

NILKANTH ENGINEERING LIMITED

CIN NO: L27300MH1983PLC029360

Regd. Office: 407, Kalbadevi Road, Daulat Bhawan, 3rd Floor, Mumbai – 400 002

Tel.: 2200 0630, Email : nilkanthengineeringltd@gmail.com

Website : www.nilkanthengineering.co.in

September 1, 2023

BSE Limited

P. J. Tower,
Dalal Street,
Fort, Mumbai 400 001

Ref: Scrip Code – 512004

Sub: Annual Report for the Financial year 2022-23

Dear Sir,

Pursuant to the requirements of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed herewith the Annual Report of the Company for the financial year 2022-23 ("Annual Report") along with the Notice of 35th Annual General Meeting ("Notice") of the Company.

The 40th Annual General Meeting of the Company will be held on Wednesday, 27th September, 2023 at 04.30 pm at the Registered Office of the Company at 407, Kalbadevi Road, 3rd Floor, Daulat Bhavan, Mumbai 400002

Further the aforesaid Annual Report along with the Notice has also been uploaded on the website of the Company at www.nilkanthengineering.co.in

Kindly take the same on record and oblige.

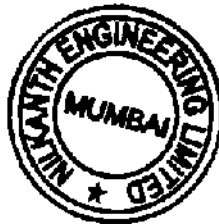
Thanking you.

Yours faithfully,

For **NILKANTH ENGINEERING LIMITED**

G. M. Loyalka

G. M. Loyalka
Director
(DIN-00299416)



NILKANTH ENGINEERING LIMITED
40th Annual Report
2022-23

NILKANTH ENGINEERING LIMITED

Board of Directors

DIN

Shri. Nitin Agrawal Managing Director	08186528
Shri. G. M. Loyalka	00299416
Shri. Manish Newar	00469539
Smt. Rajshree Tapuriah	01655859

Company Secretary

Ms. Shruti Didwani
Company Secretary & Compliance Officer

Auditor

M/s PKJ & Co.

Office No. 002, Gulmohar Complex,
Opp. Anupam Cinema, Station Road,
Goregaon (East), Mumbai 400 063

Registered Office :

407, Kalbadevi Road,
3rd Floor, Daulat Bhavan
Mumbai 400 002

CIN – L27300MH1983PLC029360

Website – www.nilkanthengineering.co.in

Email id – nilkanthengineeringltd@gmail.com

Registrar & Share Transfer Agent

Adroit Corporate Services Private Limited
19, Jaferbhoy Industrial Estate, 1st Floor
Makwana Road, Marol Naka, Andheri (East),
Mumbai 400 059

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Email : nilkanthengineeringltd@gmail.com

Website : www.nilkanthengineering.co.in

NOTICE

NOTICE is hereby given that the Fortieth Annual General Meeting (AGM) of the members of **Nilkanth Engineering Limited** (the Company) will be held on Wednesday, the 27th day of September, 2023 at 4.30 pm at the registered office of the Company at 407, Kalbadevi Road, 3rd Floor, Daulat Bhavan, Mumbai 400 002 to transact the following business :

Ordinary Business:

1. To consider and adopt the Audited Financial Statements including audited consolidated financial statements of the Company for the financial year ended March 31, 2023, together with the reports of the Board of Directors and the Auditors thereon.
2. To re-appoint a director in place of Mr. Nitin Agrawal (DIN-08186528) who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business :

3. To consider and if thought fit to pass, with or without modification, the following resolution as Ordinary Resolution

RESOLVED THAT pursuant to provision of sections 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 ("**the Act**") read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act (including any statutory modification(s), amendment(s), clarification(s) or re-enactment(s) or substitution(s) thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification thereof or supplements therein ("**SEBI Listing Regulations**')) subject to Articles of Association of the Company and subject to approval of Central Government, if any and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such approvals, permissions and sanctions and as recommended by Nomination and Remuneration Committee and approved by the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for re-appointment of Mr. Nitin Agrawal (DIN-08186528) as Managing Director of the Company, for a period of 5 (Five) years with effect from 1st August, 2023 on payment of Remuneration of Rs. 12.42 Lakh with yearly increment below 20% each year, as may be decided by the Board of Director

RESOLVED FURTHER THAT pursuant to the provisions of Section 197 of the Act read with Schedule V of the Act, where in any financial year during the currency of tenure of Managing Director, the Company has no profits or if its profits are inadequate, the Company shall pay the above remuneration to the Managing Director.

FURTHER RESOLVED THAT the Board be and is hereby authorized to vary, amend, modify or revise the terms of Remuneration payable from time to time, to the extent the Board may deem appropriate provided that such variation or increase, as the case may be, is within the overall limits specified under the relevant provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution including filing of necessary forms with the Registrar of Companies, Mumbai in connection with such appointment and payment of remuneration and to seek approvals and settle any questions, difficulties or doubts that may arise in this regards without further referring to the Members of the Company.

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

**Sd/-
G. M. Loyalka
Director
(DIN-00299416)**

**Place: Mumbai
Date: 30th August, 2023**

NOTES:

1. **A statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act') relating to certain ordinary business and the special business to be transacted at the 40th Annual General Meeting is annexed hereto.**
2. **Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint proxy to attend and vote on his / her behalf and the proxy need not be the members of the Company.**

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.

3. The Annual Report including Notice of AGM has been uploaded on the website of the Company www.nilkanthengineering.co.in and the same is attached to the email sent to you for the AGM. The same can be accessed and download from the website of Stock Exchange – The BSE Limited at www.bseindia.com and from the website of National Securities Depository Limited at e-voting@nsdl.co.in.
4. 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.
5. The Register of Members of the Company will remain closed from Thursday, 21st September, 2023 to Wednesday, 27th September, 2023, (both days inclusive) for the purpose of AGM. The cut-off date for voting is 20th September, 2023

6. EVOTING:

- i) Pursuant to Section 108 of the Companies Act, 2013 and in compliance with the provisions of Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to announce that all the business mentioned in the notice may be transacted through electronic voting system and the Company is providing facility by electronic means.
- ii) For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting to enable the Shareholders of the Company to cast their votes electronically.
- iii) The Board of Directors of the Company has appointed Mr. Girish Murarka, Proprietor of GIRISH MURARKA & CO. practicing Company Secretaries, Mumbai to conduct and scrutinize the e-voting process in a fair and transparent manner.

7. The instruction for shareholder for remote e-voting are as under

The way to vote electronically on NSDL e-voting system consist of Two Steps which are mentioned below:

Step 1 : Login to NSDL e-voting system at <http://www.evoting.nsdl.com>

- a) Visit the e-voting website of NSDL. Open web browser by typing the following URL : <http://www.evoting.nsdl.com> either on your Personal Computer or on a mobile
- b) Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder section
- c) A new screen will be open. You will have to enter your User ID, your Password and verification code as shown on the screen
- d) User ID details are given below:

Manner of holding shares ie Demat (NDSL or CDSL) Or Physical	Your User ID is :
a)For Members holds the share in Demate Account with NDSL	8 character DP ID followed by 8 digit client ID for example your DP ID is IN300*** and your Client ID is 12***** then your User ID is IN300***12*****
b) For Members holds the share in Demate Account with CDSL	16 digit Beneficiary ID. For example if your Beneficiary ID is 12***** then your User ID is 12*****

- e) Your Password details are given below:
 - i) If you are already registered for e-voting, then you can use your existing password to login and cast your vote
 - ii) If you are using NSDL e-voting system for the first time, your will need to retrieve the 'initial password', your need enter the initial password and the system will force you to change your password
 - iii) How to retrieve initial password?
 - a) If your email id is registered in your Demat Account or with the Company, the initial password is communication to you on your email id. Trace the email sent to you from NSDL from your email box. Open the email and open the attachment which is in PDF. Open the pdf file. The password to open the pdf file is your 8 digit Client ID for NSDL Account, last 8 digit of your Client ID for CDSL Account
 - b) If your email id is not registered, your initial password will be communicated to you on your postal address
- f) If you are unable to retrieve or have not received your initial password or have forgotten the password - Click on 'Forgot user detail / password' (if you are holding the share in demat account with NSDL / CDSL) option available on www.evoting.nsdl.com .
- g) After entering your password, Tick on Agree to " Terms and conditions" by selecting on the check box.
- h) Now you have to click on "Login" button
- i) After you click on Login button, home page of e-voting will open

Step 2: Cast your vote electronically on NSDL e-voting system

- a) After successful login at Step 1, you will be able to see Home Page of e-voting. Then click on Active voting cycle.
- b) After click on Active voting cycle, you will be able to see all the Companies "EVEN" in which you are holding shares and whose voting cycle is in active status
- c) Select "EVEN" of the Company for which you wish to cast your vote
- d) Now you are ready for e-voting as the voting page opens
- e) Cast your vote by selecting appropriate option ie. Assent or Dissent, verify / modify Number of shares for which you cast your vote and click on submit and confirm when prompted
- f) After confirmation, Vote casted successfully will be displayed
- g) You can also take the print out of your votes casted by you, by clicking on the print out option on the confirmation page
- h) Once you confirm your vote on the resolution

8. GENERAL INFORMATION FOR THE SHAREHOLDERS

- a) The Voting rights of the members shall be in proportion to their shares fully paid equity capital as on the cut-off date September 20, 2023
- b) The e-voting period commences on Sunday, 24th September, 2023 commences at 9.00 am and ends on Tuesday, 26 September, 2023 at 5.00 pm. At the end of the voting period, the portal where votes are cast shall forthwith be blocked. The cut-off date for Remote e-voting is 20th September, 2023
- c) The Board of Directors has appointed M/s Girish Murarka & Co., Practicing Company Secretary, having Certificate of Practice No. 4576 as Scrutinizer to scrutinize the remote e-voting (including the Ballot Form received from the Members who do not have access to e-voting process) in fair and transparent manner.
- d) The Scrutinizer shall, immediately after the conclusion of voting at 39th AGM, count the vote cast at the meeting and thereafter, unblock the vote cast through e-voting in presence of at least two witness not in the employment of the Company and submit, not later than three days of the conclusion of the meeting, a consolidated Scrutinizer's Report of the total vote casted favour or against the resolution to the Chairman or any person authorized by him in writing.
- e) The Chairman or the Authorized Representative will declare the result of the voting (E-voting and voting through Ballot Paper). The Said Results and Scrutinizer's Report will be placed on the website of the Company

9. Name, designation, address, email id and phone no. of the person responsible to address the grievances connected with facility for voting by electronic means.

Name:- Ms. Shruti Didwania

Designation:- Company Secretary and Compliance Officer

Address: 407, Kalbadevi Road, 3rd Floor, Daulat Bhavan, Mumbai 400 002

Email : nilkanthengineeringltd@gmail.com

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013
ANNEXURE TO THE NOTICE

Item No. 3

Shri Nitin Agrawal (DIN-08186528) was re-appointed as the Managing Director of the Company for the period of three year with effect from 1st August, 2020 after obtaining the due approval of the members of the Company in the 37th Annual General Meeting held on 30.09.2020. Accordingly, the present terms of Mr. Nitin Agrawal come to an end on 31st July, 2023.

The Board, in its meeting held on 30th August, 2023 on the recommendation of Nomination and Remuneration Committee, proposed the re-appointment of Shri Nitin Agrawal (DIN-08186528) as Managing Director of the Company for further period of Five-year up to 31st July, 2028 at the ensuing General Meeting.

Shri Nitin Agrawal (DIN-08186528) is not disqualified from being re-appointed as Director or Managing Director in terms of section 164 of the Companies Act, 2013. He has communicated his willingness and has given his consent to act as Managing Director of the Company. He satisfies all the conditions as set out in section 196(3) of the said Act and Part-I of schedule V thereof and hence eligible for re-appointment.

Shri Nitin Agrawal and his relatives may be deemed to be interest in the resolution at item no. 3 of the Notice. Save as aforesaid, None of the Directors of the Company, Key Managerial Personnel of the Company and their relative is concerned or interested, financially or otherwise, in any way, in the said resolution set out at item no. 3 of the notice.

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

**Sd/-
G. M. Loyalka
Director
(DIN-00299416)**

Place: Mumbai

Date: 30th August, 2023

Information on Director being re-appointed as required under regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant provision of Secretarial Standard on General Meeting (SS-2)

Name of Director	Nitin Agarwal
DIN	08186528
Date of Birth	23.12.1984
Relationship with other Directors inter-se	Nil
Initial Date of Appointment	01.08.2018
Expert in Specialized Area	Marketing
Qualification	MBA (HR and Mktg)
No. of Equity Shares held in the Company	Nil
Directorship in other Public Limited Company	Nil
Chairman / Membership of the Committee of other Company	Nil

NILKANTH ENGINEERING LIMITED

CIN NO: L27300MH1983PLC029360

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Email : nilkanthengineeringltd@gmail.com

Website : www.nilkanthengineering.co.in

BOARD'S REPORT

To,
The Members
Nilkanth Engineering Limited

The Directors of your Company are pleased to present their Fortieth Annual Report and the Audited Financial Statements for the financial year ended 31st March, 2023.

FINANCIAL RESULTS

The financial performance of the Company, for the financial year ended 31st March, 2023 is summarized below:

Particulars	Standalone		Consolidated	
	Financial Year 2022-23	Financial Year 2021-22	Financial Year 2022-23	Financial Year 2021-22
Revenue from Operations	16.55	15.59	16.55	15.59
Total Income	16.55	15.59	16.55	15.59
Expenditure	76.49	82.62	76.49	82.62
Profit /(Loss) before tax	(59.94)	(67.02)	(59.94)	(67.02)
Share in Profit /(Loss) of Associates	-	-	(322.96)	226.30
Tax Expenses	-	-	-	-
Excess/(Short) Tax provisions	0.04	-	0.04	(0.04)
Profit / (Loss) after Tax	(59.90)	(67.02)	(382.85)	159.24
Other Comprehensive Income/(Loss)	(9.76)	19.61	(67.70)	(1001.80)
Total Comprehensive Income/(Loss) for the year	(69.66)	(47.41)	(450.55)	(842.56)

INDIAN ACCOUNTING STANDARDS (IND AS)

The Company has adopted Indian Accounting Standards (IND-AS) from April 1, 2019 with transaction date of April 1, 2018. Accordingly, the Financial Statement for the year 2022-23 have been in accordance with IND AS, prescribed under section 133 of the Act, read with the relevant rules issued thereunder and the other recognized accounting practices and policies to the extent applicable

PERFORMANCE REVIEW

The Company has adopted IND AS for reporting financial results for the year under review. During the year under review, the Company's net loss of Rs. 59.94 Lac before tax (Previous Year Net Loss of Rs. 67.02 Lac) and net Comprehensive Loss for the year after tax was at Rs. 450.55 Lac (Previous year the total Comprehensive Income of Rs. 842.56 Lac)

The Company is engaged in the business of making of long-term investment and letting out of immovable property. There have been no material changes in the business of the Company during the financial year.

FINANCE

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

DIVIDEND

In view of loss during the year under review, your directors do not recommend any dividend for the year under review. The Dividend Distribution Policy adopted by the Company is available at the website of the Company www.nilkanthengineering.co.in

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.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

SHARE CAPITAL

The Authorised Share Capital as on 31st March, 2023 was Rs. 1,25,00,000/- (Rupees One Crore Twenty-Five Lac 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 2022-23

The Issued Share Capital as on 31st March, 2023 was Rs 1,24,50,000/- (Rupees One Crore Twenty Five Lac 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, 2023 and also as on the date of this report, your Company does not have any Subsidiary.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March, 2023 is available on the website www.nilkanthengineering.co.in

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES , ASSOCIATE OR JOINT VENTURES

Pursuant to section 129(3) of the Companies Act, 2013, the statement containing the salient feature of financial statement of Company's subsidiary, associate and joint venture of the Company are as under:

The Company does not have subsidiary Company.

However, the Company have Associate companies the brief details of which is being given hereunder:

1. Jatayu Textiles & Industries Limited (Associate Company)

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

The total revenue of Jatayu during the financial year 2022-23 was Rs. 2300.46 Lakh. The Company's loss After Tax is Rs. 1,087.90 Lakh

2. Osiris Online Private Limited (Associate Company)

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

The total revenue of Osiris during the financial year 2022-23 was Rs. 0.28 Lakh. The Company net Profit After Tax is Rs.0.10 Lakhs

3. Sushree Trading Limited (Associate Company)

Sushree Trading Limited (Sushree) registered with Reserve Bank of India as Non-Banking Financial Company (NBFC) in the category of the Company not accepting / holding public deposits

The total revenue of Sushree during the financial year 2022-23 was Rs. 24.25 Lakh. The Company net Loss After Tax is Rs. 22.39 Lakhs

The Company does not have any Joint Venture.

The details of the Company's subsidiary, associate and Joint Venture Company as on 31st March, 2023 is given under **Annexure 1**

PARTICULARS OF EMPLOYEES

There was no employee in the company drawing remuneration in excess of the limits set out in the Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further, the disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report as "**Annexure-2**".

Furthermore, the disclosures pertaining to remuneration and Top Ten Employees details are provided in the Annual Report as "**Annexure-3**".

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Clause (B) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, A detailed Management Discussion and Analysis Report on the Financial Conditions and Result of operations of the Company is included in this Annual Report under the heading "**Annexure-4**".

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company had not entered into any transactions as enumerated in section 188 of the Companies Act, 2013 and rules made thereunder with the related party as defined under section 2(76) of the Act.

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.

CEO / CFO CERTIFICATION:

As required by Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The CEO / CFO certificate for the financial year 2021-22 has been submitted to the Board and the copy thereof is contained in the Annual Report.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company believes that a strong internal control framework is an important pillar of Corporate Governance. The Company has in place adequate internal financial control system which ensure orderly and efficient conduct of its business, safeguarding of its assets and accuracy and completeness of accounting records, timely preparation of reliable financial information and various regulatory and statutory compliance

Further, company's internal control system is commensurate with the size, scale and complexity of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks with best practices in the industry. The Management with Audit Committee periodically reviews the Internal Control System and procedure for the efficient conduct of the business.

RISK MANAGEMENT

The Company operates in conditions where economic environment and social risk are inherent to its businesses. In managing risk, it is the Company's practice to take advantage of potential opportunities while managing potential adverse effects.

The various elements of risk which the Directors think, that may threaten the existence of the Company are:

- a) **Financial Risk**: Financial risk generally arises due to instability and losses in the financial market caused by movements in stock prices, currencies, interest rates and more.
- b) **Liquidity Risk**: It is the risk that the Company will be unable to meet its financial commitment to a Bank/Financial Institution in any location, any currency at any point in time. The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss.

- c) Credit Risk: The risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation.
- d) Time Risk: To compensate for non-receipt of expected inflow of funds.

In line with Listing Regulations and as per the requirement of Section 134(3) (n) of the Companies Act, 2013 read with the rules made there under, as amended, Board has a framework for Risk Management to oversee the mitigation o such risks.

REMUNERATION POLICY

The Nomination and Remuneration Policy of the company as mandated under Section 178 (3) (4) of the Companies Act, 2013 is available on the website of the company www.nilkanthengineering.co.in

CORPORATE SOCIAL RESPONSIBILITY

The provisions of section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility are not applicable to the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors make the following statement and confirm that:-

- i) in the preparation of the annual accounts for the year ended 31 March 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) the Directors had 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 2023 and of the Loss of the Company for year ended on that date;
- iii) the Directors had 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 had prepared the Annual Accounts on a 'going concern basis';
- v) the Directors had 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.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statement for the financial year 2022-23 is prepared in accordance with applicable provisions of the Companies Act, 2013, Accounting standard and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has formulated a Vigil Mechanism (Whistle Blower Policy) for its directors and employees of the Company for reporting genuine concerns about unethical practices and suspected or actual fraud or violation of the code of conduct of the Company pursuant to the provisions of Section 177 of the Companies Act, 2013 read with the rules made thereunder.

This vigil mechanism shall provide a channel to the employees and Directors to report to the management, concerns about unethical behavior, and also provide for adequate safeguards against victimization of persons who use the mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional. The practice of the Vigil Mechanism /Whistle Blower Policy is overseen by the Audit Committee of the Board and no employee has been denied access to the Committee.

The Company will take appropriate action for its resolution. During the year, no whistle blower event was reported and mechanism is functioning well. The Whistle Blower Policy adopted by the Company is available on website of the Company www.nilkanthengineering.co.in

CODE OF CONDUCT

Company's Board has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. The Code of Conduct is available on the Company's website www.nilkanthengineering.co.in. All Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct for Board Members and Senior Management during the financial year 2022-23. The declaration in this regard has been made by the Management Director which forms the part of this report as an annexure.

CORPORATE GOVERNANCE

As per Regulation 15(2) of the Listing Regulations, the compliance with the Corporate Governance provisions shall not apply in respect of the following class of companies:

- a. Listed Entity having paid up equity share capital not exceeding Rs.10 crore and Net Worth not exceeding Rs.25 crore, as on the last day of the previous financial year;
- b. Listed Entity which has listed its specified securities on the SME Exchange.

Since, our Company falls in the ambit of aforesaid exemption (a); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it also does not form part of the Annual Report.

DISCLOSURE OF SECRETARIAL STANDARD BY DIRECTORS

The company complies with all applicable standards issued by the institute of Company Secretaries of India. The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

The company complies with all applicable standards issued by the institute of Company Secretaries of India. The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

PREVENTION OF INSIDER TRADING

The Company has adopted the Code of conduct for prevention of Insider Trading with view to regulate trading in securities by Directors and designated employees of the Company. The Code of conduct require pre-disclosure for dealing in Company's Shares and prohibit the purchase or sale of Company's 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 trading window is closed. The Board is responsible for implementation of the code. All Board of Directors and the designated employees have confirmed the compliance of code.

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.

DIRECTORS AND KMP

Mr. Nitin Agrawal (DIN-08186528) who is retiring by rotation at this Annual General Meeting is to be re-appointed. His involvement with the affairs of the Company is beneficial to the Company as well as Stakeholders.

RE-APPOINTMENT OF MANAGING DIRECTOR

Shri Nitin Agrawal (DIN-08186528) was re-appointed as the Managing Director of the Company for the period of three year with effect from 1st August, 2020 after obtaining the due approval of the members of the Company in the 37th Annual General Meeting held on 30.09.2020. Accordingly, the present terms of Mr. Nitin Agrawal come to an end on 31st July, 2023.

The Board, in its meeting held on 30th August, 2023 on the recommendation of Nomination and Remuneration Committee, proposed the re-appointment of Shri Nitin Agrawal (DIN-08186528) as Managing Director of the Company for further period of Five-year up to 31st July, 2028 at the ensuing 40th Annual General Meeting.

Shri Nitin Agrawal (DIN-08186528) is not disqualified from being re-appointed as Director or Managing Director in terms of section 164 of the Companies Act, 2013. He has communicated his willingness and has given his consent to act as Managing Director of the Company. He satisfies all the conditions as set out in section 196(3) of the said Act and Part-I of schedule V thereof and hence eligible for re-appointment.

PERFORMANCE / BOARD EVALUATION

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate the process of evaluating the performance of Individual Directors, Committees of the Board and the Board as whole.

The Nomination and Remuneration Committee of the Company also evaluated the performance of all individual Directors on various parameters such as level of participation of Directors, preparing themselves well in advance to take active participation at the meeting(s), level of knowledge and expertise etc.

All the Independent Directors of the Company also had a separate meeting on 9th February, 2023 to review the performance and evaluation of Non-Independent Directors and Board as a whole.

The Board after taking into consideration the evaluation as done by Nomination and Remuneration Committee and by Independent Directors, carried out an annual evaluation of its own performance and that of its committees and individual Director. The overall outcome of such evaluation is that the Board, its committees and individual Directors have performed effectively and satisfactorily

DECLARATION OF INDEPENDENT DIRECTOR

All the Independent Director have confirmed to the Board that they meet the criteria of Independence as specified under section 149(6) of the Companies Act, 2013 and they qualify to be an Independent Director pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors), Rule 2014. The Independent Directors have also confirmed that they meet the requirements of "Independent Director" as mentioned under Regulation 16(1)(b) of the Listing Regulations.

BOARD MEETINGS

During the year under review the Company held Six (6) meetings of the Board of Directors as per Section 173 of Companies Act, 2013 on 5th April 2022, 26th May 2022, 10th August 2022, 26th August 2022, 10th November 2022 and 9th February, 2023

The frequency of board meetings and quorum at such meetings were in accordance with the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and compliances of Secretarial Standards-1 (SS1) on Meeting of the Board of Directors issued by ICSI. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013, the Listing Regulations and SS-1.

BOARD COMMITTEE – AUDIT COMMITTEE

The Audit Committee is constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. Members of the Audit Committee possess financial / accounting expertise / exposure. Further, all the recommendations made by the Audit Committee were duly accepted by the Board of Directors. The Company Secretary is acting as Secretary of this Committee.

The Composition of Audit Committee as on 31.03.2023 are as under :

Sr. No.	Name of the Director	Position	Category
1	Smt. Rajshree Tapuriah	Chairman	Independent Director
2	Shri. Ramdas Bhattar	Member	Independent Director
3	Shri. Nitin Agrawal	Member	Managing Director

Five meetings of the Audit Committee were held during the financial year 2022-23 on 26th May 2022, 10th August 2022, 26th August, 2022, 10th November 2022 and 9th February, 2023. The accounts and financial positions were perused by the Audit Committee and thereafter placed before the Board for their consideration.

BOARD COMMITTEE – NOMINATION AND REMUNERATION

The Nomination and Remuneration Committee is constituted pursuant to the provisions of of Section 178 of the Companies Act, 2013. Members of the Nomination and Remuneration Committee possess sound expertise / knowledge / exposure. The Company Secretary of the Company is the Secretary of this committee

The Composition of Nomination and Remuneration Committee as on 31.03.2023 are as under:

Sr. No.	Name of the Director	Position	Category
1	Smt. Rajshree Tapuriah	Member	Independent Director
2	Shri. Ramdas Bhattar	Member	Independent Director
3	Shri. G. M. Loyalka	Chairman	Non-Executive Director

Two meetings of the Nomination and Remuneration Committee were held during the financial year 2021-22 on 10th August, 2022 and 26th August, 2022.

BOARD COMMITTEE – STAKE HOLDERS RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee is constituted pursuant to the provisions of Section 178 of the Companies Act, 2013. Members of the Nomination and Remuneration Committee possess sound expertise / knowledge / exposure. The Company Secretary of the Company is the Secretary of this committee

The Composition of Nomination and Remuneration Committee as on 31.03.2023 are as under:

Sr. No.	Name of the Director	Position	Category
1	Shri G. M. Loyalka	Chairman	Non-Executive Director
2	Shri. Nitin Agrawal	Member	Managing Director
3	Smt. Rajshree Tapuriah	Member	Independent Director

One meeting of the Nomination and Remuneration Committee were held during the financial year 2022-23 on 10th February, 2023.

AUDITORS:

M/s PKJ & Co., Chartered Accountants (FRN-124115W) were appointed at 39th Annual General Meeting held on Friday, 30th day of September, 2022, for the first term of five consecutive year from conclusion of 39th AGM till the conclusion of 44th Annual General Meeting. The Board reviewed the documents pertaining to his eligibility for appointment as Statutory Auditor of the Company and also obtained their consent.

AUDITORS REPORT

The observation of the Auditors in their report read with relevant notes on the accounts, as annexed are self-explanatory and do not call for any further explanation under section 134(3)(f)(i) of the Companies Act, 2013.

SECRETARIAL AUDITOR

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Rules made thereunder, the Company has appointed M/s Girish Murarka & Co., Company Secretaries in Practice having membership No. 7036 to undertake Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2022-23 as issued by him in the prescribed Form MR-3 is annexed to this Report as **Annexure 5**. The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by Secretarial Auditor.

INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the rules made thereunder the Board of Directors had approved the appointment of M/s Milind P. Shah, Chartered Accountants, as "Internal Auditor" of the company for conducting Internal Audit for the financial year 2022-23. The Internal Audit Reports for each quarter were received by the Company and the same were reviewed by the Audit Committee and Board of Directors.

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 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**

**Place: Mumbai
Date : 30th August, 2023**

**Sd/-
Nitin Agrawal
Managing Director
(DIN: 08186528)**

**Sd/-
G. M. Loyalka
Director
(DIN: 00299416)**

Annexure 1

**Statement containing salient features of the financial statement of subsidiaries/
associate companies/ joint ventures
Part "A": Subsidiaries**

Name of the subsidiary	Nil
1. Date on which the subsidiary was acquired	
2. 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	
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" : Associate Companies / Joint Ventures

Rs. in Lakhs

Name of Associates/Joint Ventures	Jatayu Textiles & Industries Limited	Osiris Online Private Limited	Sushree Trading Limited
1. Latest audited Balance Sheet Date	31.03.2023	31.03.2023	31.03.2023
2. Date on which the associate or Joint Venture was associated or acquired	31.10.2012	26.02.2010	31.12.2011
3. Shares of Associate/Joint Ventures held by the company on the year end			
No.	573900	3000	528250
Amount of Investment in Associates/Joint Venture	183.71	0.30	154.42
Extend of Holding %	28.81%	30.00%	42.43%
4. 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.
5. Reason why the associate/joint venture is not consolidated	N.A	N.A	N.A
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	4713.08	612.77	5,554.69
7. Profit / Loss for the year			
i. Considered in Consolidation	(531.82)	(10.56)	1,61.49
ii. Not Considered in Consolidation	--	--	--

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

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

Place: Mumbai
Date : 30th August, 2023

Sd/-
Nitn Agrawal
Managing Director
(DIN: 08186528)

Sd/-
G. M. Loyalka
Director
(DIN: 00299416)

PARTICULARS OF EMPLOYEES

PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023

S. No	Requirement of Rule 5(1)	Details
1.	The ratio of the remuneration of each Director to the median employees of the company for the financial year.	Remuneration is paid to only One Director who is Managing Director
2.	The percentage increase in remuneration of each Director Chief Financial Officer, Company Secretary, Chief Executive Officer or Manager, if any, in the Financial Year	No changes during the Year in remuneration of CFO, Company Secretary, Chief Executive Officer or Manager
3.	The percentage increase in the median remuneration of the employees in the Financial Year	NA
4.	The number of the permanent employee on the roll of the company	1
5.	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 % increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	<p>Average salary increase of non- managerial employees is: NA</p> <p>Average salary increase of managerial employees is : NA</p> <p>The average increase in remuneration of all employees are decided based on the company's policy, individual's performance, inflation and prevailing industry trend.</p>
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes

DETAILS OF TOP 10 EMPLOYEES

Name	Shruti Didwania
Designation	Company Secretary and Compliance Officer
Remuneration Paid	2,88,000/-
Nature of Employment (contractual or otherwise)	Contractual
Qualification	Professional
Experience	7 years
Age	43 years
Last Employment before joining the company	Akarshak Synthetics Limited
Relation to any director (if any)	NO
Date of commencement of employment	17.01.2020

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

Place: Mumbai
Date : 30th August, 2023

**Sd/-
Nitin Agrawal
Managing Director
(DIN: 08186528)**

**Sd/-
G. M. Loyalka
Director
(DIN: 00299416)**

NILKANTH ENGINEERING LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development

The Company is engaged in Lending and Investment financial activities which is become important constituents of the financial sector and have been recording high credit growth than scheduled commercial banks over the past few years. These financial activities are continuously leveraging their superior understanding of regional dynamics, well-developed collection system and personalized services to expedite financial inclusion in India. Lower transaction cost, quick decision making, customer orientation and prompt provision of services have typically differentiated from Bank.

The Financial year 2022-23 had been quite a challenging year for the Indian economy and particularly for the financial services sector. The continued uncertainties, volatile credit environment and slow economic growth created headwinds. The renewed waves and new virus variant of COVID-19 continue to pose concern for the outlook.

Opportunities and Threats

The Company is committed to address the changes boosted by its strength in market position, agile execution, capabilities, robust early warning system and extensive use of analytics of risk mitigation and resources allocation. It will ensure to take advantage of tailwinds that may emerge during the course of year

Segment-wise-Performance

Your Company operates only single segment consisting Lending and Investment financial activities on long term basis.

Future Outlook

Your Company being the investment Company seeks opportunities in the capital market. The volatility in stock indices represents both an opportunity and challenge for the Company. The Management continues to see significant in the market and use period of weakness as investment opportunities for long term

The progression curve is expected to resume with public policy support and private participation. Reform measures have been made by RBI to ease out liquidity in the markets and to encourage credit inflows. The Company has taken into consideration the changes in the capital market and brokerage segment and is well prepared to overcome challenges and perform sustainably. The Company will continue to monitor for any material changes in future economic conditions.

Risk and concerns

The very nature of the Company's business make it subject to various kind of risk. As, the Company deals in financial activities, it is exposed to credit, liquidity, market and interest rate risk. The Capital market activities in which most of our activities depends on is also influenced by global events and hence there is an amount of uncertainty in the near term outlook of the market

Internal Control Systems & their Adquacy

The Company had adequate internal control system commensurate with its size and nature of business. Your company's internal control procedures are adequate to ensure compliance with various policies, practices and statutes.

Financial & Operational Performance

The Company has adopted IND AS for reporting financial results for the year under review. During the year under review, the Company's net loss of Rs. 59.94 Lac before tax (Previous Year Net Loss of Rs. 67.02 Lac) and net Comprehensive Loss for the year after tax was at Rs. 450.55 Lac (Previous year the total Comprehensive Income of Rs. 842.56 Lac)

Human Resources and Industrial Relations

The Company recognizes the importance of Human Resource as a key asset instrumental in its growth. The Company has well developed management information system giving daily, monthly and periodical information to the different levels of management. Such reports are being analyzed and effective steps are taken to control the efficiency, utilization, productivity and quality in the Company.

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

**Place: Mumbai
Date : 30th August, 2023**

**Sd/-
Nitin Agrawal
Managing Director
(DIN: 08186528)**

**Sd/-
G. M. Loyalka
Director
(DIN: 00299416)**

GIRISH MURARKA & CO.

Company Secretaries

*Ground Floor, Wing "A", Flat No. 001, Bharateeya Kala Mandal C/2, Co-op. Hsg. Soc. Ltd.
Om Nagar, Andheri (East), Mumbai 400 099*

Mobile - 9820821209

Email : girishmurarka@gmail.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel), Rules 2014]

To,
The Members
NILKANTH ENGINEERING LIMITED
407, Kalbadevi Road,
3rd Floor, Daulat Bhavan
Mumbai 400 002

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to corporate practices by **NILKANTH ENGINEERING LIMITED** (herein after called "the Company") for the audit period covering the financial year ended on 31st March, 2023. The 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, 2023, 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 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 the Annexure I, for the financial year ended on March 31, 2023, 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; **(Not Applicable to the Company during the Audit Period)**
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**
 - 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 **(Not Applicable to the Company during the Audit Period)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period)** and
 - f) The Securities and Exchange Board of India (Registrar to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. **(Not Applicable to the Company during the Audit Period)**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable to the Company during audit period)** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(not applicable to the Company during audit period).**
 - i) The examination of compliance of the provisions of other special applicable laws was limited to the verification of procedure on test basis.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above.

I further report that:

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There are no changes in the composition of the Board of Directors during the period under review.
- ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

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

Sd/-
GIRISH MURARKA
Proprietor
Girish Murarka & Co.
ACS No. 7036
CP No. 4576

Place: Mumbai
Date : 25.05.2023
UDIN : A00736E000377692
Peer Review No. 2223/2022

UDIN :

INDEPENDENT AUDITORS' REPORT

**TO MEMBERS OF
NILKANTH ENGINEERING LIMITED**

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the financial statements of **NILKANTH ENGINEERING LIMITED** (hereinafter referred to as "the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, and the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (collectively referred to as 'Standalone Financial Statements').

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 Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, and amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2023, and its loss including other comprehensive loss, the 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 Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of 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 provisions of the Act 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 evidence 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 Standalone Financial Statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report:

(Cont..2)

Sr. No.	Key Audit Matter	Our Response
1	<p>Defined benefit obligation The valuation of the retirement benefit schemes in the Company is determined with reference to various actuarial assumptions including discount rate, future salary increases, rate of inflation, mortality rates and attrition rates. Due to the size of these schemes, small changes in these assumptions can have a material impact on the estimated defined benefit obligation.</p>	<p>We have examined the key controls over the process involving member data, formulation of assumptions and the financial reporting process in arriving at the provision for retirement benefits. We tested the controls for determining the actuarial assumptions and the approval of those assumptions by senior management. We found these key controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purposes of our audit.</p> <p>We tested the employee data used in calculating the obligation and where material, we also considered the treatment of curtailments, settlements, past service costs, remeasurements, benefits paid, and any other amendments made to obligations during the year. From the evidence obtained, we found the data and assumptions used by management in the actuarial valuations for retirement benefit obligations to be appropriate.</p>

Other Information

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 the fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding 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 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.

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 Audit of the Standalone 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 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 audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 appropriateness of the accounting policies used and reasonableness of accounting estimates and related disclosures made by management.
- Conclude on 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 up to 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 disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The comparative financial information of the Company for the year ended March 31, 2022 prepared in accordance with Ind AS included in these Standalone Financial Statements have been audited by the predecessor auditor who had audited the financial statements for the relevant period. The report of the predecessor auditor on the comparative financial information dated May 26, 2022 expressed an unqualified opinion.

Our report on the Standalone Financial Results is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure A" - 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;
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion the Financial Statements comply with the Ind AS 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, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by provisions of Section 197 read with Schedule V of the Act;
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B"
 - h) 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, 2021, 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 other than those mentioned in the notes to the accounts;
- 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;
- iv) (a) As per the information and explanation given to us by the management, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) As per the information and explanation given to us by the management, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) On the basis of above representations, nothing has come to our notice that has caused us to believe that the above representations contained any material mis-statement.
- v) The Company has not declared or paid any dividend during the year.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For and on behalf of
P K J & CO.
Chartered Accountants
Firm Regn No. 124115W

S. D. /-
(Padam Jain)
Partner
Membership No. 071026

Place : Mumbai
Dated : 25 May 2023

NILKANTH ENGINEERING LIMITED
ANNEXURE-A TO INDEPENDENT AUDITOR'S 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, 2023. We report that:

- i. In respect of its Property, Plant & Equipment:
 - (a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment;
 - (B) The Company is maintaining proper records showing full particulars of intangible 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;
 - (c) As per the information and explanation given to us by the management, the title deeds of the immovable properties as disclosed in Property, Plant & Equipments (Note No. 3 to the Standalone Financial Statements) are held in the name of the Company;
 - (d) As per the information and explanation given to us by the management, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and hence provisions of Clause 3(i)(d) of the Order are not applicable to the Company;
 - (e) As per the information and explanation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and hence provisions of Clause 3(i)(e) of the Order are not applicable to the Company.
- ii. In respect of its inventories:
 - (a) As per the information and explanation given to us by the management, the Company does not hold any inventories and hence provisions of Clause 3(ii)(a) of the Order are not applicable to the Company;
 - (b) As per the information and explanation given to us by the management, the Company has not availed any working capital facility from any banks or financial institutions on the basis of security of current assets and hence provisions of Clause 3(ii)(b) of the Order are not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to any company, firm, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of Clause 3 (iii) of the Order are not applicable to the Company.

(Cont...2)

- iv. According to the information and explanations given to us, the Company has not given any loan or guarantee or provided any security nor made any investments as specified in Section 185 and 186 of the Act. Clause 3(iv) of the Order is, therefore, not applicable to the Company for the year under audit.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified.
- vi. According to the information and explanations given to us, the Company does not require maintaining cost records as prescribed by the Central Government under sub-section (1) of Section 148 of the Act.
- 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, GST, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues applicable to it;

Further, according to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, GST, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues were outstanding, as at March 31, 2023, for a period of more than six months from the date they became payable;
- (b) According to the information and explanations given to us, there are no dues of income tax, GST, sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions that are not recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) 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;
- (b) According to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;
- (c) According to the information and explanations given to us, the Company has not availed any term loan facility and hence provisions of Clause 3(ix)(c) of the aforesaid Order are not applicable to the Company;

(Cont...3)

- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the company;
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies,
- x. (a) Based on our audit procedures and according to the information and explanations given to us by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and hence provisions of Clause 3(x)(a) of the Order are not applicable to the Company;
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence provisions of Clause 3(x)(b) of the Order are not applicable to the Company
- xi. 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 noticed or reported during the year, nor have we been informed of any such case by the management. Clause 3(xi)(a) to (c) of the Order is, therefore, not applicable to the Company for the year under audit.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to the Company and hence provisions of Clause 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. The Company has entered into the transaction with the related parties in compliance with the provisions of the Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the internal audit reports of the company issued till date, for the year under audit.
- xv. The Company has not entered into any non-cash transactions with its directors or the persons connected with him and hence provisions of Clause 3(xv) of the Order are not applicable to the Company.

(Cont..4)

- xvi. (a) The Company is not required to be registered Section 45-IA of the Reserve Bank of India Act, 1934 and hence provisions of Clause 3(xvi)(a) of the Order are not applicable to the Company;
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities which requires the Company to obtain Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934 and hence provisions of Clause 3(xvi)(b) of the Order are not applicable to the Company;
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence provisions of Clause 3(xvi)(b) of the Order are not applicable to the Company;
- (d) The Group does not have any CIC as part of the Group, and hence provisions of Clause 3(xvi)(d) of the Order are not applicable to the Company.
- xvii. According to the information and explanations given to us, the company has incurred cash losses during the year under audit amounting to Rs.11.38 Lakhs. Further, it has also incurred cash loss in the immediately preceding financial year amounting to Rs.10.47 Lakhs.
- xviii. There has been no resignation of the statutory auditors during the year resulting in any casual vacancies, and hence provisions of Clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. According to the information and explanations given to us, the Company need not spend any amount as required in the Section 135 of the said Act. Accordingly, provisions of Clause 3(xx) (a) and (b) of the Order are not applicable to the Company.

- xxi. According to the information and explanations given to us, there were no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For and on behalf of
P K J & CO.
Chartered Accountants
Firm Regn No. 124115W

S. D. /-
(Padam Jain)
Partner
Membership No. 071026

Place : Mumbai
Dated : 25 May 2023

NILKANTH ENGINEERING LIMITED
ANNEXURE-B TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2(g) 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, 2023.

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Act

Opinion

We have audited internal financial controls over financial reporting of **NILKANTH ENGINEERING LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year then ended on that date.

In our opinion, the Company has, in all material aspects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities includes design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of the 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 Act.

Auditor's Responsibility

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

(Cont...2)

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide a reasonable assurance regarding the reliability of financial reporting and preparation of Standalone Financial Statements for external purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that the transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with the 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For and on behalf of
P K J & CO.
Chartered Accountants
Firm Regn No. 124115W

S. D. /-
(Padam Jain)
Partner
Membership No. 071026

Place : Mumbai
Dated : 25 May 2023

NILKANTH ENGINEERING LIMITED
CIN: L27300MH1983PLC029360
Standalone Balance Sheet as at 31st March, 2023

Particulars	Notes	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
ASSETS			
1. Non-Current Assets			
(a) Property, plant and equipment	3	605.49	653.60
(b) Financial Assets			
i) Investments	4	634.88	644.78
ii) Other Financial Assets	5	8.67	9.83
Total Non-Current Assets		1,249.04	1,308.21
2. Current Assets			
(a) Financial Assets			
i) Cash and Cash Equivalents	6	9.68	18.81
(b) Other Current Assets	7	0.59	0.83
(c) Current Tax Assets (Net)	8	23.27	23.07
Total Current Assets		33.55	42.72
Total Assets		1,282.59	1,350.92
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	9	124.50	124.50
(b) Other equity	10	(349.98)	(260.33)
		(225.48)	(155.83)
2. Liabilities			
Non-Current Liabilities			
(a) Provisions	11	5.52	4.75
3. Current Liabilities			
(a) Financial Liabilities			
i) Other Financial Liabilities	12	1,500.00	1,500.00
(b) Other Current Liabilities	13	2.53	1.99
(c) Provisions	14	0.02	0.02
		1,508.07	1,506.75
Total Equity and Liabilities		1,282.59	1,350.92

Summary of significant accounting policies 1 & 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
PKJ & CO.

Chartered Accountants
 Firm Regn. No. 124115W

For and on behalf of the Board of Directors

(Padam Jain)
 Partner
 Membership No: 071026

S. D. /-
 (G.M. Loyalka)
 Director
 DIN: 00299416

S. D. /-
 (Nitin Agarwal)
 Managing Director
 DIN: 08186528

Place: Mumbai
 Date: May 25, 2023

S. D. /-
 (Shruti Didwania)
 Company Secretary

S. D. /-
 (Anil Londhe)
 Chief Financial Officer

NILKANTH ENGINEERING LIMITED

CIN: L27300MH1983PLC025360

Standalone Statement of Profit and Loss for the year ended 31st March, 2023

Particulars	Notes	For the Year ended March 31, 2023 ₹ In Lakhs	For the Year ended March 31, 2022 ₹ in Lakhs
I. Income			
Other Income	15	16.55	15.59
Total Income		16.55	15.59
II. Expenses			
Employee Benefit Expenses	16	16.22	14.74
Depreciation and Amortization Expenses	17	48.10	58.55
Other Expenses	18	12.16	11.33
Total Expenses		76.49	82.62
III. Profit/(Loss) Before Tax(III-IV)		(59.94)	(67.02)
IV. Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
Excess/(Short) Provision of Earlier Years		(0.04)	0.04
V. Net Profit After Tax		(59.90)	(67.06)
VI. Other Comprehensive Income (OCI)			
Other Comprehensive Income not to be reclassified to profit and loss in subsequent periods			
Actuarial Gain/(Loss)		0.14	0.36
Net Gain/(Loss) on FVTOCI Investments		(9.90)	19.26
Total Other Comprehensive Income		(9.76)	19.61
VII. Total Comprehensive Income for the year		(69.65)	(47.44)
VIII. Basic and Diluted Earnings per share (Face value ₹ 10 each)	25	(4.81)	(5.39)

Summary of significant accounting policies

1 & 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

PKJ & CO.

Chartered Accountants
Firm Regn. No. 124115W

(Padam Jain)

Partner
Membership No: 071026

S. D. /-
(G.M. Loyalka)
Director
DIN: 00299416

S. D. /-
(Nitin Agarwal)
Managing Director
DIN: 08185528

Place : Mumbai
Date: May 25, 2023

S. D. /-
(Shruti Didwania)
0 Company Secretary

S. D. /-
(Anil Londhe)
Chief Financial Officer

NILKANTH ENGINEERING LIMITED
CIN : L27300MH1983PLC029360
Standalone Cash Flow Statement for the year ended 31st March, 2023

Particulars	Year Ended	
	March 31, 2023 ₹ in Lakhs	March 31, 2022 ₹ in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation and extraordinary items	(59.94)	(87.02)
Adjustments for:		
Depreciation and amortisation expense	48.10	56.55
Provision for Expenses	2.53	1.99
Prepaid Expenses	0.59	0.83
(Profit)/Loss on Sale of Investments	(0.47)	(0.57)
Operating Profit before working capital changes	(9.18)	(8.22)
Increase/(Decrease) in Sundry Payables & Other Liabilities	(1.03)	(1.25)
(increase)/Decrease in Trade & Other Receivables	(1.08)	(4.36)
(Increase)/Decrease in Inventories	-	-
Cash generated from operations	(11.29)	(13.83)
Less: Direct Taxes paid	(1.69)	(1.53)
Net Cash Flow from operating activities before extraordinary items	(9.60)	(12.28)
Adjustments for Prior Period Items	-	-
Net Cash Flow from operating activities	(A) (9.60)	(12.29)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Sale of Investments (net)	15.47	24.57
Purchase of Investments	(15.00)	(24.00)
Net Cash from/(used) in Investing activities	(B) 0.47	0.57
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Net Cash from/(used) in financing activities	(C) -	-
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(9.13)	(11.72)
Cash & Cash Equivalents as at beginning of period	18.81	30.53
Cash & Cash Equivalents as at end of period	9.68	18.81

1. Cash and cash equivalents included in the Statement of cash flows comprise the following :

	₹ in Lakhs	₹ in Lakhs
Cash on hand	0.01	0.02
Balance in current account	9.67	18.80
Cash and cash equivalents as restated	9.68	18.81

2. Direct Tax paid are treated as arising from operating activity and not bifurcated in investment and financing activities.
3. Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figures of the current year.
4. Figures in brackets represent outflows.

As per our report of even date attached
PKJ & CO.
Chartered Accountants
Firm Regn. No. 124115W

For and on behalf of the Board of Directors

(Padam Jain)
Partner
Membership No: 071026

S. D. /-
(G.M. Loyalka)
Director
DIN: 00299416

S. D. /-
(Nitin Agarwal)
Managing Director
DIN: 08186528

Place : Mumbai
Date: May 25 2023

S. D. /-
(Shruti Didwania)
Company Secretary

S. D. /-
(Anil Londhe)
Chief Financial Officer

Equity Share Capital:

Equity shares of Rs. 10 each issued, subscribed and fully paid up

	Number	₹ in Lakhs
At 01 April, 2021	1,245,000	124.50
Issue of share capital	-	-
At 31 March, 2022	1,245,000	124.50
At 01 April, 2022	1,245,000	124.50
Issue of share capital	-	-
At 31 March, 2023	1,245,000	124.50

Other Equity

Particulars	₹ in Lakhs		
	Retained Earnings	Items of OCI	Total Equity
		Net Gain/(Loss) on FVTOCI Investments	
Balance as at 01 April, 2021	(253.64)	20.76	(232.88)
Profit/(Loss) for the year	(67.06)	-	(67.06)
Net Gain/(Loss) on FVTOCI Investments	-	19.26	19.26
Actuarial Gain/(Loss)	-	0.36	0.36
	(320.70)	40.37	(280.33)
Transfer from Reserve Fund under RBI Act	-	-	-
Balance as at 31 March, 2022	(320.70)	40.37	(280.33)

Particulars	₹ in Lakhs		
	Retained Earnings	Items of OCI	Total Equity
		Net Gain/(Loss) on FVTOCI Investments	
Balance as at 01 April, 2022	(320.70)	40.37	(280.33)
Profit/(Loss) for the year	(59.90)	-	(59.90)
Net Gain/(Loss) on FVTOCI Investments	-	(9.90)	(9.90)
Actuarial Gain/(Loss)	-	0.14	0.14
	(380.60)	30.62	(349.98)
Transfer from Reserve Fund under RBI Act	-	-	-
Balance as at 31 March, 2023	(380.60)	30.62	(349.98)

As per our report of even date attached
PKJ & CO.Chartered Accountants
Firm Regn. No. 124115W

For and on behalf of the Board of Directors

(Padam Jain)
Partner
Membership No: 071026S. D. /-
(G.M. Loyalka)
Director
DIN: 00299416S. D. /-
(Nitin Agarwal)
Managing Director
DIN:08186528Place : Mumbai
Date: May 25, 20230 S. D. /-
(SHRUTI DIDWANIA)
Company SecretaryS. D. /-
(Anil Londhe)
Chief Financial Officer

NIKANTH ENGINEERING LIMITED
Notes to the Standalone Financial Statements (Continued)
for the year ended 31st March, 2023

3. Property, Plant & Equipments

Particulars	Gross Block			Depreciation and Amortisation				Net Block		
	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at April 01, 2022	For the Year	Deductions	As at March 31, 2023	As at March 31, 2022	
Buildings	780.25	-	-	780.26	213	27.56	-	240.37	539.90	567.46
Plant & Machinery	30.71	-	-	30.71	22	1.63	-	23.33	7.37	9.00
Furniture & Fittings	438.92	-	-	438.82	366	18.85	-	384.71	54.11	72.96
Computers	1.82	-	-	1.82	2	0.06	-	1.72	0.16	0.16
Office Equipments	81.27	-	-	81.27	77	0.00	-	77.25	4.01	4.01
Total	1,332.89	-	-	1,332.89	679.29	48.10	-	727.40	605.49	653.60
Previous Year	1,332.89	-	-	1,332.89	622.74	56.55	-	579.29	653.60	

₹ in Lakhs

NILKANTH ENGINEERING LIMITED
Notes to the Standalone Financial Statements (Continued)
for the year ended 31st March, 2023

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
<u>Note 5 : OTHER FINANCIAL ASSETS</u>		
Deposits	5.15	4.99
Advances recoverable in cash or kind	3.52	4.84
Total	8.67	9.83
<u>Note 6 : CASH AND CASH EQUIVALENTS</u>		
Cash in hand	0.01	0.02
Balances with a Bank in - Current Account	9.87	18.80
Total	9.88	18.81
<u>Note 7 : OTHER CURRENT ASSETS</u>		
Prepaid Expenses	0.59	0.83
Total	0.59	0.83
<u>Note 8 : CURRENT TAX ASSETS (NET)</u>		
Advance Income Taxes (Net of Provision for taxation as on 31 March, 2023 - Rs.Nil, 31 March, 2022- Rs. 2.00 Lacs)	23.27	23.07
Total	23.27	23.07
<u>Note 11 : NON CURRENT PROVISIONS</u>		
Provision for Gratuity	5.52	4.75
Total	5.52	4.75
<u>Note 12 : OTHER FINANCIAL LIABILITIES</u>		
Security Deposit	1,500.00	1,500.00
Total	1,500.00	1,500.00
<u>Note 13 : OTHER CURRENT LIABILITIES</u>		
Expenses Payable	2.16	1.74
Other Payable	0.37	0.25
Total	2.53	1.99
<u>Note 14 : CURRENT PROVISIONS</u>		
Provision for Gratuity	0.02	0.02
Total	0.02	0.02

Note 9 : SHARE CAPITAL

Particulars	As at	
	March 31, 2023 ₹ in Lakhs	March 31, 2022 ₹ in Lakhs
Authorised:		
12,50,000 (March 31, 2022: 12,50,000) Equity Shares of ₹ 10 par value	125.00	125.00
	<u>125.00</u>	<u>125.00</u>
Issued, Subscribed and Fully Paid up Shares		
12,45,000 (March 31, 2022: 12,45,000) Equity Shares of ₹ 10 par value	124.50	124.50
Total	<u>124.50</u>	<u>124.50</u>

A) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year

Equity Share Description	As at 31st March, 2023		As at 31st March, 2022	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Number of Shares outstanding at the beginning of the year	1,245,000	124.50	1,245,000	124.50
Number of Shares issued during the year	-	-	-	-
Number of Shares outstanding at the end of the year	<u>1,245,000</u>	<u>124.50</u>	<u>1,245,000</u>	<u>124.50</u>

B) Term/right attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

Dividends, if any, is declared and paid in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. However, no dividend is / was declared on the equity shares for the year ended March 31, 2023 / March 31, 2022.

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 in proportion to the number of equity shares held by the shareholders.

C) List of shareholder holding more than 5 % of the paid up Equity Share Capital

Name of Equity Share Holder	31st March, 2023		31st March, 2022	
	Number	%	Number	%
Aakarshak Synthetics Limited	170,000	13.65%	170,000	13.65%
Rulgers Investments And Trading Company Private Limited	112,000	9.00%	112,000	9.00%
Sushree Trading Limited	622,000	49.96%	622,000	49.96%
Kajal Synthetics & Silk Mills Limited	206,000	16.55%	206,000	16.55%

D) Shareholding of Promoters

Name of Promoter	31st March, 2023			31st March, 2022		
	Number	% of total shares	% Change during the year	Number	% of total shares	% Change during the year
Sushree Trading Limited	622,000	49.96%	-	622,000	49.96%	-

Note : Name of Promoters are disclosed by the management and relied upon by the auditor.

NILKANTH ENGINEERING LIMITED
Notes to the Standalone Financial Statements (Continued)
for the year ended 31st March, 2023

As at
March 31, 2023
₹ in Lakhs

As at
March 31, 2022
₹ in Lakhs

NOTE 10 : OTHER EQUITY

Particulars

(i) Retained Earnings

Balance as per last Financial Statements	(320.70)	(253.64)
Profit/(Loss) for the year	(59.90)	(67.06)
Add: Transfer from Special Reserve	-	-
Total	(380.60)	(320.70)

(ii) FVTOCI Reserves

Balance as per last Financial Statements	40.37	20.76
Net Gain/(Loss) on FVTOCI Investments	(9.90)	19.26
Actuarial Gain/(Loss)	0.14	0.36
Tax effect on above	-	-
	30.62	40.37
Total	(349.98)	(280.33)

Notes:

FVTOCI Reserve : The Company has elected to recognise changes in the fair value of certain instruments in equity securities and debt instruments in Other Comprehensive Income. These changes are accumulated with the FVOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

NILKANTH ENGINEERING LIMITED
Notes to the Standalone Financial Statements (Continued)
for the year ended 31st March, 2023

Particulars	For the Year ended March 31, 2023 ₹ in Lakhs	For the Year ended March 31, 2022 ₹ in Lakhs
<u>Note 15 : OTHER INCOME</u>		
Rent Received	15.84	14.76
Interest on Income Tax Refund	0.06	0.06
Interest on Others	0.18	0.20
Net Gain on Fair Value Changes	0.47	0.57
Total	16.55	15.59
<u>Note 16 : EMPLOYEE BENEFIT EXPENSES</u>		
Salaries, Bonus and Allowances	15.30	13.85
Gratuity	0.92	0.89
Total	16.22	14.74
<u>Note 17 : DEPRECIATION AND AMORTIZATION EXPENSES</u>		
Depreciation on Property, Plant & Equipments	48.10	56.55
Total	48.10	56.55
<u>Note 18 : OTHER EXPENSES</u>		
Advertisement expenses	0.31	0.32
Bank charges	0.01	0.02
Conveyance	0.28	0.07
Custodian / ISIN activation charges	0.21	0.21
Demat Account Charges	0.01	0.01
Electricity Charges	0.06	0.23
Filing Fees	0.05	0.04
General Expenses	0.03	0.02
Insurance Charges	1.11	1.16
Legal and Professional Charges	1.22	0.99
Listing Fees	3.54	3.54
Property Tax	1.21	1.17
Profession Tax	0.04	-
Rent Paid	0.23	0.22
Repairs & Maintenance on Office Equipments	0.04	0.07
Repairs & Maintenance on Building	0.69	0.67
Telephone Expenses	0.08	0.11
Travelling Expenses	0.48	0.39
Payment to Auditor		
Audit Fees	1.75	1.50
Limited Review	0.40	0.20
Certification	-	0.06
Reimbursement of Tax	0.39	0.32
Total	12.16	11.33

NILKANTH ENGINEERING LIMITED
Notes to the Standalone Financial Statements (Continued)
for the year ended 31st March, 2023

19. Financial instrument and fair value measurement

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

₹ in Lakhs

As at 31st March, 2023	Carrying Amount				Fair Value			
	At Fair value through Profit & Loss	At Fair value through Other Comprehensive Income	Amortise Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and Cash Equivalents	-	-	9.68	9.68	-	-	9.68	9.68
Investments	-	296.46	338.42	634.88	62.85	-	572.03	634.88
Other Financial Assets	-	-	8.67	8.67	-	-	8.67	8.67
	-	296.46	356.77	653.23	62.85	-	590.38	653.23
Financial Liabilities								
Borrowings	-	-	1,500.00	1,500.00	-	-	1,500.00	1,500.00
Other Financial Liabilities	-	-	1,500.00	1,500.00	-	-	1,500.00	1,500.00

As at 31st March, 2022	Carrying Amount				Fair Value			
	At Fair value through Profit & Loss	At Fair value through Other Comprehensive Income	Amortise Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and Cash Equivalents	-	-	18.81	18.81	-	-	18.81	18.81
Investments	-	306.36	338.42	644.78	72.75	-	572.03	644.73
Other Financial Assets	-	-	9.83	9.83	-	-	9.83	9.83
	-	306.36	367.06	673.43	72.75	-	600.68	673.43
Financial Liabilities								
Borrowings	-	-	1,500.00	1,500.00	-	-	1,500.00	1,500.00
Other Financial Liabilities	-	-	1,500.00	1,500.00	-	-	1,500.00	1,500.00

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments and bonds which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

NILKANTH ENGINEERING LIMITED
Notes to the Standalone Financial Statements (Continued)
for the year ended 31st March, 2023

19. Financial instrument and fair value measurement

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

₹ in Lakhs

As at 31st March, 2023	Carrying Amount				Fair Value			
	At Fair value through Profit & Loss	At Fair value through Other Comprehensive Income	Amortise Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and Cash Equivalents	-	-	9.68	9.68	-	-	9.68	9.68
Investments	-	296.48	338.42	634.88	62.85	-	572.03	634.88
Other Financial Assets	-	-	8.67	8.67	-	-	8.67	8.67
	-	296.48	356.77	653.23	62.85	-	590.38	653.23
Financial Liabilities								
Borrowings	-	-	1,500.00	1,500.00	-	-	1,500.00	1,500.00
Other Financial Liabilities	-	-	1,500.00	1,500.00	-	-	1,500.00	1,500.00
	-	-	1,500.00	1,500.00	-	-	1,500.00	1,500.00

As at 31st March, 2022	Carrying Amount				Fair Value			
	At Fair value through Profit & Loss	At Fair value through Other Comprehensive Income	Amortise Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and Cash Equivalents	-	-	18.81	18.81	-	-	18.81	18.81
Investments	-	306.36	338.42	644.78	72.75	-	572.03	644.78
Other Financial Assets	-	-	9.83	9.83	-	-	9.83	9.83
	-	306.36	367.06	673.43	72.75	-	600.68	673.43
Financial Liabilities								
Borrowings	-	-	1,500.00	1,500.00	-	-	1,500.00	1,500.00
Other Financial Liabilities	-	-	1,500.00	1,500.00	-	-	1,500.00	1,500.00
	-	-	1,500.00	1,500.00	-	-	1,500.00	1,500.00

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments and bonds which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

NILKANTH ENGINEERING LIMITED

Notes to the Standalone Financial Statements (Continued)

for the year ended 31st March, 2023

22 Income Taxes & Deferred Taxes (Ind AS - 12)

There are no Income Tax recognised during the financial year. Further, in absence of near probability of taxable profits in future periods, the Company has not recognised Deferred Taxes

23 Gratuity and other post employment benefit plans (Ind AS - 19)

Defined Benefit Plans

Gratuity:

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules of the Company for payment of gratuity.

Inherent Risk:

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

Statement of Assets and Liabilities for Defined Benefit Obligation :

₹ in Lakhs

For the year ended March 31, 2023 For the year ended March 31, 2022

Gratuity and other post employment benefit plans

(i) Change in present value of obligation

PVO at the beginning of period	4.76	4.23
Interest cost	0.34	0.29
Current Service cost	0.59	0.60
Past Service Cost - (Non-Vested Benefits)	-	-
Past Service Cost - (Vested Benefits)	-	-
Benefit settled	-	-
Contribution by participants	-	-
Business Combinations	-	-
Curtailments	-	-
Settlements	-	-
Actuarial (gain)/ loss on obligation	-0.14	-0.36
PVO at the end of period	5.54	4.76

(ii) Changes in the fair value of plan assets

Fair value of plan assets at beginning of period	-	-
Adjustment to Opening Balance	-	-
Expected return on plan assets excl. interest income	-	-
Interest Income	-	-
Contributions by Employer	-	-
Contributions by Employee	-	-
Benefits Paid	-	-
Fair value of plan assets at end of period	-	-

(iii) Amount to be recognised in Balance Sheet

PVO at the end of period	5.54	4.76
Fair value of plan assets at end of year	-	-
Funded Status	-5.54	-4.76
Net Asset/(Liability) recognised in the Balance Sheet	-5.54	-4.76

(iv) Expenses recognised in Statement of Profit and Loss

Current Service cost	0.59	0.60
Net Interest cost	0.34	0.29
Past Service Cost - (Non-Vested Benefits)	-	-
Past Service Cost - (Vested Benefits)	-	-
Curtailment Effect	-	-
Settlement Effect	-	-
Unrecognised Past Service Cost (Non-Vested Benefits)	-	-
Actuarial (gain)/ loss recognised for the period	-	-
Return on plan assets excl. net interest	-	-
Expenses recognised in the Statement of Profit & Loss	0.92	0.89

(v) Other Comprehensive Income (OCI)		
Actuarial (Gain)/Loss recognized for the period	-0.14	-0.36
Asset limit effect	-	-
Return on Plan Assets excl. net interest	-	-
Unrecognized Actuarial (Gain)/Loss from previous period	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	-0.14	0.36
(vi) Movement in the liability recognised in Balance Sheet		
Liability at the beginning of the period	4.76	4.23
Adjustment to Opening Balance	-	-
Expenses	0.92	0.89
Contribution paid	-	-
Other Comprehensive Income (OCI)	-0.14	-0.36
Net amount recognised in Balance Sheet	5.54	4.76
(vii) Expected Payout		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	0.02	0.02
2nd Following Year	0.02	0.02
3rd Following Year	0.03	0.02
4th Following Year	0.03	0.03
5th Following Year	0.04	0.03
Sum of Years 6 To 10	0.26	0.22
(viii) Assumptions		
Mortality	IALM (2012-14) Uif.	IALM (2012-14) Uif.
Interest / Discount Rate	7.25%	7.10%
Rate of Increase in Compensation	12.00%	12.00%
Expected Average Remaining Age	17.29	18.11
Employee Attrition rate	PS 0 to 60 : 0.80%	PS 0 to 60 : 0.80%
(ix) Sensitivity analysis for significant assumptions		
Projected Benefit Obligation on Current Assumptions	5.54	4.76
Delta Effect of +1% Change in Rate of Discounting	4.60	3.92
Delta Effect of -1% Change in Rate of Discounting	6.70	5.81
Delta Effect of +1% Change in Rate of Salary Increase	6.63	5.75
Delta Effect of -1% Change in Rate of Salary Increase	4.63	3.95

Narrations

1. Expected rate of return basis

Scheme is not funded EDRA is not applicable

2. Description of Plan Assets and Reimbursement Conditions

100% of the Plan Asset is entrusted to 0 under their Group Gratuity Scheme. The reimbursement is subject to insurer's Surrender Policy.

3. Investment / Interest Risk

The Company is exposed to Investment / Interest risk if the return on the invested fund falls below the discount rate used to arrive at present value of the benefit.

4. Longevity Risk

The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

5. Risk of Salary Increase

The Company is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

6. Discount Rate

The discount rate has remain unchanged and hence there is no change in liability resulting in no actuarial gain or loss due to change in discount rate.

24 Related Party Disclosures (Ind AS - 24)

A Name of related parties and related party relationship:

Key Management Personnel

G. M. Loyalka	Director
Manish Newar	Director
Rajshree Tapuria	Director
Nitin Agarwal	Managing Director
Anil Pandhe	Chief Financial Officer
Shruti Diwaria	Company Secretary

Associate Companies

Jatayu Textiles & Industries Limited
Osiris Online Private Limited
Sushree Trading Limited

B Following transactions were carried out in the ordinary course of business with the parties referred to in (A) above.

		₹ in Lakhs	
Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
Key Management Personnel			
i.	Salaries, Bonus and Allowances	16.22	14.74
Associate Company			
i.	Recovery of Expenses	1.39	1.59

The remuneration of key management personnel are determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

C Disclosures as per Regulation 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015). Loans and advances in the nature of loans to companies in which directors are interested as under:

Period	Balance of Loans as at	Maximum balance outstanding durin the year
31st March, 2023	-	-
31st March, 2022	-	-

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

25 Earnings Per Share (Ind AS - 33)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Profit/(Loss) After Tax as per Statement of Profit and Loss (₹ in Lacs)	(59.90)	(67.06)
Weighted Average Number of Equity Shares	1,245,000	1,245,000
Basic and Diluted earnings per Share (In Rs.)	(4.81)	(5.39)
Nominal Value Per Share (In Rs.)	10.00	10.00

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

26 Contingent Liabilities not provided (Ind AS - 37)

- Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ Nil (PY ₹ Nil).
- Other Contingent Liabilities not provided for ₹ Nil (PY ₹ Nil).

27 Segment Reporting (Ind AS - 108)

The Company operates mainly in the business segment of fund based leasing & financing activity. All other activities revolve around the main business. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the provisions of IND AS 108 on 'Operating Segments'.

28 Leases (Ind AS - 118)

Ind AS 116 did not have any material impact on the financial position of the Company for the year ended March 31, 2023.

29 Details of dues to Micro and Small Enterprises as defined under the MSMED 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 (MSMED) Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid/payable are required to be furnished

30 Disclosure required under Section 186 (4) of the Companies Act, 2013 has been made under Note No. 4. Further, during the year, the Company has not provided any guarantee (Refer Note No. 28).

31 There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2023

32 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.

33 Expenditure Earning and remittance in foreign currency - ₹ Nil (March 31, 2022: ₹ Nil).

34 The Company has not traded or invested in crypto currency or virtual currency during the current period.

35 The Company is not required to spent any amount in terms of provisions of section 135 of the Companies, Act 2013 on Corporate Social Responsibility.

36 The Company has not been declared as wilful defaulter by any bank or financial institution or other lenders.

37 There are no transactions with the Struck off Companies under Section 248 or 560 of the Companies, Act 2013.

38 No proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.

39 The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

40 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

41 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

42 The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

43 Ratios

Pursuant to the amendments to Schedule III vide MCA circular dated March 23, 2021, the following ratios are presented:

Sr. No	Particulars	Numerator / Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	Variance	Remarks
i	Current ratio	Current Assets/ Current Liabilities	0.02	0.03	-21.54%	Due to reduction in Bank Balance
ii	Debt equity ratio	Total Debt/ Shareholders Equity	Not Applicable		-	No Borrowings
iii	Debt service coverage ratio	(net profit+ depreciation+interest) / total amount of interest & principal of longterm & short term loan payable during the year	Not Applicable		-	No Borrowings
iv	Return on equity ratio	PAT/ Avg. Shareholder's Equity	31.42%	63.08%	-50.19%	Due to increase in negative avg. equity
v	Inventory turnover ratio	Operating Sales/ Avg. Stock	Not Applicable		-	No Inventory
vi	Trade receivables turnover ratio in months (annualised)	Operating Sales/ Avg. Debtors	Not Applicable		-	No Trade Receivable
vii	Trade payables turnover ratio	Total Purchases/ Avg Accounts Payable	Not Applicable		-	No Trade Payable
viii	Net capital turnover ratio	Operating Sales/ Avg. Working Capital	Not Applicable		-	No Operating Sales
ix	Net profit ratio	PAT/ Operating Sales	Not Applicable		-	No Operating Sales
x	Return on capital employed ratio	EBITA/ Cap. Employed (Shareholders equity + total debt - deferred tax asset)	26.58%	43.01%	-38.19%	Due to increase in negative capital employed
xi	Return on investment ratio	Investing Income (incl. Change in Mkt Value)/ Investments	-1.40%	3.08%	-148.31%	Reduction in market value of investments

44 In the opinion of the Board, the Current assets, and Loans and Advances have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated in the books of account and adequate provision has been made of funds all known liabilities.

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

As per our report of even date attached

PKJ & CO.

Chartered Accountants

Firm Regn. No. 124115W

For and on behalf of the Board of Directors

(Padam Jain)

Partner

Membership No: 071026

S. D. /-
(G.M. Loyalka)
Director
DIN: 00299410

S. D. /-
(Nitin Agarwal)
Managing Director
DIN: 08186526

Place : Mumbai

Date: May 25, 2023

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S. D. /-
(Shruti Didwania)
Company Secretary

S. D. /-
(Anil Londhe)
Chief Financial Officer

NILKANTH ENGINEERING LIMITED
CIN: L27300MH1983PLC029360

Notes to Standalone Financial Statements for the year ended March 31, 2023

These notes form an integral part of and should be read in conjunction with the accompanying standalone financial statements.

1. Background

Nilkanth Engineering Limited ('the Company') is domiciled in India and is incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number L27300MH1983PLC029360. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the activity of fund-based leasing & financing activity. The principal place of business of the company is at Kalbadevi, Mumbai, Maharashtra.

2. Significant Accounting Policies

i) Overall consideration

The standalone financial statements have been prepared using the significant accounting policies and measurement basis summarised below.

ii) Statement of Compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

iii) Basis of preparation

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements are presented in Indian National Rupees (INR) and all values are rounded to the nearest rupees, except when otherwise indicated.

iv) Use of Estimates

The preparation of the standalone financial statements in conformity with IndAS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the standalone financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

UDIN :

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NILKANTH ENGINEERING LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **NILKANTH ENGINEERING LIMITED** (hereinafter referred to as the 'Parent Company') and its three Associate Companies (together referred to as "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (collectively referred to as 'Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, its cash flows and the changes in equity 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 Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 Consolidated Financial Statements under the provisions of the Act 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 evidence 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 Consolidated Financial Statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report:

(Cont..2)

Sr. No.	Key Audit Matter	Our Response
1	<p><i>Defined benefit obligation</i> The valuation of the retirement benefit schemes in the Company is determined with reference to various actuarial assumptions including discount rate, future salary increases, rate of inflation, mortality rates and attrition rates. Due to the size of these schemes, small changes in these assumptions can have a material impact on the estimated defined benefit obligation.</p>	<p>We have examined the key controls over the process involving member data, formulation of assumptions and the financial reporting process in arriving at the provision for retirement benefits. We tested the controls for determining the actuarial assumptions and the approval of those assumptions by senior management. We found these key controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purposes of our audit.</p> <p>We tested the employee data used in calculating the obligation and where material, we also considered the treatment of curtailments, settlements, past service costs, remeasurements, benefits paid, and any other amendments made to obligations during the year. From the evidence obtained, we found the data and assumptions used by management in the actuarial valuations for retirement benefit obligations to be appropriate.</p>

Other Information

The Parent Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the Consolidated Financial Statements and our auditor’s report thereon.

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated 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 the fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance including Other Comprehensive Income, consolidated cash flows and consolidated Changes in Equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group 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 Group'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 Consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

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 them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The Consolidated Financial Statements/information comprised in the Group's Consolidated Financial Statements are inclusive of Rs.322.96 Lacs being the Parent Company's share in the net Loss of its three associate companies for the year ended March 31, 2023, which Consolidated Financial Statements/financial information have not been audited by us. It also includes an amount of Rs.57.94 Lacs being the Parent Company's share in the Other Comprehensive Loss of its three associate companies for the year ended March 31, 2023.

These financial statements have been audited by other auditors, whose reports have been furnished to us by the management of the Parent Company and our opinion on the consolidated financial statements, in so far as it relates to the said amounts and disclosures is based solely on the report of such other auditors.

Further, the comparative financial information of the Company for the year ended March 31, 2022 prepared in accordance with Ind AS included in these Consolidated Financial Statements have been audited by the predecessor auditor who had audited the financial statements for the relevant period. The report of the predecessor auditor on the comparative financial information dated May 26, 2022 expressed an unqualified opinion.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements audited by other auditors.

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- b) In our opinion, proper books of account as required by law to be maintained by the Group including relevant records relating to preparation of the aforesaid Consolidated Financial Statements, have been kept so far as it appears from our examination of those books and records of the Parent Company;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account and records maintained by the Group for the purpose of preparation of the Consolidated Financial Statements;
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors of the Group Companies as on March 31, 2023, and taken on record by the respective Board of Directors, none of the directors of the Group Companies is disqualified as on March 31, 2023, 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 requirements of section 197(16) of the Act, as amended;

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

- g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls relevant to the Parent Company's preparation of the Consolidated Financial Statements, we refer to Annexure-B of our report of even date on the Standalone Financial Statements of the Parent Company; and

- h) 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, we report that:

i) There were no pending litigations which would impact the consolidated financial position of the Group.

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company and its Associate Companies.

iv) (a) As per the information and explanation given to us by the management, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) As per the information and explanation given to us by the management, no funds have been received by the Parent Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

* 7 *

- (c) On the basis of above representations, nothing has come to our notice that has caused us to believe that the above representations contained any material mis-statement.
- v) The Parent Company has not declared or paid any dividend during the year.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Company and its associates, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For and on behalf of
P K J & CO.
Chartered Accountants
Firm Regn No. 124115W

S. D. /-
(Padam Jain)
Partner
Membership No. 071026

Place : Mumbai
Dated : 25 May 2023

NILKANTH ENGINEERING LIMITED
CIN: L27300MH1983PLC029360
Consolidated Balance Sheet as at 31st March, 2023

Particulars	<u>Notes</u>	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
ASSETS			
1. Non-Current Assets			
(a) Property, plant and equipment	3	605.49	653.60
(b) Financial Assets			
i) Investments	4	10,923.80	11,314.59
ii) Other Financial Assets	5	8.67	9.83
Total Non-Current Assets		11,537.96	11,978.02
2. Current Assets			
(a) Financial Assets			
i) Cash and Cash Equivalents	6	9.68	18.81
(b) Other Current Assets	7	0.59	0.83
(c) Current Tax Assets (Net)	8	23.27	23.07
Total Current Assets		33.55	42.71
Total Assets		11,571.51	12,020.73
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	9	124.50	124.50
(b) Other equity	10	9,938.94	10,389.49
		10,063.44	10,513.99
2. Liabilities			
Non-Current Liabilities			
(a) Provisions	11	5.52	4.75
3. Current Liabilities			
(a) Financial Liabilities			
i) Other Financial Liabilities	12	1,500.00	1,500.00
(b) Other Current Liabilities	13	2.53	1.99
(c) Provisions	14	0.02	0.02
		1,508.07	1,506.75
Total Equity and Liabilities		11,571.51	12,020.73

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
PKJ & CO.

Chartered Accountants
 Firm Regn. No. 124115W

For and on behalf of the Board of Directors

(Padam Jain)
 Partner
 Membership No: 071026

Place : Mumbai
 Date: 25 May 2023

S. D. /-
(G.M. Loyalka)
 Director
 DIN: 00299416

S. D. /-
(Nitin Agarwal)
 Managing Director
 DIN: 08186528

S. D. /-
(Shruti Didwania)
 Company Secretary

S. D. /-
(Anil Londhe)
 Chief Financial Officer

NILKANTH ENGINEERING LIMITED
CIN: L27300MH1983PLC029360
Consolidated Statement of Profit and Loss for the year ended 31st March, 2023

Particulars	Notes	For the Year ended March 31, 2023 ₹ in Lakhs	For the Year ended March 31, 2022 ₹ in Lakhs
I. Income			
Other Income	15	16.55	15.59
Total Income		<u>16.55</u>	<u>15.59</u>
II. Expenses			
Employee Benefit Expenses	16	16.22	14.74
Depreciation and Amortization Expenses	17	48.10	56.55
Other Expenses	18	12.16	11.33
Total Expenses		<u>76.49</u>	<u>82.62</u>
III. Profit/(Loss) Before Share of Profit from Associates (I-II)		<u>(59.94)</u>	<u>(67.02)</u>
IV. Share of Profit from Associates		(322.96)	226.30
V. Profit/(Loss) Before Tax (III-IV)		<u>(382.90)</u>	<u>159.28</u>
VI. Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
Excess/(Short) Provision of Earlier Years		(0.04)	0.04
VII. Not Profit After Tax (V-VI)		<u>(382.85)</u>	<u>159.24</u>
VII. Other Comprehensive Income (OCI)			
Other Comprehensive Income not to be reclassified to profit and loss in subsequent periods			
Actuarial Gain/(Loss)		0.14	0.36
Net Gain/(Loss) on FVTOCI Investments		(67.84)	(1,002.16)
Total Other Comprehensive Income		<u>(67.69)</u>	<u>(1,001.80)</u>
VIII. Total Comprehensive Income for the year		<u>(450.55)</u>	<u>(842.56)</u>
IX. Basic and Diluted Earnings per share (Face value ₹ 10 each)	25	<u>(30.75)</u>	<u>12.79</u>

Summary of significant accounting policies
The accompanying notes are an integral part of the financial statements.

1 & 2

As per our report of even date attached
PKJ & CO.
Chartered Accountants
Firm Regn. No. 124115W

For and on behalf of the Board of Directors

(Padam Jain)
Partner
Membership No: 071026

S. D. /-
(G.M. Loyalika)
Director
DIN: 00299416

S. D. /-
(Nitin Agarwal)
Managing Director
DIN: 08186528

Place : Mumbai
Date: 25 May 2023

S. D. /-
(Shruti Didwania)
0 Company Secretary

S. D. /-
(Anil Londhe)
Chief Financial Officer

NILKANTH ENGINEERING LIMITED
CIN : L27300MH1983PLC029360
Consolidated Cash Flow Statement for the year ended 31st March, 2022

Particulars	Year Ended	
	March 31, 2023 ₹ in Lakhs	March 31, 2022 ₹ in Lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before taxation and extraordinary items	(59.94)	(67.02)
Adjustments for:		
Depreciation and amortisation expense	48.10	56.55
Provision for Expenses	2.53	1.99
Prepaid Expenses	0.59	0.83
(Profit)/Loss on Sale of Investments	(0.47)	(0.57)
Operating Profit before working capital changes	(9.18)	(8.22)
Increase/(Decrease) in Sundry Payables & Other Liabilities	(1.03)	(1.25)
(Increase)/Decrease in Trade & Other Receivables	(1.08)	(4.36)
(Increase)/Decrease in Inventories	-	-
Cash generated from operations	(11.29)	(13.83)
Less: Direct Taxes paid	(1.69)	(1.53)
Net Cash Flow from operating activities before extraordinary items	(9.60)	(12.29)
Adjustments for Prior Period Items	-	-
Net Cash Flow from operating activities	(A) (9.60)	(12.29)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Sale of Investments (net)	15.47	24.57
Purchase of Investments	(15.00)	(24.00)
Net Cash from/(used) in Investing activities	(B) 0.47	0.57
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Net Cash from/(used) in financing activities	(C) -	-
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(9.13)	(11.72)
Cash & Cash Equivalents as at beginning of period	18.81	30.53
Cash & Cash Equivalents as at end of period	9.68	18.81

1. Cash and cash equivalents included in the Statement of cash flows comprise the following :

	March 31, 2023 ₹ In Lakhs	March 31, 2022 ₹ In Lakhs
Cash on hand	0.01	0.02
Balance in current account	9.67	18.80
Cash and cash equivalents as restated	9.68	18.81

2. Direct Tax paid are treated as arising from operating activity and not bifurcated in investment and financing activities.

3. Figures of the previous year have been re-grouped and re-classified wherever necessary to correspond with the figures of the current year.

4. Figures in brackets represent outflows.

As per our report of even date attached
PKJ & CO.
Chartered Accountants
Firm Regn. No. 124115W

For and on behalf of the Board of Directors

(Padam Jain)
Partner
Membership No. 071026

S. D. /-
(G.M. Loyalka)
Director
DIN: 00299416

S. D. /-
(Nitin Agarwal)
Managing Director
DIN: 08186528

Place : Mumbai
Date: 25 May 2023

0
S. D. /-
(Shruti Didwania)
Company Secretary

S. D. /-
(Anil Londhe)
Chief Financial Officer

Equity Share Capital:

Equity shares of Rs. 10 each issued, subscribed and fully paid up

	Number	₹ in Lakhs
At 01 April, 2021	1,245,000	124.50
Issue of share capital	-	-
At 31 March, 2022	1,245,000	124.50
At 01 April, 2022	1,245,000	124.50
Issue of share capital	-	-
At 31 March, 2023	1,245,000	124.50

Other Equity

Particulars	₹ in Lakhs		
	Retained Earnings	Items of OCI	Total Equity
		Net Gain/(Loss) on FVTOCI Investments	
Balance as at 01 April, 2021	(294.00)	11,526.04	11,232.04
Profit/(Loss) for the year	159.24	-	159.24
Net Gain/(Loss) on FVTOCI Investments	-	19.26	19.26
Net Gain/(Loss) on FVTOCI Investments of Associates	-	(1,021.42)	(1,021.42)
Actuarial Gain/(Loss)	-	0.36	0.36
Transfer from Reserve Fund under RBI Act	(134.75)	10,524.24	10,389.49
Balance as at 31 March, 2022	(134.75)	10,524.24	10,389.49

Particulars	₹ in Lakhs		
	Retained Earnings	Items of OCI	Total Equity
		Net Gain/(Loss) on FVTOCI Investments	
Balance as at 01 April, 2022	(134.75)	10,524.24	10,389.49
Profit/(Loss) for the year	(382.85)	-	(382.85)
Net Gain/(Loss) on FVTOCI Investments	-	(9.90)	(9.90)
Net Gain/(Loss) on FVTOCI Investments of Associates	-	(57.94)	(57.94)
Actuarial Gain/(Loss)	-	0.14	0.14
Transfer from Reserve Fund under RBI Act	(517.61)	10,456.55	9,938.94
Balance as at 31 March, 2023	(517.61)	10,456.55	9,938.94

As per our report of even date attached
PKJ & CO.Chartered Accountants
Firm Regn. No. 124115W

For and on behalf of the Board of Directors

(Parham Jain)
Partner
Membership No: 071026S. D. /-
(G.M. Loyalika)
Director
DIN: 00299416S. D. /-
(Nitin Agarwal)
Managing Director
DIN: 08186528Place : Mumbai
Date: 25 May 20230 S. D. /-
(SHRUTI DIDWANIA)
Company SecretaryS. D. /-
(Anil Londhe)
Chief Financial Officer

NILKANTH ENGINEERING LIMITED
CIN: L27300MH1983PLC029360

Notes to Consolidated Financial Statements for the year ended March 31, 2023

These notes form an integral part of and should be read in conjunction with the accompanying consolidated financial statements.

1. Background

Nilkanth Engineering Limited ('the Company') is domiciled in India and is incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number L27300MH1983PLC029360. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the activity of financial planning, renting and related activities.

2. Significant Accounting Policies

i) Overall consideration

The consolidated financial statements have been prepared using the significant accounting policies and measurement basis summarised below.

ii) Statement of Compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

iii) Principals of Consolidation

- i. The Consolidated Financial Statements of the Parent Company and its associates have been prepared in accordance with the Ind AS 110 'Consolidated Financial Statements' and Ind AS – 28 "Investment in Associates" notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- ii. The consolidated financial statements have been prepared on the following basis:

Investments in associates are accounted under equity method as per Ind AS – 28 "Investment in Associates". Under the equity method, the investment is initially recorded at cost, identifying goodwill/capital reserve arising at the time of acquisition and the carrying amount is increased/ decreased to recognize Parent Company's share of profits/losses of the associates after the date of acquisition. Goodwill/Capital reserve arising on acquisition of the associates is included in the carrying amount of the respective investments. Unrealized profits resulting from transactions between the Parent Company and the associates are eliminated to the extent of Parent Company's interest in the associates. Unrealized losses resulting from intra-group transactions have also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the Parent Company.

NILKANTH ENGINEERING LIMITED
CIN: L27300MH1983PLC029360

Notes to Consolidated Financial Statements for the year ended March 31, 2023

- iii. The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the Parent Company for its separate financial statements.
- iv. The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances to the extent possible.
- v. The companies considered in the Consolidated Financial Statements are listed below:

Sr. No	Name of the Company	Country of Incorporation	Date of Becoming Associate	% Holding as on 31.03.2023
1	Jatayu Textiles & Industries Limited	India	31.10.2012	28.81%
2	Osiris Online Private Limited	India	26.02.2010	30.00%
3	Sushree Trading Limited	India	31.12.2011	42.43%

iv) Basis of preparation

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements are presented in Indian National Rupees (INR) and all values are rounded to the rupees, except when otherwise indicated.

v) Use of Estimates

The preparation of the consolidated financial statements in conformity with IndAS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

vi) Current / non-current classification

Assets and liabilities in the balance sheet are classified into current/ non-current. An asset is classified as current when it is:

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

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Notes to Consolidated Financial Statements for the year ended March 31, 2023

All other assets are classified as non-current.

A liability is classified as 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 twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

As the Parent Company's normal operating cycle is not clearly identifiable due to the varying nature of each project, the normal operating cycle has been assumed to be twelve months.

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

vii) Revenue

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Parent Company and that revenue can be reliably measured, regardless of when the payments is being made. Revenue is measured at the transaction price which is adjusted for variable consideration on account of various discounts and schemes offered, if any, by the Company as part of the contract with the customer and excluding duties and taxes collected on behalf of the Government.

The Parent Company follows the prudential norms for income recognition and provides for /writes off Non-Performing Assets as per the prudential norms prescribed by the Reserve Bank of India or earlier as ascertained by the management.

a. Dividend Income

Income is recognized as and when the Parent Company's rights to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

In case of interim dividend, the right to receive the payment is established, when the dividend gets approved by the Board of Directors.

In case of final dividend, the right to receive the payment is established, when the dividend gets approved by the shareholder's in the annual general meeting.

b. Interest Income

For all the debt instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter

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period, where appropriate, to the gross carrying amount of the financial asset or to amortised cost of financial liability. When calculating EIR, the Parent Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider expected credit losses.

c. Other Operational Revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

viii) Property, plant and equipment

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Parent Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates. Costs also include borrowing costs for qualifying assets capitalised in accordance with the Parent Company's accounting policy.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation is recognised using Written Down Value method so as to write off the cost of the assets (other than freehold land)) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset.

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted, if appropriate.

ix) Leased assets

A right-of-use asset representing the right to use the underlying asset and a lease liability representing the obligation to make lease payments is recognized for all leases over 1 year on initial recognition basis. Discounted committed & expected future cash flows recognised as right-of-use asset and lease liability and depreciation on the asset portion

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on straight-line basis & interest on liability portion (net of lease payments) on EIR basis is recognized over the expected lease term. No right-of-use asset is created for short term leases (i.e. lease term less than 1 year) and leases of low value items (i.e. lease of asset with original cost of less than Rs.1 lakh).

x) Impairment testing of assets

The Parent Company reviews the carrying values of assets for any possible impairment at each balance sheet date. An impairment loss is recognized in the statement of profit and loss when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the assets net of selling price or value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on appropriate discount rate. If at the balance sheet date there is any indication that a previously assessed impaired loss no longer exists then such loss is reversed and the asset is restated to that extent.

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Cash-generating units (determined by the Parent Company's management as equivalent to its operating segments) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

xi) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Classification of Financial Instruments

At initial measurement, the Parent Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost;
2. Financial assets to be measured at fair value through other comprehensive income;
3. Financial assets to be measured at fair value through profit or loss account.

The classification depends on the contractual terms of the financial assets' cash flows and the Parent Company's business model for managing financial assets which are explained below:

Business Model Assessment

The Parent Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Parent Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Parent Company's original

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expectations, the Parent Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Parent Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset.

In making this assessment, the Parent Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Parent Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the statement of Profit and Loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

b. Financial Assets

i. Initial recognition and measurement

All financial assets are recognised initially at fair value except for trade receivables which are initially measured at transaction price. In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are also considered.

ii. Investments in associates

The Parent Company measures investments in Equity instruments of associates at cost.

iii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- (a) Debt instruments at amortised cost.
- (b) Debt instruments and investment in Preference Shares at fair value through profit or loss (FVTPL).
- (c) Equity instruments measured at fair value through other comprehensive income (FVTOCI).

(a) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the profit or loss.

(b) Debt instruments and investment in Preference Shares at fair value through profit or loss (FVTPL)

A debt instrument shall be measured at fair value through profit and loss (FVTPL) unless it is measured at amortised cost or at fair value through other comprehensive income, which generally occurs when the SPPI criterion is not met by the debt instrument.

(c) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

For all equity instruments other than the ones classified as at FVTPL, the Parent Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Parent Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Parent Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Parent Company transfers the cumulative gain or loss within equity.

iv. Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when the rights to receive cash flows from the asset have expired.

v. Impairment

In accordance with Ind-AS 109, the Parent Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 115. ECL is the difference between all contractual cash flows that are due to the Parent Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

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The Parent Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Parent Company measures the loss allowance for that financial asset at an amount equal to 12-month expected credit losses.

No Expected credit losses are recognised on equity investments.

c. Financial Liabilities

i. Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, financial guarantee, contract payables, or derivative instruments.

ii. Subsequent measurement

(a) Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognized in OCI. These gains / losses are not subsequently transferred to P&L. However, the Parent Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Parent Company has not designated any financial liability as at fair value through profit and loss.

(b) Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the EIR method.

Amortized cost is calculated by taking into account any discount or premium and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transactions costs) and the redemption amount is recognized in profit or loss over the period of the

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borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

iii. Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

d. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xii) Fair value measurement

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 under current market conditions.

The Parent Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Parent Company's assumptions about pricing by market participants.

xiii) Segment reporting

An operating segment is a component of the Parent Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Parent Company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Parent Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

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xiv) Income taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Provision for current income tax is made on the basis of the assessable income under the Income tax Act, 1961.

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Parent Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

xv) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

xvi) Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued. Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits. Other components of equity include the following:

- Re-measurement of net defined benefit liability – comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets.
- Reserves for financial instruments measured at FVOCI.
- Retained earnings includes all current and prior period retained profits.

xvii) Post-employment benefits and long/short-term employee benefits

Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately

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in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of:

(a) when the plan amendment or curtailment occurs; and

(b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and deductions in future contributions to the scheme.

The Parent Company provides benefits such as gratuity to its employees which are treated as defined benefit plans.

Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

The Parent Company provides benefits such as superannuation, provident fund to its employees which are treated as defined contribution plans.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

xviii) Provisions

Provisions are recognised when the Parent Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a realisable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost.

xix) Borrowing costs

Borrowing costs include interest, amortization of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss, over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the

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qualifying asset upto the date of capitalization of such asset is added to the cost of the assets.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

xx) Contingent liabilities and Contingent assets

Contingent Liabilities are not recognised but are disclosed in notes in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Parent Company.

Contingent assets are disclosed in the consolidated financial statements by way of notes to accounts, when an inflow of economic benefits is probable.

xxi) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the Year attributable to equity shareholders by the weighted average number of equity shares outstanding during the Year. For the purpose of calculating diluted earnings per share, the net profit or loss for the Year attributable to equity shareholders and the weighted average number of shares outstanding during the Year is adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

xxii) Significant accounting judgements, estimates and assumptions

When preparing the consolidated financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Parent Company that have the most significant effect on the consolidated financial statements.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Lease term of right-of-use assets

Management reviews its estimate of the lease term of right-of-use assets at each reporting date, based on the expected utility of the leased property. Uncertainties in this estimate relate to business obsolescence/discontinuance that may change the lease term for certain right-of-use assets.

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Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Parent Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

xxiii) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

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Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

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Notes to the Consolidated Financial Statements (Continued)
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3. Property, Plant & Equipments

Particulars	Gross Block				Depreciation and Amortisation				Net Block	
	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at April 01, 2022	For the Year	Deductions	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
	Buildings	780.26	-	-	780.26	213	27.56	-	240.37	539.90
Plant & Machinery	30.71	-	-	30.71	22	1.63	-	23.33	7.37	9.00
Furniture & Fixings	438.82	-	-	438.82	366	18.86	-	384.71	54.11	72.96
Computers	1.82	-	-	1.82	2	0.06	-	1.72	0.10	0.16
Office Equipments	81.27	-	-	81.27	77	0.00	-	77.26	4.01	4.01
Total	1,332.89	-	-	1,332.89	679.29	48.10	-	727.40	605.49	653.60
Previous Year	1,332.89	-	-	1,332.89	622.74	56.55	-	679.29	653.60	

₹ In Lakhs

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for the year ended 31st March, 2023

Note 4 : INVESTMENTS

Particulars	Face Value	Number	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
investments at Fair Value through OCI (FVTOC)				
I) Quoted Equity Shares not held for trade				
Jay Shree Tea & Industries Limited (31st March, 2022 : 73,500)	5	73,500	58.01	67.91
Mansoon Trading Company Limited (31st March, 2022 : 1,22,200)	10	122,200	2.81	2.81
Meenakshi Steel Industries Limited (31st March, 2022 : 90,000)	10	90,000	2.03	2.03
			62.85	72.75
II) Unquoted Equity Shares not held for trade				
In Associate Companies				
Jatayu Textiles & Industries Limited (31st March, 2022 : 5,73,900)	10	573,900	210.71	210.71
Add: Post Acquisition Profit/(Loss)			4,502.23	5,034.06
Add: Goodwill/(Capital Reserve) on Investment in Associates			(27.00)	(27.00)
Osiris Online Private Limited (31st March, 2022 : 3,000)	10	3,000	(0.16)	(0.16)
Add: Post Acquisition Profit/(Loss)			593.44	604.00
Add: Goodwill/(Capital Reserve) on Investment in Associates			0.46	0.46
Sushree Trading Limited (31st March, 2022 : 5,28,250)	10	528,250	381.44	361.44
Add: Post Acquisition Profit/(Loss)			5,193.26	5,031.76
Add: Goodwill/(Capital Reserve) on Investment in Associates			(207.02)	(207.02)
In Other Companies				
Aakarshak Synthetics Limited (31st March, 2022 : 17,11,000)	10	1,711,000	161.51	161.51
Manav Investment & Trading Company Limited (31st March, 2022 : 2,67,300)	100	267,300	-	-
Rutgers Investment & Trading Company Private Limited (31st March, 2022 : 72,000)	100	72,000	72.10	72.10
			10,860.95	11,241.84
Total			10,923.80	11,314.59
Aggregate value of quoted investments			62.85	72.75
Aggregate value of unquoted investments			10,860.95	11,241.84

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	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
<u>Note 5 : OTHER FINANCIAL ASSETS</u>		
Deposits	5.15	4.99
Advances recoverable in cash or kind	3.52	4.84
Total	8.67	9.83
<u>Note 6 : CASH AND CASH EQUIVALENTS</u>		
Cash in hand	0.01	0.02
Balances with a Bank in		
- Current Account	9.67	18.80
Total	9.68	18.81
<u>Note 7 : OTHER CURRENT ASSETS</u>		
Prepaid Expenses	0.59	0.83
Total	0.59	0.83
<u>Note 8 : CURRENT TAX ASSETS (NET)</u>		
Advance Income Taxes (Net of Provision for taxation as on 31 March, 2023 - Rs.Nil, 31 March, 2022- Rs. 2.00 Lacs)	23.27	23.07
Total	23.27	23.07
<u>Note 11 : NON CURRENT PROVISIONS</u>		
Provision for Gratuity	5.52	4.75
Total	5.52	4.75
<u>Note 12 : OTHER FINANCIAL LIABILITIES</u>		
Security Deposit	1,500.00	1,500.00
Total	1,500.00	1,500.00
<u>Note 13 : OTHER CURRENT LIABILITIES</u>		
Expenses Payable	2.16	1.74
Other Payable	0.37	0.25
Total	2.53	1.99
<u>Note 14 : CURRENT PROVISIONS</u>		
Provision for Gratuity	0.02	0.02
Total	0.02	0.02

NILKANTH ENGINEERING LIMITED
Notes to the Consolidated Financial Statements (Continued)
for the year ended 31st March, 2023

Note 9 : SHARE CAPITAL

Particulars	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
Authorised:		
12,50,000 (March 31, 2022: 12,50,000) Equity Shares of ₹ 10 par value	125.00	125.00
	<u>125.00</u>	<u>125.00</u>
Issued, Subscribed and Fully Paid up Shares		
12,45,000 (March 31, 2022: 12,45,000) Equity Shares of ₹ 10 par value	124.50	124.50
Total	<u>124.50</u>	<u>124.50</u>

A) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year

Equity Share Description	As at 31st March, 2023		As at 31st March, 2022	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Number of Shares outstanding at the beginning of the year	1,245,000	124.50	1,245,000	124.50
Number of Shares issued during the year	-	-	-	-
Number of Shares outstanding at the end of the year	<u>1,245,000</u>	<u>124.50</u>	<u>1,245,000</u>	<u>124.50</u>

B) Term/right attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

Dividends, if any, is declared and paid in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. However, no dividend is / was declared on the equity shares for the year ended March 31, 2023 / March 31, 2022

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 in proportion to the number of equity shares held by the shareholders.

C) List of shareholder holding more than 5 % of the paid up Equity Share Capital

Name of Equity Share Holder	31st March, 2023		31st March, 2022	
	Number	%	Number	%
Aakarshak Synthetics Limited	170,000	13.65%	170,000	13.65%
Rutgers Investments And Trading Company Private Limited	112,000	9.00%	112,000	9.00%
Sushree Trading Limited	622,000	49.96%	622,000	49.96%
Kajal Synthetics & Silk Mills Limited	206,000	16.55%	206,000	16.55%

D) Shareholding of Promoters

Name of Promoter	31st March, 2023			31st March, 2022		
	Number	% of total shares	% Change during the year	Number	% of total shares	% Change during the year
Sushree Trading Limited	622,000	49.96%	-	622,000	49.96%	-

Note : Name of Promoters are disclosed by the management and relied upon by the auditors.

NILKANTH ENGINEERING LIMITED
Notes to the Consolidated Financial Statements (Continued)
for the year ended 31st March, 2023

	As at March 31, 2023 ₹ in Lakhs	As at March 31, 2022 ₹ in Lakhs
<u>NOTE 10 : OTHER EQUITY</u>		
Particulars		
<u>(i) Retained Earnings</u>		
Balance as per last Financial Statements	(134.75)	(294.00)
Profit/(Loss) for the year	(382.85)	159.24
Add: Transfer from Special Reserve	-	-
Total	(517.61)	(134.75)
<u>(ii) FVTOCI Reserves</u>		
Balance as per last Financial Statements	10,524.24	11,526.04
Net Gain/(Loss) on FVTOCI Investments	(9.90)	19.26
Actuarial Gain/(Loss)	0.14	0.36
Net Gain/(Loss) on FVTOCI Investments of Associates		
Osiris Online Private Limited	(10.53)	60.29
Sushree Trading Limited	170.99	(1,081.01)
Jatayu Textiles & Industries Limited	(218.40)	(0.70)
Tax effect on above	-	-
Total	10,456.55	10,524.24
	9,938.94	10,389.49

Notes:

FVTOCI Reserve : The Company has elected to recognise changes in the fair value of certain instruments in equity securities and debt instruments in Other Comprehensive Income. These changes are accumulated with the FVOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

NILKANTH ENGINEERING LIMITED

CIN NO: L27300MH1983PLC029360

Regd. Office: 407, Kalbadevi Road, Daulat Bhawan, 3rd Floor, Mumbai — 400 002,

Email : nilkanthengineeringltd@gmail.com

Website : www.nilkanthengineering.co.in

PROXY FORM

Name of the member(s):	
Registered address:	
E- mail Id:	
Folio No.	

I/We being a member(s) of _____ shares of the above named company, hereby appoint

1. Name : _____ of _____

E-mail Id: _____ or failing him

2. Name : _____ of _____

E-mail Id: _____ or failing him

3. Name : _____ of _____

E-mail Id: _____

and whose signatures are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 40th Annual General Meeting of the Company to be held on the **Wednesday, 27th day of September, 2023 at 4.30 pm** and at any adjournment thereof in respect of such resolutions as are indicated below:

*I wish my above proxy to vote in the manner as indicated below:

Resolutions	For	Against
1.To consider and adopt the Audited Financial Statements including audited consolidated financial statements of the Company for the financial year ended March 31, 2023, together with the reports of the Board of Directors and the Auditors thereon		
2.To appoint a Director in place of Mr. G. M. Loyalka (DIN No: 00299416) who retires by rotation and, being eligible, offers himself for re-appointment		
3.Re-appointment of Mr. Nitin Agrawal (DIN-08186528) as Managing Director for further period of Five Year up to 31 st July, 2028		

Signed this ___ day of _____ 2023.

Signature of shareholder

Signatures of proxy holders

1. _____

2. _____

3. _____

Notes:

1. The proxy form duly signed across the Revenue Stamp must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
2. A proxy need not be a member of the Company.
3. Please put a 'X' in the appropriate column against the resolutions indicated in the Box.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

Affix
Rupee 1/-
Revenue
Stamp

NILKANTH ENGINEERING LIMITED

CTIN NO: L27300MH1983PLC029360

Regd. Office: 407, Kalbadevi Road, Daulat Bhawan, 3rd Floor, Mumbai — 400 002,

Email : ir@tpiindia.com

Website – www.tpiindia.in

FORM NO. MGT.12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name(s) of Member(s) (in Block / Capital Letters)	
Registered Address	
DP ID/Client ID or Folio	
No. of Equity Shares held	

I/We hereby exercise my / our vote in respect of the following resolution as set out in the Notice convening 41st Annual General Meeting of the Members of the Company held on Saturday, 23rd September, 2023 at 11.30 am through video conferencing / other visual Audio-visual mean (VC / OAVM) facility., 27th September, 2022 at 4.30 pm at 407, Kalbadevi Road, 3rd Floor, Mumbai 400 002 which is proposed to be placed before members at the aforesaid AGM, by according my / our assent and / or dissent to the Said Resolution in the following manner :

Resolutions	No. of Equity Shares Held	I/We assent To the Resolution (for)	I/We assent To the Resolution (Against)
1.To consider and adopt the Audited Financial Statements including audited consolidated financial statements of the Company for the financial year ended March 31, 2023, together with the reports of the Board of Directors and the Auditors thereon			
2.To appoint a Director in place of Mr. Nitin Agrawal (DIN No: 08186528) who retires by rotation and, being eligible, offers himself for re-appointment			
3.Re-appointment of Mr. Nitin Agrawal (DIN-08186528) as Managing Director for further period of Five Year up to 31 st July, 2028			

*Please put tick mark () in appropriate column against the resolution indicated above. In case the Shareholder / Proxy, wish his / her vote to be used differently, he / she should indicate the number of shares under the columns "For" and / or "Against"

Place : Mumbai

Date : 27th September, 2023

Signature of Shareholder / Proxy

