

NILKANTH ENGINEERING LIMITED

FORM A

(Pursuant to Clause 31 (a) of Listing Agreement)

(For Audit Report on Standalone Financial Statements with Unmodified Opinion)

1	Name of the Company	Nilkanth Engineering Limited
2	Annual Financial statements for the year ended	31 st March, 2015
3	Type of Audit Observation:	Unmodified – Standalone Financial Statements
4	Frequency of observation	Not Applicable
5	To be signed by CEO/Managing Director/CFO/Auditor of the Company/Audit Committee Chairman	For Nilkanth Engineering Ltd  Gangaprasad Loyalka Director
		 Viral Joshi Partner Membership No. 137686 KARNAVAT & CO. Chartered Accountants Firm Regn No. 104863W 

Place: Mumbai

Date: 13.05.2015

NILKANTH ENGINEERING LIMITED

32ND ANNUAL REPORT

FINANCIAL YEAR - 2014-2015

NILKANTH ENGINEERING LIMITED

Regd. Office: 407, Kalbadevi Road, Daulat Bhawan, 3rd Floor, Mumbai – 400 002
CIN NO: L27300MH1983PLC029360

NOTICE

NOTICE is hereby given that the Thirty Second Annual General Meeting of the shareholders of Nilkanth Engineering Limited shall be held on Wednesday, the 30th day of September, 2015 at 3:00 PM at the registered office of the Company at 407, Kalbadevi Road, 3rd Floor, Mumbai – 400 002 to transact the following business :

Ordinary Business:

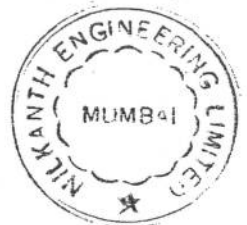
1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit & Loss for the year ended 31st March, 2015 and the Report of the Directors and Auditors of the Company thereon.
2. To appoint a Director in place of Mr. Manish Kumar Newar (DIN No: 00469539), who retires from office by rotation and being eligible offers himself for reappointment.
3. To re-appoint M/s. Karnavat & Co., Chartered Accountants, Mumbai, (Firm Registration No. 104863W), as the Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration.

“Resolved That pursuant to the provisions of Section 139 and Section 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Karnavat & Co., Chartered Accountants, Mumbai (Firm Registration No. 104863W), having their office at 2A, Kitab Mahal, 1st Floor, 192, Dr. D. Naoroji Road, Fort, Mumbai – 400 001 be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration (including re-imbusement of out of pocket expenses) as may be decided by the Board of Directors of the Company in consultation with M/s Karnavat & Co.”

Special Business:

4. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:-

“RESOLVED THAT Mrs. Rajashree Tapuriah (holding DIN: 01655859), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. March 30, 2015 in terms of Section 161 (1) of the Companies Act, 2013 and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his

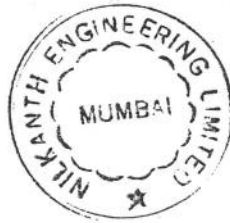


'candidature for the office of Director, be and is hereby appointed as a Director of the Company.'

5. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT Mr. Gangaprasad Murldihar Loyalka (holding DIN: 00299416), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. November 14, 2014 in terms of Section 161 (1) of the Companies Act, 2013 and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

By order of the Board of Directors of
Nilkanth Engineering Limited



G. M. Loyalka

G.M.Loyalka
Director
(DIN: 00299416)

Place: Mumbai

Date: 04.09.2015

NOTES:

1. A member entitled to attend and vote at the General Meeting (the 'Meeting') is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Explanatory Statement in respect of Special Business is attached.
3. The proxy form duly completed and signed should be deposited at the Registered office of the Company not less than 48 hours before the time fixed for the Meeting.
4. The Register of Members and Share Transfer Register will remain closed from 24th September, 2015 to 30th September, 2015, both days inclusive
5. Members are requested to bring their copy of the Notices at the Annual General Meeting.



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

Item No. 4

The Board of Directors at their meeting held on March 30, 2015 appointed Mrs. Rajashree Tapuriah (holding DIN: 01655859), as an Additional Director of the Company w.e.f March 30, 2015.

Under Section 161(1) of the Companies Act, 2013 Mrs. Rajashree Tapuriah (holding DIN: 01655859) holds office only upto the date of this Annual General Meeting of the Company. A notice has been received from a member proposing Mrs. Rajashree Tapuriah as a candidate for the office of Director of the Company.

Mrs. Rajashree Tapuriah (holding DIN: 01655859) is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given her consent to act as Director.

Accordingly, your Board of Directors recommends her appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

None of the Directors except Mrs. Rajashree Tapuriah or Key Managerial Personnel of the Company and their relatives is/are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution No. 4 of the Notice.

Item No. 5

The Board of Directors at their meeting held on November 14, 2014 appointed Mr. Gangaprasad Murlidhar Loyalka (holding DIN: 00299416) as an Additional Director of the Company w.e.f November 14, 2014.

Under Section 161(1) of the Companies Act, 2013 Mr. Gangaprasad Murlidhar Loyalka (holding DIN: 00299416) holds office only upto the date of this Annual General Meeting of the Company. A notice has been received from a member proposing Mr. Giriraj Maheshwari as a candidate for the office of Director of the Company.

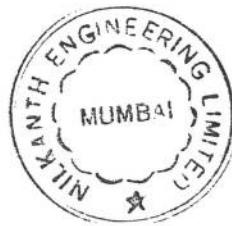
Mr. Gangaprasad Murlidhar Loyalka (holding DIN: 00299416) is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.



Accordingly, your Board of Directors recommends his appointment as a Director of the Company whose period of office is liable to determination by retirement of directors by rotation.

None of the Directors except Mr. Gangaprasad Murlidhar Loyalka or Key Managerial Personnel of the Company and their relatives is/are, in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution No. 5 of the Notice.

**By order of the Board of Directors of
Nilkanth Engineering Limited**



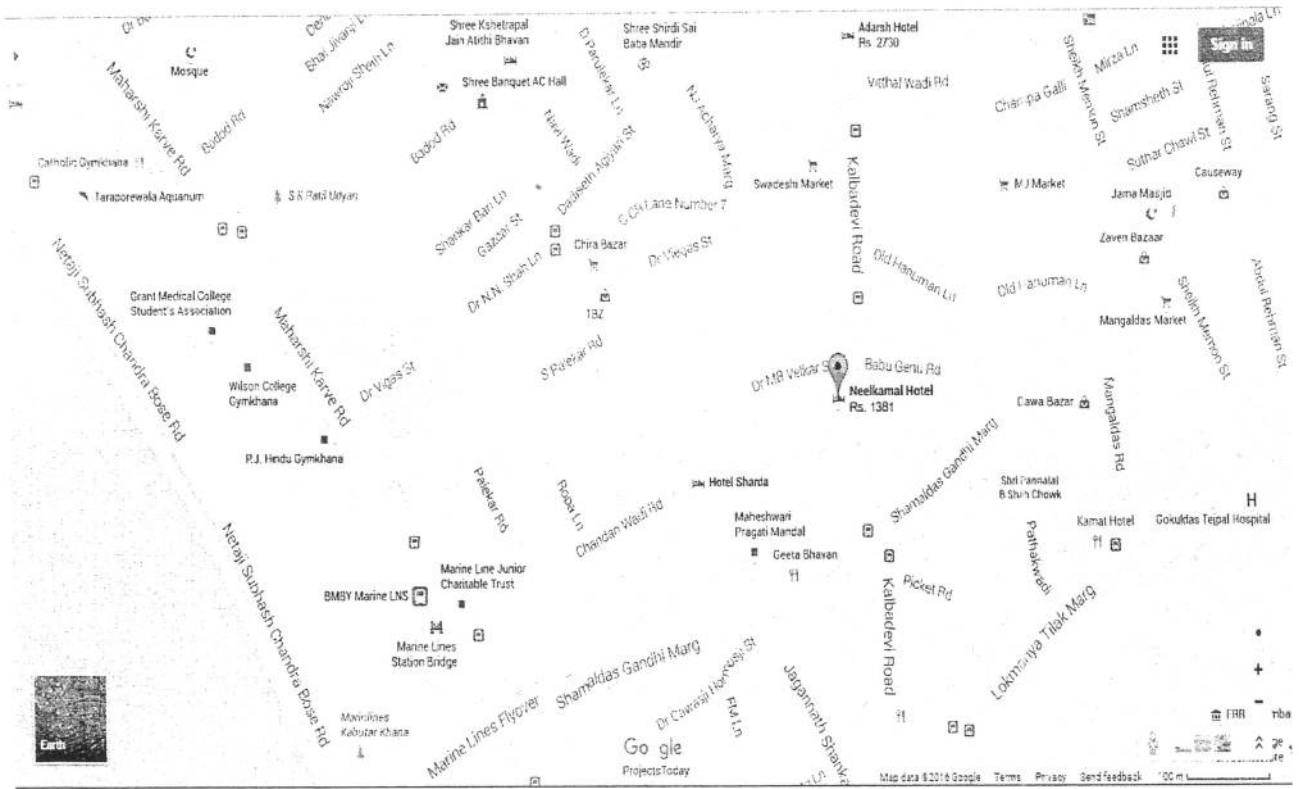
A handwritten signature in black ink, appearing to read "G. M. Loyalka".

**G.M.Loyalka
Director
(DIN: 00299416)**

Place: Mumbai

Date: 04.09.2015

Route map to the Venue of the Thirtieth Annual General Meeting



NILKANTH ENGINEERING LIMITED

Regd. Office: 407, Kalbadevi Road, Daulat Bhawan, 3rd Floor, Mumbai – 400 002
CIN NO: L27300MH1983PLC029360

DIRECTORS REPORT

To,
The Members,

The Directors of your Company are pleased to present their Thirty Second Annual Report and the Audited Financial Statements of Nilkanth Engineering Limited for the financial year ended 31st March, 2015.

FINANCIAL RESULTS

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

Particulars	2014-15 Rs.	2013-14 Rs.
Income	25,44,578	31,72,845
Expenses	8,89,235	6,89,853
Profit / (Loss) before tax	16,55,343	24,82,992
Tax expenses:		
Current Tax	(2,90,000)	(4,75,000)
Earlier years adjustments	(2,853)	9,650
Profit after tax	13,68,196	19,98,342

PERFORMANCE REVIEW

During the year under review, the Company has incurred a Net Profit After Tax of Rs 13,68,196/- (Previous Year Net Profit After Tax of Rs. 19,98,342/-). Your Directors are hopeful of achieving even better performance in the current year.

FINANCE

Your Company has made provisions for sufficient borrowing facilities to meet its long-term and short-term requirements in order to support the business operations uninterruptedly.



DIVIDEND

With a view to conserve the resources of the Company, your Directors do not recommend any dividend for the year under review.

TRANSFER TO RESERVES

During the Financial Year 2014-15 the Company has transferred Rs.2,73,639/- (Previous Year Rs.3,99,668/-) to Reserve Fund under RBI Act, 1934 out of the Surplus available in the Statement of Profit & Loss. Apart from the above no amount was transferred and/ or required to be transferred to the reserves during the financial year ended 31st March, 2015.

PUBLIC DEPOSIT

During the year, the Company has not accepted or renewed any deposit from the public as covered under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

SHARE CAPITAL

The Authorised Share Capital as on 31st March, 2015 was Rs.1,25,00,000 /-(Rupees One Crores Twenty Five Lakhs Only) divided into 12,50,000 Equity Shares of Rs. 10/- each.

There has been no change in the Share Capital of the Company during the financial year 2014-15.

The Issued Share Capital as on 31st March, 2015 was Rs 1,24,50,000/- (Rupees One Crore Twenty Four Lac Fifty Thousand Only) divided into 12,45,000 Equity Shares of Rs. 10/- each.

SUBSIDIARY

As at the end of the year under review i.e. on 31st March, 2015 and also as on the date of this report, your Company does not have any subsidiary.

EXTRACT OF ANNUAL RETURN

Pursuant to the requirements under Section 92(3) and Section 134(3) of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014, an extract of Annual Return in prescribed Form MGT-9 is given in the Report as **Annexure I**.

PARTICULARS OF EMPLOYEES



During the year, there has been no employee in receipt of remuneration in excess of the amounts mentioned in the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

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

There are no significant material orders passed by the regulators/courts/tribunals which would impact the going concern status of the Company and its future operations.

RISK MANAGEMENT AND INTERNAL CONTROL

The Company has a well defined risk management framework in place. Further, the elements of risk threatening the Company's existence are very minimal.

The internal financial controls with reference to the Financial Statements are commensurate with the size of the Company and nature of its business.

Compliance processes form an integral part of your Company's Corporate Governance practices and is fundamental to achieving its strategic and operational business objectives.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to sub-Section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained /received from the operating management, your Directors make the following statement and confirm that:-

- i) in the preparation of the annual accounts for the year ended 31 March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2015 and of the profit of the Company for year ended on that date;
- iii) 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;



- iv) the Directors have prepared the Annual Accounts on a 'going concern basis';
- v) the Directors have laid down internal financial controls and that such internal financial controls are adequate and are operating effectively; and
- vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the Management, the concerns about behavior of employees that raise concerns including fraud by using the mechanism provided in the Whistle Blower Policy.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees or investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, are given in the Audited Financial Statements, wherever applicable.

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

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Act read with Companies' (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption, and research and development are not applicable to the Company.

There were no foreign exchange earnings and outgoings during the year under review.

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Pursuant to sub-section (3) of Section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint ventures is attached to this Report and forms part of it as Annexure II.

The company does not have any subsidiary. Further, brief about the business of the four associates is given hereunder:-

1. Aakarshak Synthetics Limited (Associate)

Aakarshak Synthetics Limited ("Aakarshak") is registered with the Reserve Bank of India (RBI) as a Non Banking Financial Company (NBFC) in the category of a company not accepting / holding public deposits.



The total revenue of Aakarshak during the F.Y. 2014-15 was Rs. 294.74 Lac and Loss after tax was Rs. (10.06) Lac.

2. Jatayu Textiles & Industries Limited (Associate)

Jatayu Textiles & Industries Limited ("Jatayu") is registered with the Reserve Bank of India (RBI) as a Non Banking Financial Company (NBFC) in the category of a company not accepting / holding public deposits.

The total revenue of Sushree during the F.Y. 2014-15 was Rs. 37.62 Lac and Net Profit after tax was Rs.31.12 Lac.

3. Osiris Online Private Limited (Associate)

Osiris Online Private Limited ("Osiris") has a paid up capital of Rs.66,00,000/-. It does not have any substantial business.

The total revenue of Osiris during the F.Y. 2014-15 was Rs. 0.37 Lac and Net Profit after tax was Rs.0.10 Lac.

4. Sushree Trading Limited (Associate)

Sushree Trading Limited ("Sushree") is registered with the Reserve Bank of India (RBI) as a Non Banking Financial Company (NBFC) in the category of a company not accepting / holding public deposits.

The total revenue of Sushree during the F.Y. 2014-15 was Rs. 42.27 Lac and Net Profit after tax was Rs.21.00 Lac.

DIRECTORS

During the year Mr. Lalit Kumar Daga (DIN: 00089905) resigned as a director of the Company w.e.f 26.12.2014. The Directors placed on record their sincere appreciation for the valuable contribution given by Mr. Lalit Kumar Daga during his tenure as a Director of the Company. During the year Mrs Rajashree Tapuriah (DIN: 01655859) and Mr. Gangaprasad Murlidhar Loyalka (DIN: 00299416) were appointed as an Additional Director of the Company. As per Section 161(1) of the Companies Act, 2013 they hold office only upto the date of ensuing Annual General Meeting of the Company. A notice has been received from a member of the Company proposing the name of Mrs Rajashree Tapuriah and Mr. Gangaprasad Murlidhar Loyalka as a candidate for the office of director of the Company. The board recommends their appointment. Mr. Manish Kumar Newar (DIN No: 00469539) retire by rotation from the Board and being eligible offer himself for re-appointment.



ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Independent Directors of the Company met during the year and have made an evaluation of the performance of the Board of Directors, all the Committees of the Board of Directors as also all the individual Directors. The performance was found to be satisfactory.

DECLARATION OF INDEPENDENCE

The Company has received Declarations of Independence as stipulated under Section 149(7) of the Companies Act, 2013 from each of the Independent Directors confirming that he/she is not disqualified from appointing/continuing as an Independent Director.

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

Your Company under the provisions of Section 177 of the Companies Act, 2013 has constituted an "Audit Committee" comprising of minimum 3 Directors with Independent Directors forming a majority.

The Audit Committee acts in accordance with the terms of reference specified by the Board.

The Composition of the Committee is as under:

The Board has constituted the Audit Committee which comprises of Mr. G.M.Loyalka, Mr. Ramdas Bhattar and Mr. Rajashree Tapuriah. Mr. G.M.Loyalka is the Chairman of the Audit Committee.

The functions of the Audit Committee are broadly to:

- a. Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Review and monitoring of internal control system and compliance of audit observations of the Auditors.
- c. Review of the financial statements before submission to the Board.
- d. Supervision of other financial and accounting matters as may be referred to by the Board.
- e. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of internal control systems



- f. Discussions with statutory auditors before the audit commence, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- g. Reviewing the Company's financial and risk management policies.
- h. Overseeing vigil mechanism for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate and exceptional cases.

NOMINATION AND REMUNERATION COMMITTEE

In accordance with Section 178 of the Companies Act, 2013 your Company has constituted a Nomination and Remuneration Committee comprising of 2 (Two) Independent Directors and 1 (One) Non-Executive Director.

The Board has constituted the Nomination and Remuneration Committee which comprises of Mr. G.M.Loyalka, Mr.Ramdas Bhattar and Mr. Rajashree Tapuriah. Mr. G.M.Loyalka is the Chairman of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee has formulated policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-Section (3) of Section 178 and the policy formulated by the Committee is attached herewith in **Annexure III**.

BOARD MEETINGS

During the year under review, nine meetings of the Board of Directors of the Company were held i.e. 15.05.2014, 30.06.2014, 14.08.2014, 02.09.2014, 14.11.2014, 26.12.2014, 20.01.2015 and 30.03.2015. The intervening gap between the meetings was within the period prescribed under the provisions of the Companies Act, 2013.



STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS

In the last AGM held on September 30, 2014, M/s Karnavat & Co., Chartered Accountants, Mumbai have been appointed as Statutory Auditors of the Company to hold office from the conclusion of that Annual General Meeting till the conclusion of the next Annual General Meeting of the Company. It is now proposed to reappoint M/s Karnavat & Co., Chartered Accountants, Mumbai, as the Statutory Auditors of the Company to hold office from the conclusion of the this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration (including reimbursement of out of pocket expenses) as may be decided by the Board of Directors of the Company in consultation with Karnavat & Co.

The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments from your Board. The Auditors Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder the Company has appointed, M/s Dilip Bharadiya & Associates, Company Secretaries in Practice having Membership Number 7956 to undertake the secretarial audit of the Company. Secretarial Audit Report for the year 2014-15 as issued by him in the prescribed form MR-3 is annexed to this Report as **Annexure IV**. The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by secretarial auditor.

COST AUDIT

The provisions of Cost Audit as prescribed under Section 148 of the Companies Act, 2013 are not applicable to the Company.

OTHER DISCLOSURES

- Your Company has not issued: -
 - Any shares with differential rights;
 - Any sweat equity shares
- There are no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.
- There were no material changes and commitments affecting the financial position of your Company between the end of the financial year and the date of this report.
- There was no revision in the financial statements.
- Your Company has not received any complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.



APPRECIATION

Your Directors express their deep sense of gratitude to the banks, financial institutions, stakeholders, business associates, Central and State Governments for their co-operation and unstinted support received from them during the year and look forward to their continued support in future.

For and on behalf of the Board of Directors of
Nilkanth Engineering Limited



[Handwritten signature]
G.M.Loyalka
Director
(DIN: 00299416)

Rajshree Tapuriah
Rajashree Tapuriah
Director
(DIN: 01655859)

Place : Mumbai

Date : 04.09.2015

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015
of
NILKANTH ENGINEERING LIMITED

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

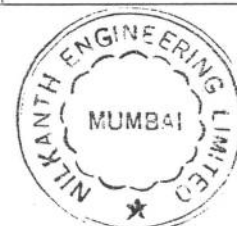
I. REGISTRATION AND OTHER DETAILS:

- i) CIN : L27300MH1983PLC029360
ii) Registration Date: 21.02.1983
iii) Name of the Company: Nilkanth Engineering Limited
iv) Category / Sub-Category of the Company: Company having Share Capital
v) Address of the Registered Office and contact details: 407, Kalbadevi Road, 3rd Floor, Daulat Bhavan, Mumbai – 400 002
vi) Whether listed company Yes
vii) Name, Address and contact details of Registrar & Transfer Agents (RTA), if any: No

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.	Investment Activity	64200	100%



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Aakarshak Synthetics Limited	U18101MH1987PLC134933	Associate	26.46	Section 2(6)
2	Jatayu Textiles & Industries Limited	U17120MH1983PLC029380	Associate	28.81	Section 2(6)
3	Osiris Online Private Limited	U72200MH2008PTC182281	Associate	30.00	Section 2(6)
4.	Sushree Trading Limited	U51900MH1983PLC029599	Associate	42.43	Section 2(6)

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

(i) Category-wise Shareholding

Category of Shareholders	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	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	
c) Bodies Corporates	0	745000	745000	59.84	0	745000	745000	59.84	0
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	
e) Any other	0	0	0	0.00	0	0	0	0.00	
SUB TOTAL:(A) (1)	0	745000	745000	59.84	0	745000	745000	59.84	0
(2) Foreign									



a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0
e) Any other...	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	0	745000	745000	59.84	0	745000	745000	59.84	0
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0
c) Central govt	0	0	0	0.00	0	0	0	0.00	0
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0
g) FIIS	0	0	0	0.00	0	0	0	0.00	0
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL (B)(1):	0	0	0	0.00	0	0	0	0.00	0
(2) Non Institutions									
a) Bodies corporates	0	488000	488000	39.20	488000	488000	39.20	0.00	0
i) Indian									
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs	0	12000	12000	0.96	0	12000	12000	0.96	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0.00	0	0	0	0.00	0
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL (B)(2):	0	500000	500000	40.16	0	500000	500000	40.16	0



Total Public Shareholding (B)= (B)(1)+(B)(2)	0	500000	50000	40.16	0	500000	50000	40.16	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0
Grand Total (A+B+C)	0	1245000	1245000	100	0	1245000	1245000	100	0

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sushree Trading Limited	622000	49.96	0	622000	49.96	0	0
2	Jatayu Textiles & Industries Limited	3000	0.24	0	3000	0.24	0	0
3	Mansoon Trading Company Limited	60000	4.82	0	60000	4.82	0	0
4	Meenakshi Steel Industries Limited	60000	4.82	0	60000	4.82	0	0



(iii) Change in Promoters' Shareholding (please specify, if there is no change): There is no change in the shareholding of the Promoter

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

Sr.No	For Each of the Top 10 Shareholders	Date of Change	Shareholdings 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
1	Umang commercial Company Private Limited	No Change	237500	19.07	237500	19.07
2	Aakarshak Synthetics Limited	No Change	170000	13.65	170000	13.65
3	Rutgers Investment And Trading Co. Pvt. Ltd.	No Change	112000	8.99	112000	8.99
4	Rajeev Garg	No Change	700	0.05	700	0.05
5	Umadevi Rathi	No Change	100	0.01	100	0.01
6	R.Swaminathan	No Change	100	0.01	100	0.01
7	Swati Agarwal	No Change	200	0.01	200	0.01
8	Vivek Pendharkar	No Change	200	0.01	200	0.01
9	Manish Agarwal	No Change	200	0.01	200	0.01
10	Sunil Kulwal	No Change	100	0.01	100	0.01

(v) Shareholding of Directors and Key Managerial Personnel: Nil

V. INDEBTEDNESS

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



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:
Not Applicable since there is no MD / WTD / Manager in the Company

B. Remuneration to other directors: Nil

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD – Not Applicable since there is no Key Managerial Personnel other than MD/Manager/WTD

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

By order of the Board of Directors of
Nilkanth Engineering Limited



[Signature]
G.M.Loyalka
Director
(DIN: 00299416)

[Signature]
Rajashree Tapuriah
Director
(DIN: 01655859)

Place : Mumbai

Date : 04.09.2015

Annexure II

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

Part "A": Subsidiaries

Name of the subsidiary	
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	
3. Share capital	
4. Reserves & surplus	
5. Total assets	NIL
6. Total Liabilities	
7. Investments	
8. Turnover	
9. Profit before taxation	
10. Provision for taxation	
11. Profit after taxation	
12. Proposed Dividend	
13. % of shareholding	

The following information shall be furnished:-

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



Part "B": Associates and Joint Ventures

Name of Associates/Joint Ventures	Aakrshak Synthetics Limited	Jatayu Textiles & Industries Limited	Osiris Online Private Limited	Sushree Trading Limited
1. Latest audited Balance Sheet Date	31.03.2015	31.03.2015	31.03.2015	31.03.2015
2. Shares of Associate/Joint Ventures held by the company on the year end				
No.	127000	573900	3000	528250
Amount of Investment in Associates/Joint Venture	1,17,41,200/-	1,83,70,553/-	30,075/-	1,54,41,534/-
Extend of Holding %	26.46%	28.81%	30.00%	42.43%
3. Description of how there is significant influence	Since the Company holds more than 20% equity capital, significant influence is assumed.	Since the Company holds more than 20% equity capital, significant influence is assumed.	Since the Company holds more than 20% equity capital, significant influence is assumed.	Since the Company holds more than 20% equity capital, significant influence is assumed.
4. Reason why the associate/joint venture is not consolidated	Exempted in terms of Companies (Accounts) Amendment Rules, 2014	Exempted in terms of Companies (Accounts) Amendment Rules, 2014	Exempted in terms of Companies (Accounts) Amendment Rules, 2014	Exempted in terms of Companies (Accounts) Amendment Rules, 2014
6. Networth attributable to Shareholding as per latest audited Balance Sheet	52,77,494/-	2,17,50,336/-	19,52,909/-	4,51,29,593/-
7. Profit / Loss for the year				
i. Considered in Consolidation	N.A	N.A	N.A	N.A
ii. Not Considered in Consolidation	N.A	N.A	N.A	N.A



The following information shall be furnished:-

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

By order of the Board of Directors of
Nilkanth Engineering Limited



G. M. Loyalka → *Rajashree Tapuria*

G.M.Loyalka
Director
(DIN: 00299416)

Rajashree Tapuria
Director
(DIN: 01655859)

Place : Mumbai

Date : 04.09.2015

NOMINATION AND REMUNERATION POLICY**A. PREAMBLE**

The Nomination and Remuneration Committee (the Committee) set up, pursuant to the provisions of the Companies Act, 2013 ('the Act') and the Rules made thereunder, is required to formulate a Policy relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees of the Company and recommend to the Board for its adoption. The Committee is also required to formulate the criteria for identifying persons who are qualified to become Directors determining qualifications, positive attributes and independence of a Director apart from identifying persons who may be appointed in senior management. The Company is required to disclose the Policy in its Board's Report.

B. POLICY

In compliance of the above requirements, the Board of Directors of the Company has adopted this Nomination and Remuneration Policy, as recommended by the Committee, which would be reviewed at regular intervals by the Committee.

C. POLICY OBJECTIVES

The Nomination and Remuneration Policy is guided by a set of principles, inter alia, pertaining to determining qualifications, positive attributes, integrity, independence and objectives particularly envisaged under Section 178 of the Act and the Articles of Association of the Company. The key objectives of the Policy, inter alia, includes the following :

- a) Enable the Company to attract, retain and motivate appropriately qualified persons / members for the Board and executive level.
- b) Ensure that the interests of the Directors, KMP and senior management are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the Company and be consistent with the 'Pay for Performance' principle.
- c) Ensure that the remuneration of Directors, KMP and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

D. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**1. Appointment criteria and qualifications:**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Independent Director, KMP or at senior management level and recommend to the Board his / her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- b) An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration,



human resources, research, corporate governance, operations or other disciplines related to the Company's business.

c) An Independent Director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

d) An Independent Director should meet the requirements of the Act and Rules made thereunder concerning independence of Directors.

2. Term / Tenure

a) Managing Director / Whole-time Director / Manager (Managerial Person):

The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term. The Company shall not appoint or continue the employment of any person as Managing Director / Whole-time Director / Manager who has attained the age of seventy years. However, the term of the person holding this position may be extended beyond the age of seventy years with the approval of Members of the Company by passing a special resolution.

b) Non-Executive Director : The term of the Non-Executive Directors, unless otherwise specified, shall be in accordance with the Articles of Association of the Company.

c) Non-Executive Independent Director: An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. The Independent Director shall, during the said period of three years, not be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

d) KMP and Senior Management: The term of the KMP (other than the Managing / Whole-time Director / Manager) and senior management shall be decided on a case to case basis.

3. Evaluation:

The Committee shall carry out performance evaluation of every Director, KMP and senior management on yearly basis.

The Committee shall identify evaluation criteria based on which Directors will evaluate knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall, inter alia, be subject to the outcome of the yearly evaluation process.



In conformity with the requirement of the Act, the performance evaluation of Independent Directors shall be done by entire Board excluding the Director being evaluated.

The Independent Directors of the Company shall hold atleast one meeting in a year to review the performance of Non-Independent Directors, performance of the Chairman of the Company and the Board as a whole, assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. Removal :

Due to reasons for any disqualification mentioned in the Act and Rules made thereunder or under any other applicable statutes or the Articles of Association of the Company, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or senior management.

5. Retirement:

The Director(s), KMP and senior management shall retire as per the applicable Service Rules, provisions of the Act and the Articles of Association of the Company. The Board shall have the discretion to retain the Director, KMP, senior management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to necessary approvals as may be required under the Act.

E. REMUNERATION OF DIRECTOR, KMP AND OTHER EMPLOYEES

1. Remuneration payable to Non-Executive Directors:

The Non-Executive Non-Independent Directors of the Company shall not be paid any commission or fee for attending the meetings. However, they shall be entitled to all travelling, hotel or other expenses incurred by them in attending and returning from the meetings of the Board, Committees, or General Meetings of the Company, including adjourned meetings thereof, and generally in connection with the business of the Company.

2. Remuneration payable to Non-Executive Independent Directors :

The Board shall, in consultation with the Committee, approve the remuneration by way of sitting fees payable to Non-Executive Independent Directors, which shall take into account the Company's overall performance, Directors' contribution for the same and trends in the industry in general, in a manner which will ensure and support a high performance culture. The Non-Executive Independent Directors shall be paid sitting fees for attending the Board and Committee Meetings, Independent Directors' Meeting, as may be approved by the Board based on the recommendation of the Committee subject to the ceiling stipulated in the Act and the Rules made thereunder. In addition to the above, they shall be entitled to reimbursement of all expenses as may be incurred by them, while performing their role as an Independent Director of the Company including obtaining, subject to prior consultation with the Board, professional advice from independent advisors in the furtherance of their duties as an Independent Director. Increments to the existing remuneration structure may be recommended by the



Committee to the Board and shall be subject to approval of Members of the Company, wherever required.

3. Remuneration of KMP and Other Executives :

The Board shall, in consultation with the Committee, approve the remuneration to be paid to Managerial Person in accordance with the statutory provisions of the Act and the Rules made thereunder. It shall also be subject to the approval of the Members of the Company.

F. DEVIATIONS FROM THIS POLICY :

Deviations on elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

G. OTHER PROVISIONS :

This Policy shall continue to guide all future employment of Directors, Company's senior management including KMP and other employees. Any matter not provided for in this Policy shall be dealt with in accordance with the provisions in the Articles of Association of the Company, the Act, relevant state laws and other applicable statutes. The right to interpret this Policy shall vest in the Board of Directors of the Company.

H. DISCLOSURE OF INFORMATION:

Information on the total remuneration of the Company's Board of Directors, KMP / senior management may be disclosed in the Company's annual financial statements as per statutory requirements. This includes any deferred payments and extraordinary contracts during the preceding financial year.

I. AMENDMENTS:

Amendments from time to time to the Policy, if any, shall be considered by the Board based on the recommendations of the Committee and / or as may be required by the changes in the regulatory framework. The term "Senior Management" shall mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including the functional heads, if any.



Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[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,
Nilkanth Engineering Limited
407 Kalbadevi Road,
DaulatBhavan, 3rd Floor,
Mumbai -400002

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by Nilkanth Engineering Limited (hereinafter called "the Company") for the audit period covering the financial year ended on March 31, 2015. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015, generally 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure I**, for the financial year ended on March 31, 2015, according to the provisions (to the extent applicable) of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder applicable to the extent of receipt of funds on non-repatriation basis from foreign investor;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

Contd .. 2



:: 2 ::

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and The Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
2. I have relied on the representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.
 3. I have also examined compliance with the applicable clauses of the Listing Agreement entered into by the Company with the Stock Exchange. During the year under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. as mentioned above. The Company is in the process of appointing the Key Managerial Personnel. During the period under review, provisions of the following regulations were not applicable to the Company :
 - (i) The Securities And Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
 - (ii) The Securities And Exchange Board of India (Buyback of Securities) Regulations, 1998
 - (iii) Secretarial Standards issued by The Institute of Company Secretaries of India (since not approved by the Central Government).

I further report that -

The Board of Directors of the Company is duly constituted with five Directors including Woman Director/ Independent Director. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

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

Contd .. 3



::3::

All resolutions/decisions at the Board and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or the Committee.

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

I further report that during the audit year there were no instances of:

- (i) Public issue of Equity Shares & Equity Warrants / Sweat Equity
- (ii) Buy-back of securities
- (iii) Merger / Amalgamation / Reconstruction, etc.
- (iv) Foreign Technical Collaborations

Place : Mumbai

Date : September 4, 2015

DILIP BHARADIYA

Proprietor

DILIP BHARADIYA & ASSOCIATES

FCS No.: 7956, C P No.: 6740



ANNEXURE - I

List of documents verified:

1. Memorandum & Articles of Association of the Company
2. Annual Report for the financial year ended March 31, 2014
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee along with Attendance Register held during the financial year under report
4. Minutes of General Body Meetings held during the financial year under report
5. Statutory Registers
6. Agenda papers provided to all the Directors / Members for the Board Meetings and Committee Meetings
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 299 of the Companies Act, 1956 and 184 of the Companies Act, 2013
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under report



INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
NILKANTH ENGINEERING LIMITED**

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

(contd...2)

* 2 *

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) In the case of the Statement of Profit and Loss, of the **Profit** for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;

(contd...3)

* 3 *

- 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 statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with the 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, we report that:
- 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 Investors Education and Protection Fund by the Company.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn No. 104863W

Voshi. Viral. R.
(Viral Joshi)
Partner
Membership No. 137686

192, Dr. D. N. Road
Mumbai - 400001
Dated: June 30, 2015

NILKANTH ENGINEERING LIMITED
Annexure to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' our report to the members of NILKANTH ENGINEERING LIMITED, ('the Company') for the year ended on March 31, 2015. We report that:-

- i. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of fixed assets which is, in our opinion, reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- ii. The Company does not hold any inventory, hence in our opinion Paragraphs 3(ii)a, 3(ii)b, and 3(ii)c of the Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence provisions of paragraph 3(iii) of the aforesaid Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls system. There is no sale of services.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public to which provisions of Sections 73 to Section 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 are applicable. No Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. In our opinion and according to the information and explanations given to us maintenance of cost records under sub-section (1) of the Section 148 of the Companies Act, 2013 has not been prescribed by the government.

(Cont...2)



* 2 *

- vii. (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues were outstanding, as at 31-03-2015, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company and information and explanations given to us no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess that have not been deposited on account of any disputes.
- (d) No amount is required to be transferred to Investor's Education and Protection Fund in accordance with Section 205C(2) of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.
- viii. The Company does not have accumulated losses. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix. Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and bank.
- x. The Company has not given any guarantee for loans taken by others from Bank or financial institution, and accordingly requirement of Paragraph 3(x) of the aforesaid Order are not applicable to the Company.
- xi. The Company has not raised term loans during the year.
- xii. Based upon the audit procedures performed and information and explanations given to us by the management, no fraud on or by the Company has been noticed or reported during the year.

192, Dr. D. N. Road
Mumbai - 400001
Dated: June 30, 2015

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn No. 104863W

Viral Joshi
(Viral Joshi)
Partner
Membership No. 137686

NILKANTH ENGINEERING LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2015

	Notes	As at 31-03-2015	As at 31-03-2014
I EQUITY AND LIABILITIES			
1 Shareholders' Fund			
Share Capital	2	1,24,50,000	1,24,50,000
Reserves and Surplus	3	<u>3,82,76,957</u>	<u>3,69,18,784</u>
		5,07,26,957	4,93,68,784
2 Non-Current Liabilities			
Other Long Term Liabilities	4	15,00,00,000	12,00,00,000
3 Current Liabilities			
Other Current Liabilities	5	45,600	41,001
Total		<u><u>20,07,72,557</u></u>	<u><u>16,94,09,785</u></u>
II ASSETS			
1 Non Current Assets			
Fixed Assets			
Tangible Assets	6	3,99,037	4,29,090
Capital Work in Progress		<u>12,61,74,971</u>	<u>4,70,38,083</u>
		12,65,74,058	4,74,67,173
Non Current Investments	7	5,44,85,640	5,44,85,640
Long Term Loans and Advances	8	46,634	1,23,23,880
		<u>5,45,32,274</u>	<u>6,68,09,520</u>
2 Current Assets			
Current Investments	9	15,58,403	1,41,354
Cash and Bank Balances	10	2,88,551	21,95,776
Short Term Loans and Advances	8	1,77,47,591	5,15,41,760
Other Current Assets	11	71,680	12,54,203
		<u>1,96,66,225</u>	<u>5,51,33,093</u>
Total		<u><u>20,07,72,557</u></u>	<u><u>16,94,09,785</u></u>

Significant Accounting Policies 1
The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached
For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

Viral Joshi
(Viral Joshi)
Partner
Membership No. 137686
Place: Mumbai
Date: 30 JUN 2015

For and on behalf of the Board of Directors

G.M. Loyalka
(G.M. Loyalka)
Director
DIN : 00299416

R. D. Bhatler
(R. D. Bhatler)
Director
DIN : 00288162



NILKANTH ENGINEERING LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

	Notes	Year ended 31-03-2015	Year ended 31-03-2014
I INCOME			
Revenue from Operations	12	13,76,523	21,60,296
Other Income	13	11,68,055	10,12,549
Total Revenue		25,44,578	31,72,845
II EXPENSES			
Employee Benefit Expenses	14	6,09,000	4,50,000
Depreciation and Amortization Expenses	15	19,980	23,772
Other Expenses	16	2,60,255	2,16,081
Total Expenses		8,89,235	6,89,853
III Profit before Extraordinary Items and Tax		16,55,343	24,82,992
Less: Extraordinary Items		-	-
IV Profit before Tax		16,55,343	24,82,992
Less: Tax Expenses			
Current Tax		2,90,000	4,75,000
Earlier years adjustments		(2,853)	9,650
		2,87,147	4,84,650
V Profit for the period		13,68,196	19,98,342
VI Earnings per Equity Share before/after Extra ordinary Items	20		
(Nominal Value of share Rs.10/- each)			
Basic		1.10	1.61
Diluted		1.10	1.61

Significant Accounting Policies

1

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of

KARNAVAT & CO.

Chartered Accountants

Firm Regn. No. 104863W

For and on behalf of the Board of Directors

(Viral Joshi)

Partner

Membership No. 137686

Place: Mumbai

Date:

30 JUN 2015

(G.M. Loyalka)

Director

DIN : 00299416

(R. D. Bhattar)

Director

DIN : 00288162



NILKANTH ENGINEERING LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

Amount in Rs.

	2014-2015		2013-2014	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit / (loss) before Tax		16,55,343		24,82,992
Add/(Less) Adjustments for Depreciation		19,980		23,772
Provision for expenses		44,944		38,203
Provision for Standard Assets		42,679		93,997
Interest accrued on loan		(71,680)		(12,54,203)
Compensation Received		(10,80,000)		(10,12,500)
Expenses prepaid		(22,510)		(3,720)
Operating Profit before working capital changes		5,88,755		3,68,541
Adjustment for Working Capital Changes:				
Trade and other receivables	4,73,28,204		(4,91,44,400)	
Trade and other payables	(40,345)		(30,910)	
Cash flow from operations before tax paid		4,78,76,614		(4,88,06,769)
Less : Direct Taxes paid (net of refund)		3,09,901		4,65,606
Net Cash generated from / (used in) Operating Activities		4,75,66,713		(4,92,72,375)
B. CASH FLOW FROM INVESTING ACTIVITIES				
(Purchase)/Sale of Investments		(14,17,049)		11,66,108
Amount spent on Capital Work in Progress		(7,91,36,888)		(4,70,38,083)
Compensation Received		10,80,000		10,12,500
Net Cash flow generated from / (used in) Investing Activities		(7,94,73,937)		(4,48,59,475)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Security Deposits Received		3,00,00,000		9,60,00,000
Net Cash flow generated from / (used in) Financing Activities		3,00,00,000		9,60,00,000
Net increase / (decrease) in Cash and Cash equivalent (A+B+C)		(19,07,224)		18,68,150
Cash and Cash equivalents as at April 1		21,95,775		3,27,625
Cash and Cash equivalents as at March 31		2,88,551		21,95,775

Notes:

- 1 Cash & Cash equivalents comprises of
 i) Cash on hand
 ii) Bank Balances in current account
 iii) Cheque in Hand
Total

31-03-2015


2,061
2,86,490
-
2,88,551

31-03-2014

2,251
21,90,907
2,618
21,95,775

- 2 Direct tax Paid are treated as arising from operating activity and not bifurcated between investment & Financing activity .
 3 Previous year figures have been regrouped wherever necessary to confirm with current year groupings.
 4 Figures in bracket denotes outflow.

As per our report of even date attached
 For and on behalf of
KARNAVAT & CO
 Chartered Accountants
 Firm Regn. No. 104863W


 (Viral Joshi)
 Partner
 Membership No. 137686
 Place : Mumbai
 Date:

30 JUN 2015

For and on behalf of the Board of Directors


 (G.M. Loyalka) (R. D. Bhattar)
 Director Director
 DIN : 00299416 DIN : 00288162



NILKANTH ENGINEERING LIMITED

Notes to Financial Statements for the year ended 31st March, 2015

1. Significant Accounting Policies

1.1 Basis of preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1.2 Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

1.3 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized:

a) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Revenue from Operations" in the statement of profit and loss.

b) Dividend

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

c) Other Income

Other items of revenue are recognized in accordance with the Accounting Standard (AS-9) "Revenue Recognition".

1.4 Tangible Fixed Assets

All fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes all incidental expenses related to acquisition.

1.5 Depreciation/Amortisation on Fixed Assets

Consequent to the enactment of the Companies Act, 2013 (the Act) and its applicability for accounting periods commencing on or after April 1, 2014, the Company has re-worked depreciation with reference to the useful lives of fixed assets prescribed by PART 'C' of Schedule II to the Act or the useful lives of assets as estimated by the Company, whichever is lower. Where the remaining useful life of an asset is nil, the carrying amount of the asset after retaining the residual value (net of deferred tax), as at April 1, 2014 has been adjusted to the Retained Earnings. In other cases, the carrying values have been depreciated over the remaining useful lives of the assets using Written Down Value Method and the same is recognised in the Statement of Profit and Loss.

Depreciation on fixed assets acquired/sold during the year is provided on pro-rata basis.

Intangible Assets are amortised pro-rata on straight line method over the useful life of the assets as estimated by the management.



1.6 **Impairment of Tangible and Intangible Assets:**

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets". Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made.

1.7 **Investments:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.8 **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The Weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.9 **Income Taxes**

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income-tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.



1.10 Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

1.11 Contingent Liabilities

A contingent liability is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.



NILKANTH ENGINEERING LIMITED

Notes to Financial Statements for the year ended 31st March, 2015

	31-03-2015 Rs.	31-03-2014 Rs.
2. Share Capital		
Authorized Shares		
12,50,000 (31 March 2014: 12,50,000) Equity Shares of Rs. 10 each	1,25,00,000	1,25,00,000
	<u>1,25,00,000</u>	<u>1,25,00,000</u>
Issued, Subscribed and fully paid up Shares		
12,45,000 (31 March 2014: 12,45,000) Equity Shares of Rs. 10 each	1,24,50,000	1,24,50,000
Total	<u>1,24,50,000</u>	<u>1,24,50,000</u>

2.1 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity Shares:	31-03-2015		31-03-2014	
	Nos.	Rs.	Nos.	Rs.
At the beginning of the year	12,45,000	1,24,50,000	12,45,000	1,24,50,000
Outstanding at the end of the year	<u>12,45,000</u>	<u>1,24,50,000</u>	<u>12,45,000</u>	<u>1,24,50,000</u>

2.2 Terms/Rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2015, the amount of dividend per share recognized as distributions to equity shareholders was Rs.NIL (31st March, 2014 Rs.NIL)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be proportion to the number of equity shares held by the shareholders.

2.3 Details of shareholders holding more than 5% share in the company

	31-03-2015		31-03-2014	
	Nos.	%	Nos.	%
Equity Shares of Rs. 10/- each fully paid up				
Aakarshak Synthetics Limited	1,70,000	13.65%	1,70,000	13.65%
Rutgers Investments And Trading Company Private Limited	1,12,000	9.00%	1,12,000	9.00%
Sushree Trading Limited	6,22,000	49.96%	6,22,000	49.96%
Kajal Synthetics & Silk Mills Limited	2,06,000	16.55%	2,06,000	16.55%

3. Reserve and Surplus

	31-03-2015 Rs.	31-03-2014 Rs.
Surplus in the Statement of Profit and Loss		
Balance as per the last financial statements	2,80,59,349	2,64,60,675
Profit for the year:	13,68,196	19,98,342
Less: Appropriations		
Adjustment on account of Depreciation as per Schedule II of Companies Act, 2013	10,023	-
Transfer to reserve fund under Section 45 I C(1) of Reserve Bank of India Act, 1934	2,73,639	3,99,668
Net surplus in the Statement of Profit and Loss	<u>2,91,43,883</u>	<u>2,80,59,349</u>
Reserve Fund as per Section 45 I C(1) of Reserve Bank of India Act, 1934		
Balance as per the last financial statements	88,59,435	84,59,767
Add: Amount transferred from surplus balance in the statement of profit and loss	2,73,639	3,99,668
Closing Balance	<u>91,33,074</u>	<u>88,59,435</u>
Total Reserves and Surplus	<u>3,82,76,957</u>	<u>3,69,18,784</u>
4. Other Long Term Liabilities:		
Others payables		
Security Deposits		
Total	<u>15,00,00,000</u>	<u>12,00,00,000</u>
5. Other Current Liabilities:		
Others payables		
Sundry Creditors for Expenses	41,600	34,382
TDS Payable	4,000	6,619
Total	<u>45,600</u>	<u>41,001</u>



NILKANTH ENGINEERING LIMITED

6. Tangible Assets

	Building	Plant & Equipments	Furniture & Fittings	Office Equipments	Total
Cost or Valuation					
At 1 April 2013	18,43,464	88,000	80,763	97,200	21,09,427
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March, 2014	18,43,464	88,000	80,763	97,200	21,09,427
Additions	-	-	-	-	-
Adjustments	-	-	-	-	-
At 31 March, 2015	18,43,464	88,000	80,763	97,200	21,09,427
Depreciation					
At 1 April 2013	14,02,340	87,545	78,781	87,898	16,56,565
Charge for the year	22,056	63	359	1,294	23,772
Disposals	-	-	-	-	-
At 31 March, 2014	14,24,396	87,608	79,140	89,192	16,80,337
Charge for the year	19,980	-	-	-	19,980
Adjustments	-	392	1,623	8,008	10,023
At 31 March, 2015	14,44,376	88,000	80,763	97,200	17,10,340
At 31 March, 2014	4,19,068	392	1,623	8,008	4,29,090
At 31 March, 2015	3,99,088	-	-	-	3,99,088

(Signature)



NILKANTH ENGINEERING LIMITED

Notes to Financial Statements for the year ended 31st March, 2015

	31-03-2015 Rs.	31-03-2014 Rs.
7. Non Current Investments		
Non-trade Investments (valued at cost unless stated otherwise)		
7.1 Quoted		
Investment in Equity Shares		
73,500 (31 March 2014 - 73,500) Equity Shares of Rs.5/- each fully paid up of Jayashree Tea & Industries Limited	25,14,083	25,14,083
122,200 (31 March 2014 - 122,200) Equity Shares of Rs.10/- each fully paid up of Mansoon Trading Company Limited	3,08,110	3,08,110
90,000 (31 March 2014 - 90,000) Equity Shares of Rs.10/- each fully paid up of Meenakshi Steel Industries Limited	2,12,570	2,12,570
5,563 (31 March 2014 - 5,563) Equity Shares of Rs.10/- each fully paid up of Umang Commercial Company Limited *	-	18,57,515
	<u>30,34,763</u>	<u>48,92,278</u>
* Ceased to be Quoted Shares		
7.2 Unquoted		
Investment in Equity Shares		
1,270,000 (31 March 2014 - 1,270,000) Equity Shares of Rs.10/- each fully paid up of Aakarshak Synthetics Limited	1,17,41,200	1,17,41,200
573,900 (31 March 2014 - 573,900) Equity Shares of Rs.10/- each fully paid up of Jatayu Textiles & Industries Limited	1,83,70,553	1,83,70,553
267,300 (31 March 2014 - 267,300) Equity Shares of Rs.10/- each fully paid up of Manav Investment & Trading Company Limited	-	-
3,000 (31 March 2015 - 3,000) Equity Shares of Rs.10/- each fully paid up of Osiris Online Private Limited	30,075	30,075
40,000 (31 March 2014 - 40,000) Equity Shares of Rs.10/- each fully paid up of Rutgers Investment & Trading Company Private Limited	40,10,000	40,10,000
528,250 (31 March 2014 - 528,250) Equity Shares of Rs.10/- each fully paid up of Sushree Trading Limited	1,54,41,534	1,54,41,534
5,563 (31 March 2014 - 5,563) Equity Shares of Rs.10/- each fully paid up of Umang Commercial Company Limited	18,57,515	
	<u>5,14,50,877</u>	<u>4,95,93,362</u>
Total	<u>5,44,85,640</u>	<u>5,44,85,640</u>
Aggregate amount of Quoted investments	30,34,763	48,92,278
Aggregate Market Value of Quoted investments	57,68,210	67,22,024
Aggregate amount of Unquoted investments	5,14,50,877	4,95,93,362

	Non-Current		Current	
	31-03-2015 Rs.	31-03-2014 Rs.	31-03-2015 Rs.	31-03-2014 Rs.
8. Loans and Advances				
8.1 Prepaid Expenses	-	-	22,510	3,720
8.2 Income Tax Deposits (Net of Provisions)	46,634	23,880	-	-
8.3 Other Loans and Advances				
Inter Corporate Deposits (ICD's)	-	-	1,70,00,000	5,09,00,000
Advances recoverable in cash or kind (Unsecured, Considered good)	-	1,23,00,000	7,67,760	7,68,774
	<u>46,634</u>	<u>1,23,23,880</u>	<u>1,77,90,270</u>	<u>5,16,72,494</u>
Less: Contingent Provision against Standard Assets as per RBI directions	-	-	42,679	1,30,734
Total	<u>46,634</u>	<u>1,23,23,880</u>	<u>1,77,47,591</u>	<u>5,15,41,760</u>

Note :

Income Tax Deposits is net of provision for tax includes :
Income Tax Deposits
Less : Provision for Income Tax

	31-03-2015 Rs.	31-03-2014 Rs.
Income Tax Deposits	10,56,634	17,23,880
Less : Provision for Income Tax	<u>(10,10,000)</u>	<u>(17,00,000)</u>
	<u>46,634</u>	<u>23,880</u>

9. Current Investments

Non-trade Investments, Unquoted
(valued at cost unless stated otherwise)
In Mutual Fund Units

7126.399 (31 March 2014 - 790.975) Units of Birla Sun Life Cash plus -Growth Regular Plan	15,58,403	1,41,354
Total	<u>15,58,403</u>	<u>1,41,354</u>
Aggregate amount of Unquoted investments	15,58,403	1,41,354

10. Cash and Bank Balances

Cash and Cash equivalents

Cash on hand	2,061	2,251
Cheques in Hand	-	2,618
Balance with banks:		
In Current Accounts	2,86,490	21,90,907
Total	<u>2,88,551</u>	<u>21,95,776</u>

11. Other Current Assets

Unsecured, Considered good unless stated otherwise
Interest accrued but not due on Loans

	71,680	12,54,203
Total	<u>71,680</u>	<u>12,54,203</u>



NILKANTH ENGINEERING LIMITED

Notes to Financial Statements for the year ended 31 March, 2015

	31-03-2015 Rs.	31-03-2014 Rs.
12. Revenue from Operations		
12.1 Interest Income		
Interest on Loan given	7,12,474	13,93,559
	<u>7,12,474</u>	<u>13,93,559</u>
12.2 Other Operating Income		
Dividend on Long Term Investments	1,47,000	5,61,300
Net gain on sale of Current Investments	5,17,049	2,05,437
	<u>6,64,049</u>	<u>7,66,737</u>
Total	<u>13,76,523</u>	<u>21,60,296</u>
13. Other Income		
Rent Received	10,80,000	10,12,500
Fractional Proceeds Received	-	49
Excess Provision for Contingent Against Standard Balances written back	88,055	-
Total	<u>11,68,055</u>	<u>10,12,549</u>
14. Employee Benefit Expenses		
Salaries, Wages and Bonus	5,34,000	4,35,000
Medical Reimbursement	15,000	15,000
Leave Travel Allowance	60,000	-
Total	<u>6,09,000</u>	<u>4,50,000</u>
15. Depreciation and Amortization Expenses		
Depreciation on Tangible Assets	19,980	23,772
	<u>19,980</u>	<u>23,772</u>
16. Other Expenses		
Advertisement expenses	36,360	23,600
Bank charges	1,734	981
Demat Account Charges	713	674
Filing Fees	11,400	2,000
General Expenses	453	176
Insurance Charges	13,679	4,386
Legal and Professional Charges	12,000	11,500
Listing Fees	1,12,360	16,854
Contingent Provision against standard assets	-	93,997
Payment to Auditor	71,556	61,913
Total	<u>2,60,255</u>	<u>2,16,081</u>
Payment to Auditor		
As Auditor		
Audit Fees	40,000	30,000
Reimbursement of Service Tax	5,600	3,708
In Other capacity		
Certification fees	25,956	28,205
	<u>71,556</u>	<u>61,913</u>



NILKANTH ENGINEERING LIMITED
Notes to Financial Statements for the year ended 31st March, 2015

17. Gratuity and other post employment benefit plans (AS-15)

No provision for gratuity has been made since none of the employees has completed five years of continuous service.

18. Segment Information (AS - 17)

The Company is engaged in only one business i.e Non Banking Financial Services (granting of loans, making investments, etc.) and as such there are no other reportable segment in the context of Accounting Standard 17 "Segment Reporting". Therefore, Segment Information as required by Accounting Standard - 17 "Segment Reporting" is not applicable.

19. Related Party Disclosures (AS - 18)

Name of related parties and related party relationship:

a) Key Management Personnel :

G. M. Loyalka	Director
Manish Newar	Director
R. D. Bhattar	Director

b) Related parties with whom transaction have taken place during the year:

- NIL -

Note : Related Parties are disclosed by the management and relied upon by the auditors.

20. In accordance with Accounting Standard - 20 (AS - 20) Earnings per Share, the computation of earnings per share is set out below :

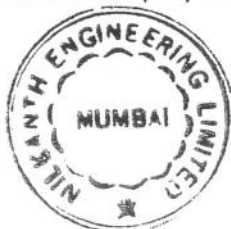
Particulars	31st March 2015	31st March 2014
Net Profit/(Loss) after tax available for equity shareholders	13,68,196	19,98,342
Weighted average number of Equity Shares of Rs. 10/- each, fully paid up	12,45,000	12,45,000
Basic Earnings Per Share (In Rs.)	1.10	1.61
Nominal Value Per Share (In Rs.)	10.00	10.00

The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earnings per share of the Company remain the same.

21. Due to the uncertainty in the future taxable income, the Company has not recognized Deferred Tax as per Accounting standard-22 "Accounting for Taxes On Income".

22. The Company believes that no impairment of assets arises during the year as per the recommendations of Accounting Standard - 28 Impairment of Assets.

23. Since the asset size of the Company is less than Rs. 500 Crores as at 31.03.2015, the Company is a Non Systemically Important Company as per the provisions of Non Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015. Further, the Company does not have any public funds, the provisions of Non Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 are not applicable to the Company except Para 15 relating to submission of a Certificate from Statutory Auditor.



24. Details of dues to Micro and Small Enterprises as defined under the MSME Act, 2006

Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSME') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid /payable are required to be furnished.

25. While determining diminution, other than temporary, in the value of the long term quoted / unquoted investments, the strategic objective of such investments and the asset base of the investee companies have been considered. In view thereof, the decline in the market value of such investments is considered to be of a temporary nature.

26. Consequent to the enactment of the Companies Act, 2013 and its applicability for the accounting periods commencing on or after April 1, 2014, the Company has re-worked depreciation with respect to the useful lives of the fixed assets as prescribed by PART-C of the Schedule-II of the Act. Where the remaining useful life of the asset is nil, the carrying amount of the asset as at April 1, 2014 has been adjusted to the retained earnings amounting to Rs.10,023/-. In other cases the carrying values have been depreciated over the remaining useful lives of the assets and recognized in the Statement of Profit and Loss. As a result, the charge for the depreciation in the financial statements is lower by Rs.2,436/- for the year ended March 31, 2015.

27. In the opinion of the Board, the Current Assets, Loans & Advances are realizable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

28. a) Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figure of the current period.

b) Figures have been rounded off to nearest rupee.

As per our report of even date attached

For and on behalf of

KARNAVAT & CO.

Chartered Accountants

Firm Regn. No. 104863W

Viral Joshi

(Viral Joshi)

Partner

Membership No. 137686

Place: Mumbai

Date:

30 JUN 2015

For and on behalf of the Board of Directors

G.M. Loyalka

(G.M. Loyalka)
Director

DIN : 00299416

R. D. Bhatler

(R. D. Bhatler)
Director

DIN : 00288162

