been processed by the Company unless the securities were held in the dematerialized form with a depository.



**UPLOADING ON BSE LISTING CENTRE:**

The quarterly results, quarterly compliances and all other corporate communications and disclosures are filed electronically on BSE Listing Centre.

**Category of Shareholders as on 31<sup>st</sup> March, 2019:**

	Category	No. of Shares Held	% Sharehold
<b>A</b>	<b>Promoter's holding</b>		
	1 Promoters		
	- Indian Promoters	3669186	71.37 %
	- Foreign Promoters	Nil	
	<b>Sub - Total</b>	<b>3669186</b>	<b>71.37 %</b>
<b>B</b>	<b>Non - Promoter's holding</b>		
	<b>2 Institutional Investors</b>		
	a. Mutual Funds and UTI	Nil	Nil
	b. Banks, Financial Institutions	Nil	Nil
	c. Insurance Companies / Central / State Govt. Institutions / Non-government Institutions / Venture Capital Funds	Nil	Nil
	d. FII's (Including ADB holding)	Nil	Nil
	<b>Sub-Total</b>		
	<b>3 Others</b>		
	a Individual Holding shares upto Rs. 2 Lakhs	335726	6.53 %
	b Individual Holding shares in excess of Rs. 2 Lakhs	906788	17.64 %
	c NRI's /OCB's(Including GDFI)	Nil	
	d Any other	229630	4.47
	<b>Sub-Total</b>	<b>1472144</b>	<b>28.63%</b>
	<b>GRAND TOTAL</b>	<b>5141330</b>	<b>100.00%</b>

**Dematerialization of Shares and Liquidity**

96.90% of the Company's shares capital is held in dematerialised form as on 31<sup>st</sup> March, 2019. The Company's shares are traded on the Bombay Stock Exchange Limited.

**Plant Location**

- a) Plot No. 183/1, Surangi, Silvassa, Dadra & Nagar Haveli – 396 230  
b) Plot No. 7, Survey No. 679/1, Village-Karvad, Taluka-Vapi, District-Valsad, Gujrat - 396195

**Address for Correspondence**

Prestige Precinct, 3<sup>rd</sup> Floor, Almeida Road, Panchpakhadi, Thane (West), Thane – 400 601

**Address for Correspondence for Share related work**

Registrar & Share Transfer Agent: Sharex Dynamic (India) Pvt. Ltd.,  
C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083

**Email Id of investor's Complaint:** [investor@nitincastings.com](mailto:investor@nitincastings.com)

**Declaration regarding compliance with Code of Conduct as provided under Regulation 34 (3) of SEBI (Listing Obligations and Disclosure requirement) Regulations, 2015**

As provided under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended 31<sup>st</sup> March, 2020.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR NITIN CASTINGS LIMITED**

**SHYAMLAL AGARWAL  
WHOLE-TIME DIRECTOR  
DIN: 00347757**

**MURLIDHAR GUPTA  
CHIEF FINANCIAL OFFICER**

**Mumbai, August 31, 2020**

**Certification by Whole-time Director and Senior Management Officer on Corporate Governance**

We, Mr. Shyamlal Agarwal, Wholetime Director and, Mr. Murlidhar Gupta, Chief Financial Officer, in our capacity as Senior Management Executive respectively of the Company hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2020 and that to the best of our knowledge and belief:
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
  - b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for the financial reporting and that we have evaluated the effectiveness of the 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 or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditor's and the Audit committee:

- (i) significant changes in internal control over financial reporting during the year ;
- (ii) significant changes in accounting policies during the year and that the same have 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 NITIN CASTINGS LIMITED**

**SHYAMLAL AGARWAL  
WHOLE-TIME DIRECTOR  
DIN: 00347757**

**MURLIDHAR GUPTA  
CHIEF FINANCIAL OFFICER**

**Mumbai, August 31, 2020**

**ANNEXURE - I**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31-03-2020**

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L65990MH1982PLC028822
2.	Registration Date	December 03, 1982
3.	Name of the Company	NITIN CASTINGS LIMITED
4.	Category/Sub-category of the Company	Manufacturer of Alloys Steel Castings
5.	Address of the Registered office & contact details	202, 2 <sup>nd</sup> Floor, Rahul Mittal Industrial Premises Co-Op Soc. I Sanjay Building No. 3, Sir M.V. Road, Andheri (East), Mumbai 059 Tel. 91 22 25985900 email : <a href="mailto:finance@nitincastings.com">finance@nitincastings.com</a>
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Sharex Dynamic (India) Pvt. Ltd. Add : C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 Cont.: 022-2851 5606/ 2851 5644

**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)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Alloy Steel Castings – Fabrication Castings	25999	51.33
2	Alloy Steel Castings – Static Castings	24319	36.32
3	Alloy Steel Castings – Centrifugal Castings	24311	12.35

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

The Company does not have any Holding, Subsidiary & Associate Company.

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

### A) Category-wise Share Holding

Category of Share	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	3352486	Nil	3352486	65.207	3353736	Nil	3353736	65.231	0.024
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
d) Bodies Corp.	316700	Nil	316700	6.160	316700	Nil	316700	6.160	0.00
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
<b>Sub Total (A)(1)</b>	<b>36,69,186</b>	<b>Nil</b>	<b>36,69,186</b>	<b>71.37</b>	<b>36,70,436</b>	<b>Nil</b>	<b>36,70,436</b>	<b>71.331</b>	<b>0.024</b>
<b>(2) Foreign</b>									
a) NRIs-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
b) Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
e) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
<b>Sub Total (A)(2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>0.00</b>
<b>Total shareholding Promoter (A)</b>	<b>36,69,186</b>	<b>Nil</b>	<b>36,69,186</b>	<b>71.37</b>	<b>36,70,436</b>	<b>Nil</b>	<b>36,70,436</b>	<b>71.331</b>	<b>0.024</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
e) Venture Capital Fu	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
f) Insurance Cos.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
h) Foreign Venture C Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
<b>Sub-total (B)(1):-</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>0.00</b>

Category of Shareholders	of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1,92,878	Nil	1,92,878	3.75	1,93,009	Nil	1,93,009	3.75	0.002
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1,42,236	145,100	2,87,336	5.589	1,43,885	144500	2,88,385	5.609	0.020
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	9,74,438	13,900	9,88,338	19.223	9,75,574	13,900	9,89,474	19.245	0.022
c) Others (specify)									
HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non Resident Indians	16	Nil	16	Nil	16	Nil	16	Nil	Nil
Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
Foreign Nationals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
Clearing Members	3576	Nil	3576	0.07	10	Nil	10	Nil	-0.07
Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
Foreign Bodies - D R	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
<b>Sub-total (B)(2):-</b>	<b>1313,114</b>	<b>159000</b>	<b>1472144</b>	<b>28.634</b>	<b>1312,494</b>	<b>158400</b>	<b>1470894</b>	<b>28.608</b>	<b>-0.026</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1313,114	159000	1472144	28.634	1312,494	158400	1470894	28.608	-0.026
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.00
<b>Grand Total (A+B+C)</b>	<b>49,82,330</b>	<b>159000</b>	<b>5141330</b>	<b>100.00</b>	<b>4982930</b>	<b>158400</b>	<b>5141330</b>	<b>100.00</b>	<b>Nil</b>

## B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Nitin S. Kedia	550222	10.702	0	551472	10.726	0	0.024

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

Name of Shareholder	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
Nitin Kedia	550222	10.702	551422	10.725

## D) Shareholding Pattern of Top Ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	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
<b>1.</b>	<b>Punit Gopikishan Makharia</b>				
	At the beginning of the year	6,10,000	11.864%	6,10,000	11.864%
	Transactions (purchase / sale) from April 1, 2019 up to March 31, 2020	-	-	-	-
	At the end of the year	6,10,000	11.864%	6,10,000	11.864%
<b>2.</b>	<b>TFC Engineering Pvt. Ltd.</b>				
	At the beginning of the year	1,88,584	3.668%	1,88,584	3.668%
	Transactions (purchase / sale) from April 1, 2019 up to March 31, 2020	-	-	-	-
	At the end of the year	1,88,584	3.668%	1,88,584	3.668%
<b>3.</b>	<b>Sangeetha S.</b>				
	At the beginning of the year	51,800	1.008%	51,800	1.008%
	Purchased during the year -08-11-2019	2076		2076	
	At the end of the year	53,876	1.046%	53,876	1.046%
<b>4.</b>	<b>Gautam Gopikishan Makharia</b>				
	At the beginning of the year	50,000	0.973%	50,000	0.973%

	Transactions (purchase / sale) from April 1, 2019 up to March 31, 2020	-	-	-	-
	At the end of the year	50,000	0.973%	50,000	0.973%
<b>5.</b>	<b>Manoj M. Desai</b>				
	At the beginning of the year	43,400	0.844%		
	Transactions (purchase / sale) from April 1, 2019 up to March 31, 2020	-	-	-	-
	At the end of the year	43,400	0.844%		
<b>6.</b>	<b>Dheeraj Kumar Lohia</b>				
	At the beginning of the year	28,588	0.556%	28,588	0.556%
	Transactions (purchase / sale) from April 1, 2019 up to March 31, 2020	-	-	-	-
	At the end of the year	28,588	0.556%	28,588	0.556%
<b>7.</b>	<b>Sumesh B. Agarwal</b>				
	At the beginning of the year	27,000	0.525%	27,000	0.525%
	Transactions (purchase / sale) from April 1, 2019 up to March 31, 2020	-	-	-	-
	At the end of the year	27,000	0.525%	27,000	0.525%
<b>8.</b>	<b>Bharat Bhushan Aggarwal</b>				
	At the beginning of the year	26,000	0.506%	26,000	0.506%
	Transactions (purchase / sale) from April 1, 2019 up to March 31, 2020	-	-	-	-
	At the end of the year	26,000	0.506%	26,000	0.506%
<b>9.</b>	<b>Anika Shah</b>				
	At the beginning of the year	24,000	0.467%	24,000	0.467%
	Transactions (purchase / sale) from April 1, 2019 up to March 31, 2020	-	-	-	-
	At the end of the year	24,000	0.467%	24,000	0.467%
<b>10.</b>	<b>Pragna Kedia</b>				
	At the beginning of the year	24,000	0.467%	24,000	0.467%
	Transactions (purchase / sale) from April 1, 2019 up to March 31, 2020	-	-	-	-
	At the end of the year	24,000	0.467%	24,000	0.467%

**E) Shareholding of Directors and Key Managerial Personnel:**

Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total Share of the Company	No. of shares	% of total Shares of the Company
<b>Mr. Nitin Kedia</b>				
<b>At the beginning of the year</b>	<b>5,50,222</b>	<b>10.70%</b>	<b>5,50,222</b>	<b>10.70%</b>
<b>Allotted / Increase / Decrease</b>	<b>1250</b>		<b>1250</b>	
<b>At the end of the year</b>	<b>5,51,472</b>	<b>10.70%</b>	<b>5,51,472</b>	<b>10.70%</b>



#### IV. INDEBTEDNESS

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

**Rs. in Lakhs**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	1080.44	200	Nil	1280.44
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	1080.44	200	-	1280.44
<b>Change in Indebtedness during financial year</b>				
* Addition	11351.45	Nil	Nil	11351.45
* Reduction	11833.08	Nil	Nil	11833.08
<b>Net Change</b>	-481.63	Nil	Nil	-481.63
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	598.81	200	Nil	798.81
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	598.81	200	Nil	798.81

#### V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		WTD - Mr. Shyamlal Agarwal	Executive Director - Mr. Nirmal Kedia	Managing Director - Mr. Nitin Kedia	Executive Director - Mr. Nipun Kedia	
	<b>Gross Salary (Rs. in Lacs)</b>					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5.20	60.01	60.01	18.84	<b>144.06</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
	Stock Option	-	-	-	-	-
	Sweat Equity	-	-	-	-	-
	Commission - as % of profit/others, specify					
	Others, please specify	-	-	-	-	-
	<b>Total (A)</b>	<b>5.20</b>	<b>60.01</b>	<b>60.01</b>	<b>18.84</b>	<b>144.06</b>

**B. Remuneration to other directors:****Rs. in Lacs**

SN.	Particulars of Remuneration	Name of the Directors			Total Amount
		Mr. Arvind Jalan	Ms. Barkharani Choudhary	Mr. Ravi Nevatia	
	<b>Independent Directors</b>				
	Fees for attending Board/ Committee Meetings (in Rs.)	-	0.38	0.50	<b>0.88</b>
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>		<b>0.38</b>	<b>0.50</b>	<b>0.88</b>
	<b>Other Non Executive Directors</b>	-	-	-	-
	Fees for attending Board/ Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (2)</b>	-	<b>0.38</b>	<b>0.50</b>	<b>0.88</b>
	<b>Total (B)= (1 + 2)</b>		<b>0.38</b>	<b>0.50</b>	<b>0.88</b>
	<b>Total Managerial Remuneration</b>	-	<b>0.38</b>	<b>0.50</b>	<b>0.88</b>
	<b>Overall ceiling as per the act</b>				

**C. Remuneration to Key Managerial Person other than MD/Manager/WTD:**

Sr. No.	Particulars of Remuneration	Key Managerial Person		Total Amount
		Chief Financial Officer	Company Secretary	
	Gross Salary (in Rs.)			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18.00	5.03	<b>23.03</b>
	b) Value of perquisites u/s. 17(2) of Income-tax Act, 1961	-	-	
	c) Profits in lieu of salary u/s. 17(3) of Income-tax Act, 1961	-	-	
	Stock Option	-	-	
	Sweat Equity	-	-	
	Commission	-	-	
	- as % of profit	-	-	
	- others, specify	-	-	
	Others, please specify	-	-	
	<b>Total (C)</b>	<b>18.00</b>	<b>5.03</b>	<b>23.03</b>

**VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Nil

## ANNEXURE - II

### Form AOC-1

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

#### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

##### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	NIL
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NIL
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NIL
4.	Share capital	NIL
5.	Reserves & surplus	NIL
6.	Total assets	NIL
7.	Total Liabilities	NIL
8.	Investments	NIL
9.	Turnover	NIL
10.	Profit before taxation	NIL
11.	Provision for taxation	NIL
12.	Profit after taxation	NIL
13.	Proposed Dividend	NIL
14.	% of shareholding	NIL

**Notes:** The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations. N.A
2. Names of subsidiaries which have been liquidated or sold during the year. N.A

**Part "B": Associates and Joint Ventures**

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

Name of associates/Joint Ventures	Name 1	Name 2	Name 3
<b>1. Latest audited Balance Sheet Date</b>	NIL	NIL	NIL
<b>2. Shares of Associate/Joint Ventures held by the company on the year end</b>			
No.	NIL	NIL	NIL
Amount of Investment in Associates/Joint Venture	NIL	NIL	NIL
Extend of Holding %	NIL	NIL	NIL
<b>3. Description of how there is significant influence</b>	NIL	NIL	NIL
<b>4. Reason why the associate/joint venture is not consolidated</b>	NIL	NIL	NIL
<b>5. Net worth attributable to shareholding as per latest audited Balance Sheet</b>	NIL	NIL	NIL
<b>6. Profit/Loss for the year</b>			
i. Considered in Consolidation	NIL	NIL	NIL
ii. Not Considered in Consolidation	NIL	NIL	NIL

1. Names of associates or joint ventures which are yet to commence operations. NIL

2. Names of associates or joint ventures which have been liquidated or sold during the year. NIL

**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

BY ORDER OF THE BOARD OF DIRECTORS  
FOR NITIN CASTINGS LIMITED

NITIN KEDIA  
MANAGING DIRECTOR  
DIN: 00050749

NIPUN KEDIA  
DIRECTOR  
DIN: 02356010

Mumbai, August 31, 2020

## **ANNEXURE-III**

### **Form No. AOC-2**

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

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

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

- a) Name(s) of the related party and nature of relationship: NIL
- b) Nature of contracts/arrangements/transactions: NIL
- c) Duration of the contracts/arrangements/transactions: NIL
- d) Salient terms of the contracts or arrangements or transactions including the value, if any: NIL
- e) Justification for entering into such contracts or arrangements or transaction: NIL
- f) Date(s) of approval by the Board: NIL
- g) Amount paid as advances, if any: NIL
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NIL

**2. \*Details of material contracts or arrangement or transactions at arm's length basis:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Relationship</b>	<b>Nature of Transaction</b>	<b>Rs. In lakhs Current year (FY 2019-2020)</b>	<b>Rs. In lakhs Previous year (FY 2018-2019)</b>
1.	Nitin Kedia	Director-KMP	Director Remuneration	60.01	56.01
2.	Nirmal Kedia	Director-KMP	Director Remuneration	60.01	60.01
3.	Nipun Kedia	Director-KMP	Director Remuneration	18.84	18.90
4.	S L Agarwal	Director	Director Remuneration	5.20	5.20
5.	Preethi Anand	Director	Director Fees	0	0.50
6.	Ravi Nevatia	Director	Director Fees	0.50	0.50
7.	BarkharaniChoudhary	Director	Director Fees	0.38	0
8.	Suman Kedia	Relative of Director	Rent Paid	44.15	44.15
9.	Suman Kedia	Relative of Director	Closing Balance of Rent Deposit paid	14.50	14.50
10.	Shalini Kedia	Relative of Director	Rent Paid	44.15	44.15
11.	Shalini Kedia	Relative of Director	Closing Balance of Rent Deposit paid	14.50	16.50
12.	Kedia Construction Co. Ltd.	Significant Control of KMP	Professional Fees paid	38.00	29.00
13.	Kirti Investments Limited	Significant Control of KMP	Professional Fees paid	16.00	28.00
14.	Arvind Engineering Works	Significant Control of KMP	Purchase / Sales of Spares & Machinery	3.73	1.90
15.	Arvind Engineering Works	Significant Control of KMP	Service Charges paid	61.27	69.58
16.	Rajshila Construction Private Limited	Significant Control of KMP	Closing Balance of Advance Given	238.66	367.72

\* Related party transactions under Accounting Standard (AS) 18 are disclosed in **Note – 33** to the financial statements for the year ended 31<sup>st</sup> March, 2020.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR NITIN CASTINGS LIMITED**

**NITIN KEDIA  
MANAGING DIRECTOR  
DIN: 00050749**

**NIPUN KEDIA  
DIRECTOR  
DIN: 02356010**

**Mumbai, August 31, 2020**

**Kala Agarwal**

**BCom, FCS,**

**Practising Company Secretary**

801, Embassy Centre, Jamnalal Bajaj Road, Nariman Point, Mumbai-400021

Email id: [admin@kalaagarwal.com](mailto:admin@kalaagarwal.com) Contact: 022 22824639/59 Mob.: 9819888185

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,

The Members of

**NITIN CASTINGS LIMITED**

202,2nd Floor, A- Wing, Bldg. No.3, Sir M.V .Road,

Rahul Mittal Industrial Estate,

Andheri East Mumbai 400059

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Nitin Castings Limited having CIN L65990MH1982PLC028822 and having registered office at 202,2nd Floor, A- Wing, Bldg. No.3, Sir M.V.Road, Rahul Mittal Industrial Estate, Andheri East Mumbai 400059(hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31<sup>st</sup> March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name Of Director	DIN	Date of Appointment In Company
1	Mr. Nitin Kedia	00050749	10/11/2008
2	Mr. Nirmal Kedia	00050769	24/04/2010
3	Mr. Shyamlal Agarwal	00347757	16/06/2003
4	Mr. Arvind Jalan	00381535	28/09/2015
5	Mr. Nipun Kedia	02356010	01/11/2016
6	Mr.Ravi Nevatia	07200190	01/11/2016
7	Ms. Barkharani Lalchand Choudhary	08531880	14/08/2019
8	Ms. Preeti Anand*	07178887	31/03/2015

\*Resigned with effect from 27.05.2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Kala Agarwal**

**Practising Company Secretary**

**Certificate of Practice Number: 5356**

**Membership Number: 5976**

**UDIN:F005976B000637739**

**Mumbai, August 31, 2020**



**Kala Agarwal**

**BCom, FCS,**

**Pracising Company Secretary**

801, Embassy Centre, Jamnalal Bajaj Road, Nariman Point, Mumbai-400021

Email id: [admin@kalaagarwal.com](mailto:admin@kalaagarwal.com) Contact: 022 22824639/59 Mob.: 9819888185

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

For the Financial Year Ended On 31<sup>st</sup>March, 2020

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

**To,**

**The Members,**

**NITIN CASTINGS LIMITED**

202, 2nd Floor, A- Wing, Bldg. No.3, Sir M.V. Road

Rahul Mittal Industrial Estate

Andheri (East), Mumbai – 400059.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NITIN CASTINGS LIMITED (hereinafter called the “Company”)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2020**, 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 the Company for the financial year ended on 31<sup>st</sup>March, 2020 according to the provisions of:

- A. The Companies Act, 2013 (the Act) and the rules made there under;
- B. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- C. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- D. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) viz.:
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (g) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (i) 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;
- (j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (k) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

E. other applicable acts,

- (a) Factories Act, 1948,
- (b) Payment Of Wages Act, 1936, and rules made thereunder,
- (c) The Minimum Wages Act, 1948, and rules made thereunder,
- (d) Industrial Disputes Act, 1948, and rules made thereunder,
- (e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
- (f) The Payment of Bonus Act, 1965, and rules made thereunder,
- (g) Payment of Gratuity Act, 1972, and rules made thereunder,
- (h) The Contract Labour (Regulation And Abolition) Act, 1970,
- (i) The Environment (Protection) Act, 1986,
- (j) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
- (k) Air (Prevention & Control of Pollution) Act, 1981,
- (l) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company.

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

1. *As informed by the Company Secretary of the Company, no director was liable to retire by rotation at the Annual General Meeting of the Company held for the Financial year ended 31.03.2019, as per the provisions of the Section 152 of the Companies Act, 2013.*
2. *As per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as the Chairman of the Company is an Executive Director, half the Board shall comprise of Independent Director. Accordingly, the Board is required to appoint an Independent Director to make optimum composition of the Board. As informed by the management of the Company, they are in the process of appointing a suitable candidate to occupy the Board.*
3. *As intimated by the Management, the newspaper intimation for the notice calling Board Meeting of 30<sup>th</sup> October, 2019 for unaudited financial result of the Company for the quarter ended 30<sup>th</sup> September, 2019 could not be traced due to limited access to the records of the Company on account of the lockdown.*

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.

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. Majority of the decisions being carried through were 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.

**Kala Agarwal**  
**Practising Company Secretary**  
**COP No.: 5356**  
**Membership Number: 5976**  
**UDIN: F005976B000662247**

**Place: Mumbai**  
**Date: 31/08/2020**

***Note:*** This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report

To,  
The Members,  
**NITIN CASTINGS LIMITED**  
202, 2nd Floor, A- Wing, Bldg. No.3, Sir M.V. Road,  
Rahul Mittal Industrial Estate,  
Andheri (East), Mumbai – 400059.

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

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

**Kala Agarwal**  
**Practising Company Secretary**  
**COP No.: 5356**  
**Membership Number: 5976**  
**UDIN: F005976B000662247**

**Place: Mumbai**  
**Date: 31/08/2020**



**Office :**304, Saba Palace, 4<sup>th</sup> Road,  
Khar (West), Mumbai 400 052.  
Tel. : 2600 5888 •Res. 2625 0831 •  
Mobile : 9821 238 422.  
E-mail. : [casandeepprathi@gmail.com](mailto:casandeepprathi@gmail.com)

## **AUDITOR'S CERTIFICATE OF CORPORATE GOVERNANCE**

To,  
The Members,  
Nitin Casting Limited (Formerly Nitin Alloys Global Limited)

1. The Corporate Governance Report prepared by **Nitin Casting Limited** (Formerly Nitin Alloys Global Limited) ("the Company"), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2020. This certificate is required by the Company for submission to the Stock exchange and to be sent to the shareholders of the Company.

### **MANAGEMENT'S RESPONSIBILITY**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### **AUDITOR'S RESPONSIBILITY**

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedure includes, but not limited to, verification of secretarial records and financial information

of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.

8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this Certificate did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

#### **OPINION**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31st March, 2020 referred to in paragraph 1 above.

#### **OTHER MATTERS AND RESTRICTION ON USE**

10. This Certificate 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.
11. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

#### **For Sandeep Rathi & Associates**

Chartered Accountants

Firm Registration No: 113728W

#### **Sandeep Rathi**

Proprietor

Membership No. 047377

UDIN - 20047377AAAAEH9845

Place: Mumbai

Date: 31st August, 2020



**Office :**304, Saba Palace, 4<sup>th</sup> Road,  
Khar (West), Mumbai 400 052.

Tel. : 2600 5888 •Res. 2625 0831 •

Mobile : 9821 238 422.

E-mail. : [casandeeprathi@gmail.com](mailto:casandeeprathi@gmail.com)

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of

**NITIN CASTING LIMITED**

**(FORMERLY NITIN ALLOYS GLOBAL LIMITED)**

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

### **Opinion**

We have audited the financial statements of **NITIN CASTING LIMITED (FORMERLY NITIN ALLOYS GLOBAL LIMITED)**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2020, and the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (The Act) in the manner so required and give a true and fair view inconformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There is no key audit matter to communicate in our report.

### **Emphasis of Matter**

We draw your attention to Note 48 of the standalone financial results, as regards the management's assessment of the financial impact due to the disruption caused by Covid-19 pandemic situation. Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have not received other formation before the date of auditors report so we cannot conclude if the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we receive the other information and if we identify that there is material misstatement therein, we will communicate the matter to those charged with governance.

## **Responsibilities of Management and those charged with Governance 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 of these financial statements that give a true and fair view of the financial position and financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards (Ind AS) specified under section 133 of the Act read with relevant rules issued there under.

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the auditing order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with the mall relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial control over financial reporting were operating effectively as at 31<sup>st</sup> March, 2020, based on the internal control over financial reporting criteria established by the Company.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act, as amended:

In our opinion to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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 derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Sandeep Rathi & Associates**

Chartered Accountants

Firm Registration No: 113728W

**Sandeep Rathi**

Proprietor

Membership Number: 047377

UDIN: 20047377AAAACR1798

Place: Mumbai

Date: 10<sup>th</sup> July, 2020

## **ANNEXURE A TO INDEPENDENT AUDITORS' REPORT- 31 March, 2020**

**With reference to the Annexure A referred to in the Independent Auditors' Report of even date to the members of NITIN CASTING LIMITED (FORMERLY NITIN ALLOYS GLOBAL LIMITED) on the Financial Statements for the year ended March 31, 2020, we report the following**

- 1) In respect of its property, plant and equipment :
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of property, plant and equipments.
  - b) Some of the property, plant and equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanation given to us no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company- including registered title deeds, we report that, the title deeds, comprising all the immovable properties of the Company are held in the name of the Company.
- 2) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- 3) According to information and explanations given to us and to the best of our knowledge and belief, the Company has granted unsecured loans, to one concern covered in the register maintained under Section 189 of the Act.
  - a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
  - b) In respect of the aforesaid loans, no schedule for repayment of principal and payment of interest has been stipulated by the Company. Therefore, in absence of stipulation of repayment terms we do not make any comment on the regularity of repayment of principal and payment of interest.
  - c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days
- 4) According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- 5) According to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- 6) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- 7) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion :

- a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Custom Duty, Goods and Service Tax, Cess and other material statutory dues as applicable to it with appropriate authorities.
- b) There were no undisputed amounts payable in respect Provident Fund, Employee State Insurance, Income Tax, Custom Duty, Goods and Service Tax, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2020 for a period of more than six months from the date they became payable..
- c) As at 31<sup>st</sup> March, 2020, the following are the particulars of dues on account of Income Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty and VAT that have not been deposited on account of any dispute :

*Rs. in Lakhs*

<b>Name of the Statute</b>	<b>Nature of the dues</b>	<b>Rs. in Lakhs</b>	<b>Period to which the Amount Relates</b>	<b>Forum where Dispute is Pending</b>
Central Excise	Excise Duty	103.30	Apr, 2007 to Oct, 2011	CESTAT
Central Excise	Excise Duty	14.06	Nov, 2011 to Sep, 2012	CESTAT
Central Excise	Excise Duty	0.66	Jul, 2000 to Jun, 2001	CESTAT
Central Excise	Excise Duty	30.59	Oct, 2012 to Jun, 2015	CESTAT
Central Excise	Excise Duty	6.90	Jul, 2015 to Apr, 2016	CESTAT
Central Excise	Excise Duty	16.32	May, 2016 to Jun, 2017	CESTAT
Central Excise	Excise Duty	360.98	Mar, 2010 to Jan, 2014	CESTAT

- 8) According to the records of the Company examined by us and as per the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to its financial institutions, Bankers and government. The Company did not have any outstanding debentures during the year.
- 9) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- 10) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- 11) According to the information and explanations given to us and based on our examination of records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- 12) The Company is not a Nidhi Company and the Nidhi rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, all transaction with related parties are in compliance with Sections 177

and 188 of the Act, where applicable, and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.

14)The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

15)According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

16)The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For Sandeep Rathi& Associates**

Chartered Accountants

Firm Registration No: 113728W

**Sandeep Rathi**

Proprietor

Membership Number: 047377

UDIN: 20047377AAAACR1798

Place :Mumbai

Date :10<sup>th</sup> July,2020

## **ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT- 31 MARCH, 2020**

### **Report on the Internal Financial Controls with reference to the aforesaid Financial Statements under Clause (i) Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") (Referred to in paragraph (A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

#### **Opinion**

We have audited the internal financial controls with reference to Financial Statements of Nitin Casting Limited (Formerly Nitin Alloys Global Limited) ("the Company") as of 31 March 2020 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Financial Statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with respect to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Financial Statements.

### **Meaning of Internal Financial Controls with reference to Financial Statements**

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

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

### **For Sandeep Rathi & Associates**

Chartered Accountants

Firm Registration No: 113728W

### **Sandeep Rathi**

Proprietor

Membership Number: 047377

UDIN: 20047377AAAACR1798

Place: Mumbai

Date: 10<sup>th</sup> July, 2020

## BALANCE SHEET as at 31st March 2020

Particulars	Note No.	As at 31st March, 2020 Rs. in Lakhs	As at 31st March, 2019 Rs. in Lakhs
<b>I ASSETS</b>			
<b>Non-Current Assets</b>			
a) Property, Plant and Equipment	3	2,594.97	2,768.95
b) Capital Work-in-Progress	3	-	-
c) Goodwill	3	-	224.80
d) Financial Assets			
(i) Investments	4	17.47	22.92
(ii) Loans	5	148.71	181.19
(iii) Other financial assets	6	66.17	90.42
g) Other non-current assets		-	-
<b>Total of Non-Current Assets</b>		<b>2,827.32</b>	<b>3,288.28</b>
<b>Current Assets</b>			
a) Inventories	7	1,874.94	1,589.13
b) Financial Assets			
(i) Investments	8	467.94	-
(i) Trade Receivables	9	926.21	1,191.17
(ii) Cash and cash Equivalents	10	155.88	383.64
(iii) Bank balances other than (ii) above		-	-
(iii) Loans	11	238.66	367.72
(v) Others financial assets		-	-
c) Income Tax Assets (Net)	12	7.79	90.70
d) Other current assets	13	230.29	238.21
Assets classified as held for sale		-	-
<b>Total of Current Assets</b>		<b>3,901.71</b>	<b>3,860.56</b>
<b>TOTAL ASSETS</b>		<b>6,729.03</b>	<b>7,148.84</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity Share Capital	14	257.07	257.07
b) Other Equity	15	4,437.21	4,329.27
<b>Total Equity</b>		<b>4,694.27</b>	<b>4,586.34</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
a) Financial Liabilities			
Borrowings	16	452.06	760.24
Provisions		-	-
b) Deferred Tax Liabilities (Net)	17	18.25	51.45
Other non-current liabilities		-	-
<b>Total Non-Current Liabilities</b>		<b>470.31</b>	<b>811.69</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	18	19.78	228.85
(ii) Trade Payables	19	709.56	703.59
(iii) Other Financial Liabilities	20	275.70	272.56
b) Other Current Liabilities	21	457.50	332.54
c) Provisions	22	85.69	106.35
d) Income Tax Liabilities (Net)	23	16.22	106.92
<b>Total Current Liabilities</b>		<b>1,564.44</b>	<b>1,750.81</b>
<b>Total Liabilities</b>		<b>2,034.76</b>	<b>2,562.50</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,729.03</b>	<b>7,148.84</b>
Significant Accounting Policies	2		

Notes to Accounts form an integral part of financial statements

As per our Report of even date attached

**For Sandeep Rathi & Associates**

Chartered Accountants

Firm Registration No : 113728W

**For and on behalf of the Board of Directors**

Sandeep Rathi

**Proprietor**

Secretary

Membership No.47377

Mumbai, the 29th day of May, 2019

UDIN : 20047377AAAACR1798

Mumbai, Date: 10th July,2020

Nipun Kedia

Director

DIN-02356010

Arvind Jalan

Director

DIN-00381535

Shruti Laud

Company

M. No. A38705



**STATEMENT OF PROFIT AND LOSS for the year ended on 31st March, 2020**

Particulars	Note No.	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>INCOME</b>			
I Revenue from Operations	24	6,408.22	7,376.01
II Other Income	25	115.69	182.21
(III) Net gain on derecognition of Financial Assets classified as Amortised Cost		-	-
<b>III Total Income ( I+II)</b>		<b>6,523.91</b>	<b>7,558.23</b>
<b>IV EXPENSES</b>			
Cost of materials consumed	26	4,604.42	4,816.16
Purchases of Stock-in-Trade		-	-
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	(277.55)	408.00
Employee Benefit expenses	28	738.08	784.01
Finance Costs	29	135.08	90.80
Excise Duty		-	-
Depreciation and Amortisation expenses	30	449.98	431.16
Other Expenses	31	707.58	696.55
<b>Total Expenses (IV)</b>		<b>6,357.59</b>	<b>7,226.67</b>
<b>V Profit before Tax ( III-IV)</b>		<b>166.32</b>	<b>331.56</b>
<b>VI Tax Expenses</b>	32		
(1) Current Tax		68.98	114.75
(2) Deferred Tax		(35.26)	(7.52)
(3) Short Provision for Income Tax of Earlier Year		-	(9.39)
<b>Total Tax Expenses (VI)</b>		<b>33.71</b>	<b>97.84</b>
<b>VII Profit for the period from continuing operations (V-VI)</b>		<b>132.61</b>	<b>233.72</b>
<b>VIII Other Comprehensive Income</b>			
(a) Items that will not be reclassified to Profit or Loss		-	-
(a) Gain on revaluation of PPE (specify class of PPE)		-	-
Remeasurements of Employee Defined benefit plans		8.43	(38.81)
(c) Gains and Losses on Investments in Equity Instruments classified as FVOCI		-	-
(d) Changes in Own Credit Risk		-	-
(b) Income Tax relating to items that will not be reclassified to Profit or Loss		(2.06)	10.80
B (i) Items that may be reclassified to Profit or Loss		-	-
(a) Gains and Losses on Translation of Foreign Operations		-	-
(b) Gains and Losses on Debt Instruments measured at FVOCI		-	-
(c) Cash Flow Hedges		-	-
(d) Changes in Time value of Options & Forward Element of Forward Contract		-	-
(ii) Income tax relating to items that may be reclassified to Profit or Loss		-	-
<b>Total Comprehensive Income ( net of taxes)( VIII)</b>		<b>6.37</b>	<b>(28.01)</b>
<b>IX Total Comprehensive Income for the year (VII+VIII)</b>		<b>138.98</b>	<b>205.71</b>
<b>Earnings per equity share ( Face value of Rs. 5/- each)</b>			
a) Basic (in Rs.)		2.70	4.00
b) Diluted (in Rs.)		2.70	4.00
Significant Accounting Policies	2		

Notes to Accounts form an integral part of financial statements  
As per our Report of even date attached

**For Sandeep Rathi & Associates**  
Chartered Accountants  
Firm Registration No : 113728W

**For and on behalf of the Board of Directors**

Sandeep Rathi  
**Proprietor**  
Secretary  
Membership No.47377  
Mumbai, the 29th day of May, 2019  
UDIN : 20047377AAAAACR1798  
Mumbai, Date: 10th July,2020

Nipun Kedia  
Director  
DIN-02356010

Arvind Jalan  
Director  
DIN-00381535

Shruti Laud  
Company  
M. No. A38705

## STATEMENT OF CASH FLOWS for the year ended 31st March, 2020

Particulars	Note No.	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>Cash flow from operating activities</b>			
<b>Profit before Tax</b>		<b>166.32</b>	<b>331.56</b>
Discontinued operations		-	-
<b>Profit before income tax including discontinued operations</b>			
<b>Adjustments for</b>			
Depreciation and amortisation expense		449.98	431.16
Impairment of goodwill and other non-current assets		0	-
Gain on sale of investments		-	-
Loss / (Profit) on disposal of property, plant and equipment		0	-
Gain on sale of subsidiary		0	-
Amortisation of government grants		0	-
Gain on sale of investments		0	-
Changes in fair value of financial assets at fair value through profit or loss		0	-
Other Comprehensive Income		6.37	(28.01)
Share of profits of associates and joint ventures		0	-
Share of Profit from Partnership Firm		0	-
Unwinding of discount on security deposits		0	-
Dividend and interest income classified as investing cash flows		0	-
Finance costs		135.08	90.80
Unrealised Exchange Difference		0	-
Net Actuarial Gain/Loss - Gratuity		-	-
		<b>590.43</b>	<b>493.94</b>
<b>Operating Profit before Working Capital Changes</b>		<b>756.75</b>	<b>825.50</b>
(Increase)/Decrease in trade receivables		264.96	(44.66)
(Increase)/Decrease in inventories		(285.82)	481.88
Increase/ (Decrease) in trade payables		5.97	(41.86)
(Increase)/ Decrease in loans		161.53	(384.76)
Increase/(Decrease) in other financial assets		24.25	(7.89)
(Increase)/decrease in other non-current assets		0	-
(Increase)/decrease in other current assets		91.83	(6.89)
Increase/(decrease) in other financial liabilities		3.14	153.13
Increase/(decrease) in provisions		(20.67)	(4.15)
Increase in employee benefit obligations		0	-
Increase/(decrease) in derivatives not designated as hedges		0	-
Increase in other current liabilities		34.26	133.88
Increase in other non-current liabilities		(33.20)	(18.32)
		<b>246.27</b>	<b>260.36</b>
<b>Cash generated from operations</b>		<b>1,003.02</b>	<b>1,085.86</b>
Income taxes paid		(33.71)	(97.84)
<b>Net cash inflow from operating activities</b>		<b>969.31</b>	<b>988.03</b>
<b>Cash flows from investing activities</b>			
Payment for acquisition of subsidiary		-	-
(Increase)/Decrease in investments		(462)	-
Purchase of Tangible / Intangible Assets, Capital Work in Progress and Capital Advances		(51)	(42,088,340)
Payments for investment property		-	-
Payments for purchase of investments		-	(274,014)
Payments for software development costs		-	-
Gain from sale of Investment		-	-
Loans to employees and related parties		-	-
Receipts of government grants		-	-
Proceeds from sale of subsidiary		-	-
Proceeds from sale of investments		-	-
Proceeds from sale of property, plant and equipment		-	-
Repayment of loans by employees and related parties		-	-
Distributions received from joint ventures and associates		-	-
Dividends received		-	-
Interest received		-	-
Share of Profit from Partnership Firm		-	-
<b>Net cash used in investing activities</b>		<b>(514)</b>	<b>(42,362,354)</b>
<b>Cash flow from financing activities</b>			
Proceeds from issues of shares		-	-
Proceeds from borrowings		-	-
Proceeds from Short Term borrowings (Net)		-	-
Proceeds from Long Term borrowings (Net)		-	-
Share issue costs		-	-
Repayment of borrowings		(517)	(25,703,693)
(Increase)/decrease in bank balance		-	-
Transactions with non-controlling interests		-	-
Interest paid		(135)	(91)
Dividend paid		(31.04)	(30)
Dividends paid to company's shareholders		-	-
Dividends paid to non-controlling interests		-	-
<b>Net cash from financing activities</b>		<b>(683)</b>	<b>(25,703,814)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(228)</b>	<b>(68,065,180)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>(48,342,858)</b>	<b>19,722,322</b>
<b>Cash and cash equivalents at end of the year</b>		<b>(48,343,086)</b>	<b>(48,342,858)</b>

Prepared under indirect method

For Sandeep Rathi & Associates

Chartered Accountants

Firm Registration No : 113728W

Sandeep Rathi

**Proprietor**

Secretary

Membership No.47377

Mumbai, the 29th day of May, 2019

UDIN : 20047377AAAACR1798

Nipun Kedia

Director

DIN-02356010

Arvind Jalan

Director

DIN-00381535

Shruti Laud

Company

M. No. A38705

For and on behalf of the Board of Directors

**STATEMENT OF CHANGES IN EQUITY for the year ended 31st March 2020**

**Equity Share Capital ( refer note 14)**

Particulars	As at 31st March 2020		As at 31st March 2019	
	No of Shares	Rs. in Lakhs	No of Shares	Rs. in Lakhs
Number of shares outstanding as at the beginning of the year	5,141,330	257.07	2,570,665	257.07
Changes in equity share capital during the year *			2,570,665	-
<b>Number of Shares outstanding as at the end of the year</b>	<b>5,141,330</b>	<b>257.07</b>	<b>5,141,330</b>	<b>257.07</b>

\* Note: : Pursuant to the approval of the shareholders of the company w.e.f. 19th Feb, 2019 25,70,665 Equity Shares of the face value of Rs 10 each were sub divided into 51,41,330 Equity Shares of the face value of Rs 5 Each and the earning per share (EPS) has been arrived at for the current year and previous year after considering sub division of Equity shares

**Other Equity ( refer note 15)**

All amounts are in Rs. in Lakhs

Particulars	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Total
<b>Balance as at 31 March 2019</b>	<b>2,341.74</b>	<b>75.00</b>	<b>27.50</b>	<b>1,885.03</b>	<b>4,329.27</b>
Profit for the year	-	-	-	132.61	132.61
Other comprehensive income for the year ( Net of taxes)	-	-	-	6.37	6.37
<b>Total Comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>138.98</b>	<b>138.98</b>
Transfer to general reserve from retained earnings	-	-	-	-	-
Tax on Regular Assessment	-	-	-	-	-
Dividend with Dividend Distribution Tax	-	-	-	(31.04)	(31.04)
<b>Balance as at 31 March 2020</b>	<b>2,341.74</b>	<b>75.00</b>	<b>27.50</b>	<b>1,992.96</b>	<b>4,437.21</b>

**For Sandeep Rathi & Associates**

Chartered Accountants

Firm Registration No : 113728W

Sandeep Rathi

**Proprietor**

Secretary

Membership No.47377

Mumbai, the 29th day of May, 2019

UDIN : 20047377AAAACR1798

Mumbai, Date: 10th July,2020

Nipun Kedia

Director

DIN-02356010

Arvind Jalan

Director

DIN-00381535

Shruti Laud

Company

M. No. A38705

**For and on behalf of the Board of Directors**

## **COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:**

### **NOTE 1 – COMPANY OVERVIEW**

#### **GENERAL INFORMATION OF THE COMPANY:**

**NITIN CASTINGS LIMITED**, (hereinafter referred to as ‘Company’) was formed in India on 3<sup>rd</sup> December, 1982 and is in the business of manufacturing Alloy Steel Casting in the range of static and centrifugal. The Company has manufacturing unit at Plot No. 183/1, Surangi, Silvassa, Dadra and Nagar Haveli – 396230 and having Machining and Fabrication workshop at Plot No. 8, Survey No. 679/1, Village-Karvad, TalukaVapi, District Valsad, and Gujarat 396195.

Shares of the Company are listed in BSE.

The registered office is located at 202, 2nd Floor, Rahul Mittal Industrial Premises Co. Op. Soc. Ltd., Sanjay Building No. 3, Sir M.V. Road, Andheri (East), Mumbai – 400 059.

### **NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

#### **2.1 Basis of preparation of financial statements:**

a) These financial statements are the separate financial statements of the Company prepared in accordance with Indian Accounting Standards (‘Ind AS’) notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

b) Basis of Preparation

These Financial Statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

c) Functional and presentation currency

The Financial statements are presented in Indian Rupees (INR), which is also the Company’s functional currency. All amounts have been rounding off to the nearest Rs. Lakhs, unless otherwise indicated.

d) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

i. An assets treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within 12 months after a reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after a reporting period.

All other assets are classified as non-current.

ii. Liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

iii. Deferred tax asset and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

e) Use of Estimates and judgment

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Examples of such estimates include provision for doubtful debts/advances, provision for employee benefits, useful lives of fixed assets, provision for contingencies etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the year in which the estimate is revised and/or in future years, as applicable.

## 2.2 Significant Accounting Policies and Other Explanatory Notes:

### I. *Significant Accounting Policies*

#### a) **Revenue Recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from the sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on the delivery of the goods.

The Company satisfies the performance obligation and recognises revenue over time, if one of the criteria prescribed under Ind AS 115 - "Revenue from Contracts with Customers" is satisfied. If a performance obligation is not satisfied over time, then revenue is recognised at a point in time at which the performance obligation is satisfied.

The Company recognises revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation. The Company would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Company recognises revenue only to the extent of cost incurred until it can reasonably measure outcome of the performance obligation.

The management reviews and revises its measure of progress periodically and revisions, if any, are considered as change in estimates and accordingly, the effect of such changes in estimates is recognised prospectively in the period in which such changes are determined.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component and consideration payable to the customer like return and trade discounts.

Sales are disclosed excluding net of sales returns and Goods and Service Tax (GST).

Income from operations includes revenue earned on account of job work income which is accounted as per the terms agreed with the customers. Export benefits available under prevalent schemes are accounted to the extent considered receivable.

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on foreign currency transactions. Interest income is recognized using the effective interest method. Dividend income is recognized (gross of tax deducted at source, if any) when the right to receive payment is established.

#### **b) Foreign Currency Transactions**

Transactions in foreign currencies are initially recorded by the Company at the rate of exchange prevailing on the date of the transaction.

Monetary assets and monetary liabilities denominated in foreign currencies remaining unsettled at the end of the year are converted at the exchange rate prevailing on the reporting date.

Differences arising on settlement or conversion of monetary items are recognised in Statement of Profit or Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

#### **c) Employee Benefit Expenses**

Short term employee benefits

##### *i) Defined Benefit Plans:*

Employee defined benefit plans include gratuity

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability).

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

The Company makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

**Short-term employee benefits:**

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

*ii) Defined Contribution Plans*

Employee defined contribution plans include provident fund, Employee state insurance and Gratuity Fund.

*Provident Fund and Employee State Insurance:*

All employees of the Company receive benefits from Provident Fund and Employee's State Insurance, which are defined contribution plans. Both, the employee and the Company make monthly contributions to the plan, each equaling to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributes to the Employee Provident Fund and Employee's State Insurance scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

*Gratuity Fund:*

The Company makes contribution to a scheme administered by the insurer to discharge its liabilities towards super annuation to the eligible employees. The Company has no other liability other than its annual contribution."

**d) Inventories**

All Inventories are valued at the lower of cost and net realisable value.

Raw materials, Stores and Spares and Packing Materials are valued at lower of cost determined on weighted average basis and net realisable value.

Work in process is valued at cost plus appropriate share of labour and manufacturing overheads.

Finished Goods are valued at cost plus appropriate share of labour and manufacturing overheads.

**e) Property, Plant and Equipments (PPE)**

PPE are recorded at cost of acquisition / construction less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price net of indirect taxes, if any, and any attributable cost of bringing the assets to its working condition for its intended use.

Spare parts are treated as capital assets when they meet the definition of PPE. Otherwise, such items are classified as inventory.

Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

#### **f) Assets held for sale**

Assets held for sale are measured at the lower of carrying amount or fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions. The fair value of the assets held for sale has been estimated using valuation techniques which includes unobservable inputs.

#### **g) Investment Properties**

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

#### **h) Depreciation / Amortisation on PPE**

Depreciation on PPE and investment properties is provided on Straight Line Basis as where the life of 30-60 years is considered based on internal technical estimates. Depreciation on these assets have been provided on the net restated book value prospectively over the remaining useful life as per Schedule II of Companies Act 2013. Freehold land is not depreciated.

#### **i) Capital Work-in-Progress**

Projects under construction wherein assets are not ready for use in the manner as intended by the management are shown as Capital Work-In-Progress.

#### **j) Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **Company as a lessee**

#### **(A) Lease Liability**

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

#### **(B) Right-of-use assets**

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

#### **Subsequent measurement**

#### **(A) Lease Liability**

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

#### **(B) Right-of-use assets**

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

#### **Impairment**

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely