NILKANTH ENGINEERING LIMITED

CIN NO: L27300MH1983PLC029360
Regd. Office: 407, Kalbadevi Road, Daulat Bhawan, 3rd Floor, Mumbai – 400 002
Tel.: 2206 2108, Email : nilkanthengineeringltd@gmail.com
Website : www.nilkanthengineering.co.in

September 5, 2020

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

Ref : Scrip Code – 512004

Sub : Annual Report for the Financial year 2019-20

Dear Sir,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are submitting herewith the Annual Report for the Financial Year 2019-20

Kindly take the same on record and oblige.

Thanking you.

Yours faithfully,
For **NILKANTH ENGINEERING LIMITED**

NITIN AGRAWAL

Digitally signed by NITIN AGRAWAL
Date: 2020.09.05 18:17:50 +05'30'

Nitin Agrawal
Managing Director
(DIN-08186528)

NILKANTH ENGINEERING LIMITED

Board of Directors	DIN
Shri. Nitin Agrawal Managing Director	08186528
Shri. G. M. Loyalka	00299416
Shri. Manish Newar	00469539
Shri. Ramdas Bhatter	00288162
Smt. Rajshree Tapuriah	01655859

Company Secretary:
Ms. Shruti Didwani
Company Secretary & Compliance Officer

Auditor :

M/s Karnavat & Co.
Chartered Accountants
2A, Kitab Mahal, 1st Floor
192, D. N. Road,
Mumbai 400 001

Registered Office :

407, Kalbadevi Road,
3rd Floor, Daulat Bhavan
Mumbai 400 002
CIN – L27300MH1983PLC029360

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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NOTICE

NOTICE is hereby given that the Thirty Seventh Annual General Meeting (AGM) of the members of **Nilkanth Engineering Limited** (the Company) will be held on Wednesday, the 30th day of September, 2020 at 11.30 am 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. Consider and adopt the Audited Financial Statements including audited consolidated financial statements of the Company for the financial year ended March 31, 2020, together with the reports of the Board of Directors and the Auditors thereon.

2. To re-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.

Special Business :

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

   RESOLVED THAT pursuant to the provisions of Section 149 and 152, read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 **("the Act")** and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force and Regulation 17 and other applicable provisions of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations'),** as amended from time to time, Shri Ramdas Bhatter (DIN: 00288162), Non-Executive Independent Director of the Company whose present terms of office as Independent Directors expires at ensuing Annual General Meeting and is eligible for re-appointment and who meets the criteria of Independence as provided in section 149(6) of the Act along with rules framed thereunder and regulation 16(1)(b) of Listing Regulations and who had submitted the declaration to that effect be and is hereby re-appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation, based on the recommendation of Nomination and Remuneration Committee to hold office from second terms of Five years with effect from conclusion of this meeting upto 30th September, 2025

4. To consider and if thought fit, to pass, with or without modification the following Resolution as Special Resolution.

   RESOLVED THAT pursuant to the provisions of Section 149 and 152, read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 (**"the Act"**) and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force and Regulation 17 and other applicable provisions of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations')**, as amended from time to time, Smt. Rajshree Tapuriah (DIN:01655859), Non-Executive Independent Director of the Company whose present terms of office as Independent Directors expires at ensuing Annual General Meeting and is eligible for re-appointment and who meets the criteria of Independence as provided in section 149(6) of the Act along with rules framed thereunder and regulation 16(1)(b) of Listing Regulations and who had submitted the declaration to that effect be and is hereby re-appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation, based on the recommendation of Nomination and Remuneration Committee to hold office from second terms of Five years with effect from conclusion of this meeting upto 30th September, 2025

5. 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 grating 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 3 (Three) years with effect from 1st August, 2020 on payment of Remuneration of Rs. 8.78 Lakhs only) 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

Shruti Didwania
Company Secretary

Place: Mumbai
Date: 5th September, 2020

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 37th Annual General Meeting is annexed hereto. All documents referred to in the accompanying Notice and the Explanatory Statement along with the Registrar of Directors, Key Managerial Personnel and their shareholdings and other requisite documents shall be available for inspection electronically.

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 and Share Transfer Register of the Company will remain closed from Wednesday, 23rd September, 2020 to Tuesday, 29th September, 2020, (both days inclusive) for the purpose of AGM.

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

Step 2 : Casting your vote electronally

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 caste 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 caste successfully will be displayed
g) You can also take the print out of your votes caste 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 23rd September, 2020

b) The e-voting period commences on Sunday, 27th September, 2020 commences at 9.00 am and ends on Tuesday, 29th September, 2020 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 23rd September, 20203

c) Mr. Girish Murarka, Practicing Company Secretary having COP-4576, Proprietor of GIRISH MURARKA & CO., Mumbai, the scrutinizer will, on 3rd October, 2020 i.e. within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make a scrutinizer's report of the votes cast in favour or against, if any and submit to the Chairman of the Annual General Meeting of the Company.

d) The results declared along with the scrutinizer's report shall be placed on the website of the company and on the website of the RTA or NSDL within two days of passing of the resolution.

e) Subject to receipt of sufficient votes, the resolution shall be deemed to be passed on the date of Annual General Meeting.

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 and 4

Shri Ramdas Bhatter (DIN 00288162) and Smt. Rajshree Tapuriah (DIN 01655859) were appointed as an Independent Director on the Board of the Company pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement by the members. In accordance with Section 149(10) of the Act, an Independent Director shall hold office for a term upto five years on the Board and shall be eligible for re-appointment on passing a Special Resolution Section 149(11) of the Act provides that an Independent Director may hold office for two consecutive terms of five years each. Taking into consideration their skills, experience, knowledge and their valuable contribution to the Company and based on their performance evaluation, it is desirable to continue to avail their services and reappoint them for a second term of five years to hold office with effect from conclusion of this Annual General Meeting 30th September, 2025

Accordingly, the Board of Directors have at the Meeting held on 5th September, 2020, based on the recommendation of the Nomination and remuneration Committee, recommended the reappointment Shri Ramdas Bhatter (DIN: 00288162) and Smt. Rajshree Tapuriah (DIN:01655859) as Independent Director of the Company for second term, as aforesaid. Independent Directors, are not liable to retire by rotation. They also have given declaration that they are not disqualified from being reappointed as Independent Director in terms of Section 164 of the Act and have given their consent to act as an Independent Directors. The Company has also received declaration from them that they meet the criteria of independence as prescribed under the Act and the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Shri Ramdas Bhatter (DIN: 00288162) and Smt. Rajshree Tapuriah (DIN:01655859) have also given declaration that they are not debarred from holding office of director by virtue of any order passed by Securities and Exchange Board of India or any other such authority. The terms and conditions of reappointment of independent Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day of the Company and will also be kept open at the venue of the AGM till the conclusion of the AGM.

None of the Director, other than the Directors proposed to be appointed (in their respective resolutions of appointment), Key Managerial Personnel or their relatives, are directly / indirectly concerned or interested, financial or otherwise in this resolution.

Item No. 5

Shri Nitin Agrawal (DIN-08186528) was appointed as the Managing Director of the Company for the period of two year with effect from 1st August, 2018 after obtaining the due approval of the members of the Company in the 35th Annual General Meeting held on 24.09.2018. Accordingly, the present terms of Mr. Nitin Agrawal come to an end on 31st July, 2020.

The Board, in its meeting held on 5th September, 2020 has approved the re-appointment of Shri Nitin Agrawal (DIN-08186528) as Managing Director of the Company for further period of Three year after its current tenure end (i.e. 31st July, 2020) subject to approval of members of the Company at the ensuing General Meeting. The Board has taken the decision of the said re-appointment based on the recommendation of Nomination and Remuneration Committee.

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. 5 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. 5 of the notice.

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

Shruti Didwania
Company Secretary

Place: Mumbai
Date: 5th September, 2020

Annexure “A”

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

Name of Director	G. M. Loyalka	Ramdas Bhatter	Rajshree Tapuriah	Nitin Agarwal
DIN	00299416	00288162	01655859	08186528
Date of Birth	26.01.1943	04.10.1941	02.05.1950	23.12.1984
Relationship with other Director inter-se	Nil	Nil	Nil	Nil
Date of Appointment	14.11.2014	06.09.1993	30.03.2015	01.08.2018
Expertise in specialized area	Finance & Business Strategy	Finance &Business Strategy	Management & Admin	Marketing
Qualification	B. Com.	B. Com.	B.A.	MBA (HR and Mktg)
No. of Equity Shares held in the Company	Nil	Nil	Nil	Nil
Directorship in other public Limited Company	1.Kajal Synthetics and Silk Mills Limited 2.Jatayu Textiles and Industries Limited 3.Aakarshak Synthetics Limited 4.Park Avenue Engineering Limited 5.Sushree Trading Limited	1.Hirajuli Tea Company Ltd	1.Kajal Synthetics and Silk Mills Limited	Nil
Chairman/Membership of the Committee of other Company	Nil	Nil	Nil	Nil

NILKANTH ENGINEERING LIMITED

CIN NO: L27300MH1983PLC029360
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BOARD'S REPORT

To,
The Members
Nilkanth Engineering Limited

The Directors of your Company are pleased to present their Thirty Seventh Annual Report and the Audited Financial Statements for the financial year ended 31st March, 2020.

FINANCIAL RESULTS

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

Rs. in Lakhs

Particulars	Standalone		Consolidated	
	Financial Year 2019-20	**Financial Year 2018-19**	**Financial Year 2019-20**	**Financial Year 2018-19**
Revenue from Operations	0.99	191.20	0.99	191.20
Other Income	16.62	18.17	16.63	18.17
Total Income	**17.61**	**209.37**	**17.62**	**209.37**
Expenditure	109.20	355.26	109.20	355.26
Profit /(Loss) before tax	**(91.59)**	**(145.89)**	**(91.58)**	**(145.89)**
Share in Profit /(Loss) of Associates	-	-	(193.20)	(26.33)
Tax Expenses	-	-	-	-
Excess/(Short) Tax provisions	(0.27)	-	(0.27)	-
Profit / (Loss) after Tax	**(91.86)**	**(145.89)**	**(285.05)**	**(172.22)**
Other Comprehensive Income/(Loss)	(27.91)	(15.69)	(11,256.41)	3,543.27
Total Comprehensive Income/(Loss) for the year	**(119.77)**	**(161.58)**	**(11541.46)**	**3,371.05**

COVID -19 IMPACT

The outbreak of coronavirus (COVID-19) pandemic globally and in India has resulted in a slowdown of economic activity. The Company has elevated the impact of this pandemic on its business operations during the year ended March 31, 2020. This pandemic has not materially impacted revenues of the Company and its associates for the year ended March 31, 2020.

Further, in terms of COVID-19, regularity package announced by Reserve Bank of India (RBI) on March 27, 2020, the moratorium was extended to the eligible borrowers for installments falling due between March 1, 2020 and May 1, 2020. Further pursuant to RBI notification dated May 23, 2020, the moratorium was given to eligible borrower was extended for a further period of three months upto August 31, 2020. Extension of such moratorium benefit to borrowers as per COVID-19 Regulatory package of RBI by itself is not considered to result in significant increase in credit risk as per IND AS 109 for staging of accounts.

The extent to which the pandemic will impact Company's results will depend on future development, which are highly uncertain, including, among things, any new information concerning the severity of the COVID-19 pandemic and any action to obtain its spread or mitigate its impact whether government mandated or elected by the Company and its associates. Given the uncertainty over the potential macro economics condition, the impact of the global health pandemic may be different from that estimated as at the approval of the financial performance and the Company and its associates will continue to closely monitor any material changes to future economic conditions.

INDIAN ACCOUNTING STANDARDS (IND AS)

The Ministry of Corporate Affairs vide its notification dated 16.02.2015 notified the Company (Indian Accounting Standard) Rules 2015, applicable to certain class of the Companies. In pursuance to the said notification read with the Companies (Indian Accounting Standard) (Amendment) Rules, 2016, Ind As became applicable to your Company with effect from 1st April, 2019. Accordingly, Standalone and Consolidated Financial Statements for the year ended 31st March, 2020, have been prepared in accordance with Ind AS, and consequently, the Financial Statements for the previous years have been restated to conform to the provisions of the IND AS.

PERFORMANCE REVIEW

The company has adopted Ind AS for reporting financial results for the year under review against previously India GAAP. During the year under review, the Company has incurred total compressive Loss after Tax of Rs 119.77 Lakhs (Previous Year total compressive Loss after Tax Rs. 161.58 Lakhs).

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.

TRANSFER TO RESERVES UNDER RBI ACT, 1934

The Company does not require to transfer any funds to Special Reserve Funds under RBI Act, 1934 as the Company has surrendered the Certificate of Registration issued by Reserve Bank of India to carry on Business as Non-Banking Finance Company as the operations of the Company does not satisfy the criteria of assets and Income pattern in terms of Press Release No. 1998-99/1269 dated 08.04.1999 issued by Reserve Bank of India.

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, 2020 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 2019-2020

The Issued Share Capital as on 31st March, 2020 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, 2020 and also as on the date of this report, your Company does not have any Subsidiary.

EXTRACT OF ANNUAL RETURN

Pursuant to the requirements under Section 92(3) and Section 134(3) of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014, an extract of Annual Return in prescribed Form MGT-9 is given in the Report as **Annexure 1**

PARTICULARS OF EMPLOYEES

The information regarding employee remuneration and other details as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure II.** Further Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not required as there are no employees in the Company for this category.

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 2019-20 was Rs.661.66 Lakh The Company netted Profit of Rs. 32.55 Lakhs before tax tax and net total comprehensive Loss for the year after tax was at Rs. 16,892.94 Lakhs.

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 2019-20 was 0.31 Lakh The Company netted Profit of Rs. 0.09 Lakhs before tax tax and net total comprehensive Loss for the year after tax was at Rs. 1983.19 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 2019-20 was Rs. 14.97 Lakh. The Company netted Loss of Rs. 466.30 before tax tax and net total comprehensive Loss for the year after tax was at Rs. 14,046.38 Lakh.

The Company does not have any Joint Venture.

The details of the Company's subsidiary, associate and Joint Venture Company as on 31st March, 2020 is given under **Annexure 2**

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-3 "**.

Furthermore, the disclosures pertaining to remuneration and Top Ten Employees details are provided in the Annual Report as **"Annexure-4"**.

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-5"**.

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 2019-20 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

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 2020, 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 2020 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 2019-2020 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.

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 2019-20. 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.

DISCLOUSRE 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. G. M. Loyalka (DIN – 00299416) 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.

The board has recommended re-appointment of Shri Ramdas Bhatter and Smt. Rajshree Tapuriah as Independent Directors for second term of five years subject to approval by members by way of special resolutions and brief profile of the Independent Directors is stated in the Notice of ensuing AGM.

During the year under review, Mr. Anil Vithal Londhe was appointed as Chief Financial Officer of the Company by the Board of Director with effect from 23rd April, 2019

APPOINTMENT OF MANAGING DIRECTOR

Mr. Nitin Agrawal was appointed Additional Director and Managing Director at the Board Meeting held on 1st August, 2018 for two year which is expiring on 30th July, 2020. His appointment as Director and Managing Director was consented at the 35th Annual General Meeting held on 24th September, 2018. The Board recommends the appointment of Mr. Nitin Agrawal for further term of Three year (ie upto 30th July, 2023 at the remuneration of Rs. 8.78 Lac per annum with each increment at the rate below 20% upto 30th July, 2023.

PERFORMANCE 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 13th February, 2020 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 Eight (9) meetings of the Board of Directors as per Section 173 of Companies Act, 2013 on 23rd April, 2019, 29th May, 2019, 28th June 2019, 23rd August 2019, 5th September 2019, 14th September 2019, 14th November 2019, 17th January, 2020 and 13th February, 2020

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 Managing Director and CFO are the permanent invitee to Audit Committee to give clarification on accounts and other related issues.

The Composition of Audit Committee as on 31.03.2020 are as under :

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

Four meetings of the Audit Committee were held during the financial year 2019-20 on 29th May, 2019, 14th September, 2019, 14th November, 2019 and 13th February, 2020. 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 31.03.2020 are as under:

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

Three meetings of the Nomination and Remuneration Committee were held during the financial year 2019-20 on 23rd April, 2019, 17th January, 2020 and 13th February, 2020

AUDITORS:

Karnavat & Co., Chartered Accountants,(Firm Registration Number: 104863W) the Statutory Auditor of the Company were appointed in the 34th Annual General Meeting of the company held on 27th September, 2017 from conclusion of the said meeting until the conclusion of 39th Annual General Meeting (subject to ratification of their appointment by the members at every Annual General Meeting) at such remuneration fixed by the Board of Directors.

The Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 have since been amended vide notification dated 7th May, 2018 of Ministry of Corporate Affairs and the requirement of ratification of appointment of Statutory Auditors by the Members at every Annual General Meeting has been done away with. Accordingly no ratification of Appointment of M/s B. Maheshwari & Co., Chartered Accountants, as the Statutory Auditors of the Company by the members is being sought in the ensuing Annual General Meeting.

During the year, the Statutory Auditors have confirmed that they satisfy the Independence Criteria required under the Companies Act, 2013 and Code of Ethics issued by the Institute of Chartered Accountants of India

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 2019-20 as issued by him in the prescribed Form MR-3 is annexed to this Report as **Annexure IV.** The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by Secretarial Auditor.

Further, the Board of Directors has approved the reappointment of **M/s. Girish Murarka & Co.** Company Secretaries, Mumbai as "Secretarial Auditors" for conducting Secretarial Audit for the financial year 2020-21.

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 2019-20. 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.

Further, the Board of Directors has approved the reappointment of M/s Milind P. Shah., Chartered Accountants, as "Internal Auditor" of the company for conducting Internal Audit for the financial year 2020-21.

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

	Nitin Agrawal	**G. M. Loyalka**
Place: Mumbai	**Managing Director**	**Director**
Date : 5th September, 2020	**(DIN: 08186528)**	**(DIN: 00299416)**

Form No. MGT-9 **Annexure - 1**

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2020
of

NILKANTH ENGINEERING LIMITED

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN :	L27300MH1983PLC029360
ii)	Registration Date:	21.02.1983
iii)	Name of the Company:	Nilkanth Engineering Limited
iv)	Category / Sub-Category of the Company:	Company having Share Capital
v)	Address of the Registered Office and contact details:	407, Kalbadevi Road, 3rd Floor, Daulat Bhavan, Mumbai 400 002
vi)	Whether listed company	Yes
vii)	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any:	Adroit Corporate Services Private Limited 19/20, Jaferbhoy Industrial Estate, Makwana Road, Marol, Naka, Andheri (E), Mumbai 400 059 Tele: 022-4227 0400

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Investment Activity	64200	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name of the Company	CIN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1	Jatayu Textiles & Industries Limited	U17120MH1983PLC029380	Associate	28.81%	Section 2(6)
2	Osiris Online Private Limited	U72200MH2008PTC182281	Associate	30.00%	Section 2(6)
3	Sushree Trading Limited	U51900MH1983PLC029599	Associate	42.43%	Section 2(6)

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

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corporates	745000	0	745000	59.84	745000	0	745000	59.84	0
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0
e) Any other	0	0	0	0.00	0	0	0	0.00	
SUB TOTAL:(A) (1)	745000	0	745000	59.84	745000	0	745000	59.84	0
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	
e) Any other...	0	0	0	0.00	0	0	0	0.00	
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	745000	0	745000	59.84	745000	0	745000	59.84	0
B. PUBLIC SHAREHOLDING									
(1) Institutions									

a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0
C) Central govt	0	0	0	0.00	0	0	0	0.00	0
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0
g) FIIS	0	0	0	0.00	0	0	0	0.00	0
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL (B)(1):	0	0	0	0.00	0	0	0	0.00	0
(2) Non Institutions									
a) Bodies corporates									
i) Indian	0	488000	488000	39.20	0		488000	39.20	0
ii) Overseas	0	0	0	0.00	0	0	0	0.00	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	12000	12000	0.96	0	12000	12000	0.96	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0.00	0	0	0	0.00	0
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0
SUB TOTAL (B)(2):	0	500000	500000	40.16	0	500000	500000	40.16	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	500000	500000	40.16	745000	500000	1245000	40.16	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0
Grand Total (A+B+C)	**745000**	**500000**	**1245000**	**100.00**	**745000**	**500000**	**1245000**	**100.00**	**0**

(ii) Shareholding of Promoters

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

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

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

Sr.No	For Each of the Top 10 Shareholders	Date of Change	Shareholdings at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Aakarshak Synthetics Limited	No Change	170000	13.65	170000	13.65
2	Kajal Synthetics and Silk Mills Limited	No Change	206000	16.55	206000	16.55
3	Rutegers Investment and Trading Company Private Limited	No Change	112000	9.00	112000	9.00
4	Rajeev Garg	No Change	700	0.02	700	0.02
5	Umadevi Rathi	No Change	100	0.01	100	0.01
6	R. Swaminathan	No Change	100	0.01	100	0.01
7	Swati Agarwal	No Change	200	0.01	200	0.01
8	Vivek Pandharkar	No Change	200	0.01	200	0.01
9	Manish Agarwal	No Change	200	0.01	200	0.01
10	Sunil Kulwal	No Change	100	0.01	100	0.01

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

V. INDEBTEDNESS

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Nitin Agrawal - Managing Director		
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of Income Tax Act, 1961.	8,78,400/-		8,78,400/-
	b) Value of perquisites under section 17(2) of Income Tax Act, 1961.	Nil		Nil
	c) Profit in lieu of salary under section 17(3) of Income Tax Act, 1961	Nil		Nil
		-		
2.	Stock Option		Nil	Nil
3.	Sweat Equity		–	-
4.	Commission • As %of profit • Others,specify…	-	-	-
5.	Others, please specify	-	-	-
	Total (A)			-
	Overall Ceiling as per the Act	-	-	-

A. Remuneration to other directors: NIL

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
	1. Independent Directors • Fee for attending board committee meeting • Commission • Others, please specify	-	-	-	-	-
	Total(1)	-	-	-	-	-
	2. Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total(2)	-	-	-	-	-
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

B. Remuneration to key managerial personnel other than MD/Manager/WTD:

S No	Particulars of Remuneration	Key Managerial Personnel		
.		**CFO**	**Company Secretary** **1,61,850/-**	**Total** **1,61,850/-**
1.	Gross salary (d) Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (e) Value of perquisites u/s 17(2)Income-tax Act,1961 (f) Profits in lieu of salary under section 17(3)Income-tax Act,1961	-		
2.	Stock Option	-	-	-
3.	Sweat Equity	-	--	-
4.	Commission • As % of profit • Others specify...	-	— -	-
5.	Others, please specify	-	-	-
	Total	-		

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

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

Nitin Agrawal
Managing Director
(DIN: 08186528)

G. M. Loyalka
Director
(DIN: 00299416)

Place: Mumbai
Date : 5th September, 2020

Annexure 2

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 subsdiary 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	31.03.2020	31.03.2019	31.03.2019
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	5,398.67	563.08	5,604.17
7. Profit / Loss for the year			
i. Considered in Consolidation	5.17	0.02	(198.38)
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

Nitin Agrawal
Managing Director
(DIN: 08186528)

G. M. Loyalka
Director
(DIN: 00299416)

Place: Mumbai
Date : 5th September, 2020

Annexure 3

PARTICULARS OF EMPLOYEES

PURSUANT TO SECTION 197 (12) OF THE COMPANIESACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIALPERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

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;	Average salary increase of non- managerial employees is: NA Average salary increase of managerial employees is : NA The average increase in remuneration of all employees are decided based on the company's policy, individual's performance, inflation and prevailing industry trend.
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes

Annexure 4

DETAILS OF TOP 10 EMPLOYEES

Name	Prathmesh Sonsurkar	Shruti Didwania
Designation	Company Secretary and Compliance Officer	Company Secretary and Compliance Officer
Remuneration Paid	1,05,600	56,250
Nature of Employment (contractual or otherwise)	Contractual	Contractual
Qualification	Professional	Professional
Experience	4 years	4 years
Age	32 years	40 years
Last Employment before joining the company	NA	Akarshak Synthetics Limited
Relation to any director (if any)	NO	NO
Date of commencement of employment??	11.08.2017	17.01.2020

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

Place: Mumbai
Date : 5th September, 2020

Nitin Agrawal
Managing Director
(DIN: 08186528)

G. M. Loyalka
Director
(DIN: 00299416)

Annexure 5

NILKANTH ENGINEERING LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development

Although Financial Services Industry is amongst the oldest industries in India but it is not growing very rapidly. It is an industry, which has evolved into a highly competitive and innovative driven industry, characterized by the presence of various sizes of players varying from solo-operators to small to medium sized niche players as well as established big players operating in different spaces in the entire spectrum of services.

Opportunities and Threats

Revival of stock markets and bullish sentiments appears to be opportunity for the company. The volatility in the market indices in the financial year under report represents both an opportunity and challenge for the Company. With the stability of Government at the Centre, the capital market segment would significantly improve

Tough competition, slow economic growth and depressed stock markets seem to be the biggest threats to the industry. The Capital market activities in which most of our activities depends on is also influenced by global events happening in the US, UK and China, hence there is an amount of uncertainity in the near term outlook of the market.

Segment-wise-Performance

Your Company operates only single segment which is making long term investment and letting out of the immovable property).

Future Outlook

Looking at good market sentiments steep rise is expected in near future. As a result, stock market will boost up and the Company is expected to show a better performance in the years to come.

Your Company continue to see the significant opportunity in the market and will use periods of interim weakness as investment opportunities on long term.

Risk and concerns

Tough competition, slow economic growth, rapid changing statues and regulatory framework, etc. are the major risk areas in the Company's business. By using our experience, we hope to perform better in the year to come in spite of these risks.

Internal Control System & their adequacy

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 against previously India GAAP. During the year under review, the Company has incurred total compressive Loss after Tax of Rs 119.77 Lakhs (Previous Year total compressive Loss after Tax Rs. 161.58 Lakhs).

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

	Nitin Agrawal	**G. M. Loyalka**
Place: Mumbai	**Managing Director**	**Director**
Date : 5th September, 2020	**(DIN: 08186528)**	**(DIN: 00299416)**

COMPLIANCE CERTIFICATE
[Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

The Board of Directors
NILKANTH ENGINEERING LIMITED

We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief certify that:

1. We have reviewed the financial statement and Cash Flow Statement both on standalone and consolidated basis for the year ended on 31.03.2020 and to the best of our knowledge and belief:

    a. These statements do not contain any materially untrue statement or omit any material facts or contain any statement that might be misleading.

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

2. We are to be best of their knowledge and belief, no transaction entered into by the Company during year ended 31st March, 2020 which are fraudulent, illegal of violating of the Company's code of conduct.

3. We accept responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to the financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any of which we are aware and the steps have been taken or proposed to take to rectify these deficiencies.

4. We have indicated to the Auditors and Audit Committee that there is no:
    a) significant changes in the internal controls over financial reporting
    b) significant change in accounting policies and the same have been disclosed in the notes to the financial statements and
    c) instances of significant fraud of which we have become and the involvement therein, if any, of the management or employee having a significant role in the Company's internal control system over financial reporting.

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

Nitin Agrawal
Managing Director
(DIN: 08186528)

G. M. Loyalka
Director
(DIN: 00299416)

Place: Mumbai
Date : 5th September, 2020

DECLARATION

The Board of Directors and Senior Management Personnel have affirmed their compliance of **Code of Conduct for Members of the Board and Senior Management** for the year 2019-20 in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Place : Mumbai
Date : 5th September, 2020

Nitin Agrawal
Managing Director
(DIN: 08186528)

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

Phone (O) : 2839 2294
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, 2020. 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, 2020, 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, 2020, 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.

iv. The Company appointed Mr. Anil Vithal Londhe, as CFO with effect from 23rd April, 2019

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.

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

Place: Mumbai
Date : 5th September, 2020
UDIN : A00736B000663527

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

Phone (O) : 2839 2294

Email : girishmurarka@gmail.com

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

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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

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

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

Place: Mumbai
Date : 5th September, 2020
UDIN : A00736B000663527

ANNEXURE – I

List of documents verified:

1. Memorandum & Articles of Association of the Company
2. Annual Report for the financial year ended March 31, 2018 and March 31, 2019
3. Minutes of meeting of Board of Directors, Audit Committee, Nomination & Remuneration Committee along with attendance register held during the financial year under report
4. Minutes of General Body Meeting held during the financial year under report
5. Statutory Registers
6. Agenda papers provided to all the Directors / Members for the Board Meeting and Committee Meeting
7. Declaration received from Directors of the Company pursuant to the provisions of section 184 of the Companies Act, 2013
8. E-forms filed by the Company, from time to time, under the applicable provisions of the Companies Act, 1956/ 2013 and attachments thereof during the financial year under report.

UDIN : 2013768AAAAEG2044

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
NILKANTH ENGINEERING LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of **NILKANTH ENGINEERING LIMITED** (hereinafter referred to as "the Company"), which comprise the Standalone Balance Sheet as at March 31, 2020, 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 aforesaid Standalone 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, 2020 and its loss, 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 Standalone 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 Standalone 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.

Emphasis of Matter

We draw your attention to Note No.41 to the Standalone Financial Statement for the year ended March 31, 2020, which describes the impact of the outbreak of Coronavirus (COVID-19) on the business operations of the Company. In view of the highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our conclusion is not modified in respect of this matter.

(Cont..2)

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, 2020. 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:

Sr. No.	Key Audit Matter	Our Response
1	***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.	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. 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.
2	***Modified Audit Procedures carried out in light of COVID-19 outbreak:*** Due to COVID-19 pandemic, Nation-wide lockdown and travel restrictions imposed by Central/ State Government/ Local Authorities during the period of our audit to facilitate carrying out audit remotely wherever physical access was not possible, audit could not be conducted by visiting the premises of the Company.	Due to the outbreak of COVID-19 pandemic that caused nationwide lockdown and other travel restrictions imposed by the Central and State Governments/local administration during the period of our audit, we could not travel to the Company's Office and carry out the audit processes physically. Wherever physical access was not possible, necessary records/ reports/ documents/ certificates were made available to us through digital medium and emails. To this extent, the audit process was carried out on the basis of such documents, reports and records made available to us which were relied upon as audit evidence for conducting the audit and reporting for the current period.

(Cont..3)

	As we could not gather audit evidence in person/physically/ through discussions and personal interactions with the officials at the Company's Office, we have identified such modified audit procedures as a Key Audit Matter. Accordingly, our audit procedures were modified to carry out the audit remotely.	Accordingly, we modified our audit procedures as follows: a. Conducted verification of necessary records/ documents through emails wherever physical access was not possible. b. Carried out verification of scanned copies of the documents, deeds, certificates and the related records made available to us through emails. c. Making enquiries and gathering necessary audit evidence through Video Conferencing, dialogues and discussions over phone calls/conference calls, emails and similar communication channels. d. Resolution of our audit observations telephonically/through email instead of a face-to-face interaction with the designated officials.

Other Information

The 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 Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone 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 the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, Cash Flows and Changes in Equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting

(Cont..4)

policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Standalone 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 the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(Cont..5)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone 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 Standalone Financial Statements including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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 Standalone 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

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;

(Cont..6)

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 Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

d) In our opinion the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, 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 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 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 the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report that:

   i) The Company does not have any pending litigations which would impact its financial position other than those mentioned in notes to 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.

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

(Viral Joshi)
Partner
Membership No. 137686

Place : Mumbai
Dated : July 31, 2020

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, 2020. We report that:-

i. In respect of its fixed assets:

(a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of fixed assets which is, in our opinion, reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.

(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. 8 to the Standalone Financial Statements) are held in the name of the Company.

ii. In respect of its inventories:

The Company does not hold any inventory. Accordingly, the provisions of Clause 3(ii) of the Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act and hence provisions of Clause 3(iii) of the aforesaid Order are not applicable to the Company.

iv. The Company has not granted any loans or provided any guarantee or security to the parties covered under Section 185. Further, the Company has complied with provisions of Section 186 in respect of grant of loans and making investments as applicable. The Company being a Non Banking Financial Company, nothing contained in the Section 186, except sub-section (1) shall apply.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted 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.

(Cont...2)

vii. (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, GST, duty of customs or cess and other statutory dues applicable to it. No undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, GST, duty of customs or cess and other statutory dues were outstanding, as at 31-03-2020, for a period of more than six months from the date they became payable.

(b) According to the records of the Company and information and explanations given to us no dues of income tax, GST, duty of customs or cess that have not been deposited on account of any disputes.

viii. 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.

ix. The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans and hence provisions of Clause 3(ix) of the aforesaid Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

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

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) of the aforesaid 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 Standalone Financial Statements as required under Accounting Standard (AS)18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

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 aforesaid Order are not applicable to the Company.

(Cont...3)

xvi. According to the information and explanations given to us, the Certificate of Registration of the Company to carry on the Business as a Non Banking Financial Company (NBFC) has been cancelled by the Reserve Bank of India (RBI) vide its order dated June 28, 2018 passed under Section 45-1A (6) of The Reserve Bank of India Act, 1934 on the ground that Net Owned Fund (NOF) are below Rs. 2 Crores. The Company has filed an appeal under Section 45-1A (7) on 9th November, 2018 before the Appellate Authority of NBFC Registration, New Delhi and the same is pending for disposal. As advised by the RBI, as on 31.03.2020 the Company has not transacted any business of a NBFC. The Company does not intent to carry on the business of NBFC during the period of disposal of appeal.

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

(Viral Joshi)
Partner
Membership No. 137686

Place : Mumbai
Dated : July 31, 2020

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

The Annexure referred to in paragraph 2(f) 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, 2020.

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

We have audited internal financial controls over financial reporting of **NILKANTH ENGINEERING LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year then ended on that date.

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.

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.

(Cont...2)

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.

Opinion

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, 2020, 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.

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

(Viral Joshi)
Partner
Membership No. 137686

Place : Mumbai
Dated : July 31, 2020

NILKANTH ENGINEERING LIMITED
CIN: L27300MH1983PLC029360
Standalone Balance Sheet as at 31st March, 2020

Particulars	Notes	As at 31 March, 2020 (₹)	As at 31 March, 2019 (₹)	As at 1st April, 2018 (₹)
ASSETS				
(1) Financial Assets				
Cash and Cash Equivalents	3	1,851,971	1,611,272	7,608,088
Loans	4	-	-	157,925,000
Investments	5	59,943,372	62,853,255	64,410,423
Other Financial Assets	6	808,251	721,858	51,036,544
Total Financial Assets		**62,603,594**	**65,186,385**	**280,980,055**
(2) Non-Financial Assets				
Current Tax Assets (Net)	7	4,313,397	7,732,831	5,706,589
Property, Plant and Equipment	8	78,033,248	86,668,505	97,684,877
Other Non-Financial Assets	9	54,528	44,666	44,845
Total Non-Financial Assets		**82,401,173**	**94,446,002**	**103,436,311**
Total Assets		**145,004,767**	**159,632,387**	**384,416,366**
EQUITY AND LIABILITIES				
(1) Financial Liabilities				
Borrowings	10	-	3,200,000	210,000,000
Other Financial Liablities	11	150,000,000	150,000,000	150,000,000
Total Financial Liabilities		**150,000,000**	**153,200,000**	**360,000,000**
(2) Non-Financial Liabilities				
Provisions	12	-	-	520,804
Other Non-Current Liablities	13	327,933	-	-
Other Non-Financial Liabilities	14	356,637	135,389	1,440,225
Total Non-Financial Liabilities		**684,570**	**135,389**	**1,961,029**
(3) Equity				
Equity Share Capital	15	12,450,000	12,450,000	12,450,000
Other Equity	16	(18,129,803)	(6,153,002)	10,005,337
Total Equity		**(5,679,803)**	**6,296,998**	**22,455,337**
Total Equity and Liabilities		**145,004,767**	**159,632,387**	**384,416,366**
Summary of significant accounting policies	1 & 2			
The accompanying notes are an integral part of the financial statements.	22-44			

As per our report of even date attached
KARNAVAT & CO.
Chartered Accountants

For and on behalf of the Board of Directors

(Viral Joshi)
Partner
Membership No: 137686

(G.M.LOYALKA)
Director
DIN: 00299416

(NITIN AGARWAL)
Managing Director
DIN: 08186528

Place : Mumbai
Date: July 31, 2020
UDIN : 20137686AAAAEG2044

(Shruti Didwania)
Company Secretary

(Anil Londhe)
Chief Financial Officer

NILKANTH ENGINEERING LIMITED
CIN: L27300MH1983PLC029360
Standalone Statement of Profit and Loss for the year ended 31st March, 2020

Particulars	Notes	2019-20 (₹)	2018-19 (₹)
Income			
Revenue from Operations			
Interest Income		-	19,022,050
Dividend Income		25,725	36,750
Net Gain on Fair Value Changes		73,036	61,653
I. Total Revenue From Operations		98,761	19,120,453
II. Other Income	17	1,662,654	1,816,804
III.Total Income (I+II)		1,761,415	20,937,257
Expenses			
Finance Costs	18	140,274	18,833,260
Employee Benefit Expenses	19	1,082,752	1,154,400
Depreciation and Amortization Expenses	20	8,729,657	11,045,273
Other Expenses	21	966,934	4,493,438
IV. Total Expenses		10,919,617	35,526,371
V. Profit/(Loss) BeforeTax(III-IV)		(9,158,202)	(14,589,114)
VI.Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
Excess/(Short) Provision of Earlier Years		(26,818)	-
VII. Net Profit After Tax		(9,185,020)	(14,589,114)
VIII. Other Comprehensive Income (OCI)			
Other Comprehensive Income not to be reclassified to profit and loss in subsequent periods			
Actuarial Gain/(Loss)		(285,431)	-
Net Gain/(Loss) on FVTOCI Investments		(2,506,350)	(1,569,225)
Total Other Comprehensive Income		(2,791,781)	(1,569,225)
IX. Total Comprehensive Income for the year		(11,976,801)	(16,158,339)
X. Basic and Diluted Earnings per share (Face value ₹ 10 each)	30	(7.38)	(11.72)
Summary of significant accounting policies	1 & 2		
The accompanying notes are an integral part of the financial statements.	22-44		

As per our report of even date attached
KARNAVAT & CO.
Chartered Accountants

For and on behalf of the Board of Directors

(Viral Joshi)
Partner
Membership No: 137686

(G.M.LOYALKA)
Director
DIN: 00299416

(NITIN AGARWAL)
Managing Director
DIN: 08186528

Place : Mumbai
Date: July 31, 2020
UDIN : 20137686AAAAEG2044

(Shruti Didwania)
Company Secretary

(Anil Londhe)
Chief Financial Officer

NILKANTH ENGINEERING LIMITED
CIN : L27300MH1983PLC029360
Standalone Cash Flow Statement for the year ended 31st March, 2020

Particulars		Year Ended 2019-20 (₹)	Year Ended 2018-19 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Net profit before taxation and extraordinary items		(9,158,202)	(14,589,114)
Adjustments for:			
Depreciation and amortisation expense		8,729,657	11,045,273
Provision for Expenses		684,570	135,389
Prepaid Expenses		54,528	44,666
(Profit)/Loss on Sale of Investments		(73,036)	(61,653)
Loss on Sale of Property, Plant and Equipment		-	2,598
Interest Expense		140,274	18,833,260
Dividend Income		(25,725)	(36,750)
Operating Profit before working capital changes		**352,066**	**15,373,669**
Increase/(Decrease) in Sundry Payables & Other Liabilities		(420,820)	(1,961,028)
(Increase)/Decrease in Trade & Other Receivables		3,375,033	50,270,199
(Increase)/Decrease in Inventories		-	-
Cash generated from operations		**3,306,279**	**63,682,840**
Less: Direct Taxes paid		133,200	2,026,242
Net Cash Flow from operating activities before extraordinary items		**3,173,079**	**61,856,598**
Adjustments for Prior Period Items		-	-
Net Cash Flow from operating activities	(A)	**3,173,079**	**61,656,598**
B. CASH FLOW FROM INVESTING ACTIVITIES:			
Sale of Investments (net)		476,569	49,596
Purchase of Property, Plant and Equipment		(94,400)	(31,500)
Loan Granted / (Repayment Received)		-	157,925,000
Dividend Income		25,725	36,750
Net Cash from/(used) in investing activities	(B)	**407,894**	**157,979,846**
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Loan Taken / (Repaid)		(3,200,000)	(206,800,000)
Interest Paid		(140,274)	(18,833,260)
Net Cash from/(used) in financing activities	(C)	**(3,340,274)**	**(225,633,260)**
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		**240,699**	**(5,996,816)**
Cash & Cash Equivalents as at beginning of period		1,611,272	7,608,088
Cash & Cash Equivalents as at end of period		1,851,971	1,611,272

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

	2019-20 (₹)	2018-19 (₹)
Cash on hand	3,304	1,348
Balance in current account	1,848,667	1,609,924
Cash and cash equivalents as restated	**1,851,971**	**1,611,272**

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
KARNAVAT & CO.
Chartered Accountants

(Viral Joshi)
Partner
Membership No: 137686

Place : Mumbai
Date: July 31, 2020
UDIN : 20137686AAAAEG2044

For and on behalf of the Board of Directors

(G.M.LOYALKA)
Director
DIN: 00299416

(NITIN AGARWAL)
Managing Director
DIN: 08186528

(Shruti Didwania)
Company Secretary

(Anil Londhe)
Chief Financial Officer

NILKANTH ENGINEERING LIMITED
CIN: U64200MH2000PTC129356
Standalone Statement of Change in Equity for the year ended 31st March, 2020

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

	Number	Amount (₹)
At 01 April, 2018	1,245,000	12,450,000
Issue of share capital	-	-
At 31 March, 2019	1,245,000	12,450,000
At 01 April, 2019	1,245,000	12,450,000
Issue of share capital	-	-
At 31 March, 2020	1,245,000	12,450,000

Other Equity

Particulars	Amount (₹)			
	Reserve and Surplus		Items of OCI	
	Reserve Fund under RBI Act,1934	Retained Earnings	NetGain/(Loss) on FVTOCI Investments	Total Equity
Balance as at 01 April, 2018	9,289,250	(3,084,678)	-	6,204,572
Transition adjustment on account of:				
Net Gain/(Loss) on FVTOCI Investments	-	-	3,780,822	3,780,822
Net Gain/(Loss) on FVTPL Investments	-	19,943	-	19,943
	9,289,250	(3,064,735)	3,780,822	10,005,337
Profit/(Loss) for the year	-	(14,589,114)	-	(14,589,114)
NetGain/(Loss) on FVTOCI Investments		-	(1,569,225)	(1,569,225)
Tax Effect on above	-		-	-
	9,289,250	(17,653,849)	2,211,597	(6,153,002)
Transfer to Reserve Fund under RBI Act	-	-	-	-
Balance as at 31 March, 2019	9,289,250	(17,653,849)	2,211,597	(6,153,002)

Particulars	Amount (₹)			
	Reserve and Surplus		Items of OCI	
	Reserve Fund under RBI Act,1934	Retained Earnings	NetGain/(Loss) on FVTOCI Investments	Total Equity
Balance as at 01 April, 2019	9,289,250	(17,653,849)	2,211,597	(6,153,002)
Profit/(Loss) for the year	-	(9,185,020)	-	(9,185,020)
NetGain/(Loss) on FVTOCI Investments	-	-	(2,506,350)	(2,506,350)
Actuarial Gain/(Loss)	-	-	(285,431)	(285,431)
Tax effect on above	-	-		-
	-	(26,838,869)	(580,184)	(18,129,803)
Transfer to Reserve Fund under RBI Act	-	-	-	-
Balance as at 31 March , 2020	9,289,250	(26,838,869)	(580,184)	(18,129,803)

As per our report of even date attached
KARNAVAT & CO.
Chartered Accountants

For and on behalf of the Board of Directors

(Viral Joshi)
Partner
Membership No: 137686

(G.M.LOYALKA)
Director
DIN: 00299416

(NITIN AGARWAL)
Managing Director
DIN:08166528

Place : Mumbai
Date: July 31, 2020
UDIN : 20137686AAAAEG2044

(SHRUTI DIDWANIA)
Company Secretary

(Anil Londhe)
Chief Financial Office

NILKANTH ENGINEERING LIMITED
CIN: L27300MH1983PLC029360

Notes to the Standalone Financial Statements for the year ended March 31, 2020

1. Corporate information

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 Finance & Investment. The principal place of business of the company is at Kalbadevi, Mumbai, Maharashtra.

2. Significant Accounting Policies

2.1. 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).

2.2. First time adoption

These Standalone Financial Statements, for the year ended March 31, 2020, are the first Standalone Financial Statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2019, the Company prepared its Standalone Financial Statements in accordance with accounting standards notified under section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared Standalone Financial Statements which comply with Ind AS applicable for periods ending on March 31, 2020, together with the comparative period data as at and for the year ended March 31, 2019, as described in the summary of significant accounting policies. In preparing these Standalone Financial Statements, the Company's opening balance sheet was prepared as at April 1, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP Standalone Financial Statements, including the balance sheet as at April 1, 2018 and the Standalone Financial Statements as at and for the year ended March 31, 2019.

2.3. Basis for Preparation

a. Historical Cost Convention

These Standalone Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

b. Fair Value Measurement

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Functional and Presentational Currency

These Standalone Financial Statements are presented in Indian Rupee (INR) which is also the functional currency.

d. Use of Estimates and Judgments

The preparation of Standalone Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Standalone Financial Statements is included in the accounting policies and/or the notes to the Standalone Financial Statements.

2.4. Presentation of standalone financial statements

The Standalone Financial Statements of the Company are presented as per Schedule III (Division III) of the Act applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

i. The normal course of business.
ii. The event of default.
iii. The event of insolvency or bankruptcy of the Company and/or its counterparties.

2.5. 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 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 Company's business model for managing financial assets which are explained below:

Business Model Assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The 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 Company's original expectations, the 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 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 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 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. 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 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:

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 Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the 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 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 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 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.

The 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 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 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 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 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.

2.6. Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount. Impairment losses are recognised in the statement of profit and loss.

2.7. Revenue Recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and that revenue can be reliably measured, regardless of when the payments is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding duties and taxes collected on behalf of the Government.

The 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 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 period, where appropriate, to the gross carrying amount of the financial asset or to amortised cost of financial liability. When calculating EIR, the 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.

2.8. **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 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 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 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.

2.9. **Borrowing Costs**

Borrowing costs include interest expense calculated using the effective interest rate method, other costs incurred in connection with borrowing of funds and exchange differences to the extent regarded as an adjustment to the interest costs. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

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

2.10. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.11. Taxes on Income

Income tax expense comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in Equity or Other Comprehensive Income. In such cases, the tax is also recognised directly in Equity or in Other Comprehensive Income.

a. Current Tax

Current tax is the amount of tax payable on the taxable income for the year, determined in accordance with the provisions of the Income Tax Act, 1961.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b. Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.12. Properties, Plant and Equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the 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 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.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of PPE measured as per Previous GAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2016.

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.

2.13. Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above.

2.14. Provision, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

(i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed when probable and recognised when realisation of income is virtually certain.

2.15. Earnings Per Share

Earnings per share is calculated by dividing the net profit or loss before OCI 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 before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.16. Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the 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 Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

2.17. Use of Critical Estimates, Judgements and Assumptions

The preparation of the Standalone Financial Statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgment and make certain assumptions in applying the Company's accounting policies and preparation of Standalone Financial Statements.

In the process of applying the Company's accounting policies, management has made the following judgments, which have most significant effect on the amounts recognised in the Standalone Financial Statements:

a. Estimation of Defined benefit obligations

The cost of the defined benefit plans and the present value of the obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds. The

Notes to the Standalone Financial Statements for the year ended March 31, 2020

mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increase is based on expected future inflation rates.

b. Estimated fair value of unlisted securities

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets and is determined based on valuation report from an expert.

2.18. Operating Cycle

Based on the nature of products/activities of the company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months.

2.19. Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

NILKANTH ENGINEERING LIMITED
Notes to the Standalone Financial Statements (Continued)
for the year ended 31st March, 2020

Note 3 : CASH AND CASH EQUIVALENTS	As at 31 March, 2020 (₹)	As at 31 March, 2019 (₹)	As at 1st April, 2018 (₹)
Cash in hand	3,304	1,348	133
Balances with Banks in			
- Current Accounts	1,848,667	1,609,924	7,607,955
Total	1,851,971	1,611,272	7,808,088

Note 4 : LOANS			
Unsecured ,Considered good			
Inter Corporate Loan	-	-	157,925,000
Total	-	-	157,925,000

Note 5 : INVESTMENTS

Particulars	Face Value	Number	As at 31 March, 2020 (₹)	As at 31 March, 2019 (₹)	As at 1st April, 2018 (₹)
Investments at Fair Value through OCI (FVTOCI)					
i) Quoted Equity Shares not held for trade					
Jay Shree Tea & Industries Limited (31st March, 2019 : 73,500; 1st April, 2018 : 73,500)	5	73,500	2,266,450	4,762,800	6,332,025
Mansoon Trading Company Limited (31st March, 2019 : 1,22,200; 1st April, 2018 : 1,22,200)	10	122,200	281,060	281,060	281,060
Meenakshi Steel Industries Limited (31st March, 2019 : 90,000; 1st April, 2018 : 90,000)	10	90,000	202,500	202,500	202,500
			2,740,010	5,246,360	6,815,585
ii) Unquoted Equity Shares not held for trade					
In Associate Companies					
Jatayu Textiles & Industries Limited (31st March, 2019 : 5,73,900; 1st April, 2018 : 5,73,900)	10	573,900	18,370,553	18,370,553	18,370,553
Osiris Online Private Limited (31st March, 2019 : 3,000; 1st April, 2018 : 3,000)	10	3,000	30,075	30,075	30,075
Sushree Trading Limited (31st March, 2019 : 5,28,250; 1st April, 2018 : 5,28,250)	10	528,250	15,441,534	15,441,534	15,441,534
In Other Companies					
Aakarshak Synthetics Limited (31st March, 2019 : 17,11,000; 1st April, 2018 : 17,11,000)	10	1,711,000	16,151,200	16,151,200	16,151,200
Manav Investment & Trading Company Limited (31st March, 2019 : 2,67,300; 1st April, 2018 : 2,67,300)	100	267,300	-	-	-
Rutgers Investment & Trading Company Private Limited (31st March, 2019 : 72,000; 1st April, 2018 : 72,000)	100	72,000	7,210,000	7,210,000	7,210,000
			57,203,362	57,203,362	57,203,362
Investments at Fair Value through Profit & Loss (FVTPL)					
iii) Unquoted Mutual Funds					
Units of ABSL Liquid Fund - Growth Direct Plan (31st March, 2019 : 1343.156, 1st April, 2018 - 1401.559)	100	-	-	403,533	391,476
			-	403,533	391,476
Total			59,943,372	62,853,255	64,410,423
Aggregate value of quoted investments			2,740,010	5,246,360	6,815,585
Aggregate value of unquoted investments			57,203,362	57,606,895	57,594,838

8. Property, Plant & Equipments

Particulars	Gross Block				Depreciation and Amortisation				Net Block	
	As at April 01, 2019	Additions	Deductions	As at March 31, 2020	As at April 01, 2019	For the Year	Deductions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Buildings	78,026,347	-	-	78,026,347	12,130,403	3,209,007	-	15,339,410	62,686,937	65,895,944
Plant & Machinery	3,070,732	-	-	3,070,732	1,434,031	296,312	-	1,730,343	1,340,389	1,636,701
Furniture & Fittings	43,787,740	94,400	-	43,882,140	26,021,459	4,602,074	-	30,623,533	13,258,607	17,766,281
Computers	140,490	-	-	140,490	101,515	22,406	-	123,921	16,569	38,975
Office Equipments	8,127,443	-	-	8,127,443	6,796,839	599,858	-	7,396,697	730,746	1,330,604
Total	**133,152,752**	-	-	**133,247,152**	**46,484,247**	**8,729,657**	-	**55,213,904**	**78,033,248**	**86,668,505**

Property, Plant & Equipments

Particulars	Gross Block				Depreciation and Amortisation				Net Block	
	As at April 01, 2018	Additions	Deductions	As at March 31, 2019	As at April 01, 2018	For the Year	Deductions	As at March 31, 2019	As at March 31, 2019	As at April 01, 2018
Buildings	78,026,347	-	-	78,026,347	8,757,123	3,373,280	-	12,130,403	65,895,944	69,269,224
Plant & Machinery	3,070,732	-	-	3,070,732	1,072,216	361,815	-	1,434,031	1,636,701	1,998,516
Furniture & Fittings	43,787,740	-	-	43,787,740	19,815,468	6,205,991	-	26,021,459	17,766,281	23,972,272
Computers	161,190	31,500	52,200	140,490	139,202	11,915	49,602	101,515	38,975	21,988
Office Equipments	8,127,443	-	-	8,127,443	5,704,567	1,092,272	-	6,796,839	1,330,604	2,422,876
Total	**133,173,452**	**31,500**	**52,200**	**133,152,752**	**35,488,576**	**11,045,273**	**49,602**	**46,484,247**	**86,668,505**	**97,684,876**

NILKANTH ENGINEERING LIMITED

Notes to the Standalone Financial Statements (Continued)

for the year ended 31st March, 2020

	As at 31 March, 2020 (₹)	As at 31 March, 2019 (₹)	As at 1st April, 2018 (₹)
Note 6 : OTHER FINANCIAL ASSETS			
Interest Accrued on Inter Corporate Loans	-	-	50,396,409
Deposits	420,200	420,200	420,200
Advances recoverable in cash or kind	388,051	301,658	219,935
Total	808,251	721,858	51,036,544
Note 7 : CURRENT TAX ASSETS (NET)			
Advance Income Taxes (Net of Provision for taxation as on 31.03.2020 - Rs.2,00,000, 31 March, 2019- Rs. 6,45,000, 01 April, 2018- Rs.6,45,000)	4,313,397	7,732,831	5,706,589
Total	4,313,397	7,732,831	5,706,589
Note 9 : OTHER NON-FINANCIAL ASSETS			
Prepaid Expenses	54,528	44,666	44,845
Total	54,528	44,666	44,845
Note 10 : BORROWINGS			
Unsecured			
Inter Corporate Loan	-	3,200,000	210,000,000
Total	-	3,200,000	210,000,000
Note 11 : OTHER FINANCIAL LIABILITIES			
Security Deposit	150,000,000	150,000,000	150,000,000
Total	150,000,000	150,000,000	150,000,000
Note 12 : PROVISIONS			
Contingent provision against Standard Asset	-	-	520,804
Total	-	-	520,804
Note 13 : PROVISIONS			
Other Non- Current Liabilities	327,933	-	-
Total	327,933	-	-
Note 14 : OTHER NON-FINANCIAL LIABILITIES			
Expenses Payable	344,637	123,830	135,000
Other Payable	12,000	11,559	1,305,225
Total	356,637	135,389	1,440,225

NILKANTH ENGINEERING LIMITED
Notes to the Standalone Financial Statements (Continued)
for the year ended 31st March, 2020

Note 15 : EQUITY SHARE CAPITAL

Particulars	As at 31 March, 2020 (₹)	As at 31 March, 2019 (₹)	As at 1st April, 2018 (₹)
Authorised:			
12,50,000 (March 31, 2019: 12,50,000; 1st April, 2018: 12,50,000) Equity Shares, of Rs. 10 par value	12,500,000	12,500,000	12,500,000
	12,500,000	12,500,000	12,500,000
Issued, Subscribed and Fully Paid up Shares			
12,45,000 (March 31, 2019: 12,45,000; 1st April, 2018: 12,50,000) Equity Shares, of Rs. 10 par value	12,450,000	12,450,000	12,450,000
Total	12,450,000	12,450,000	12,450,000

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, 2020 Number	(₹)	As at 31 March, 2019 Number	(₹)	As at 31 March, 2018 Number	(₹)
Number of Shares outstanding at the beginning of the year	1,245,000	12,450,000	1,245,000	12,450,000	1,245,000	12,450,000
Number of Shares issued during the year	-	-	-	-	-	-
Number of Shares outstanding at the end of the year	**1,245,000**	**12,450,000**	**1,245,000**	**12,450,000**	**1,245,000**	**12,450,000**

Term/right attached to equity shares
The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

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 2020 / March 31, 2019.

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.

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

Name of Equity Share Holder	31st March, 2020 Number	%	31st March, 2019 Number	%	31st March, 2018 Number	%
Aakershak Synthetics Limited	170,000	13.65%	170,000	13.65%	170,000	13.65%
Rutgers Investments And Trading Company Private Limited	112,000	9.00%	112,000	9.00%	112,000	9.00%
Sushree Trading Limited	622,000	49.96%	622,000	49.96%	622,000	49.96%
Kajal Synthetics & Silk Mills Limited	206,000	16.55%	206,000	16.55%	206,000	16.55%

NILKANTH ENGINEERING LIMITED
Notes to the Standalone Financial Statements (Continued)
for the year ended 31st March, 2020

NOTE 16 : OTHER EQUITY

Particulars	As at 31 March, 2020 (₹)	As at 31 March, 2019 (₹)	As at 1st April, 2018 (₹)
(i) Retained Earnings			
Balance as per last Financial Statements	(17,653,849)	(3,064,735)	(3,084,678)
Profit/(Loss) for the year	(9,185,020)	(14,589,114)	-
Net Gain/(Loss) on FVTPL Investments	-	-	19,943
Less:Transferred to Special Reserve	-	-	-
Total	**(26,838,869)**	**(17,653,849)**	**(3,064,735)**
(ii) Special Reserve			
Reserve Fund under RBI Act,1934			
Balance as per last Financial Statements	9,289,250	9,289,250	9,289,250
Add: Transferred from Statement of Profit and Loss	-	-	-
	9,289,250	**9,289,250**	**9,289,250**
(iii) FVTOCI Reserves			
Balance as per last Financial Statements	2,211,597	3,780,822	-
Net Gain/(Loss) on FVTOCI Investments	(2,506,350)	(1,569,225)	3,780,822
Actuarial Gain/(Loss)	(285,431)	-	-
Tax effect on above	-	-	-
	(580,184)	**2,211,597**	**3,780,822**
Total	**(18,129,803)**	**(6,153,002)**	**10,005,337**

Notes:

Special Reserve : Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

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, 2020

Particulars	2019-20 (₹)	2018-19 (₹)
Note 17 : OTHER INCOME		
Rent Received	1,332,000	1,296,000
Interest on Income Tax Refund	288,654	-
Miscellaneous Income	42,000	-
Reversal of Contingent Provision against Standard Asset	-	520,804
Total	1,662,654	1,816,804

Note 18 : FINANCE COSTS

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
Interest on Inter Corporate Loan	-	140,274	-	18,833,260
Interest on corporate loan from financial institution	-	-	-	-
Other Borrowing Costs	-	-	-	-
Total	-	140,274	-	18,833,260

Note 19 : EMPLOYEE BENEFIT EXPENSES

Salaries, Bonus and Allowances	1,040,250	1,154,400
Gratuity	42,502	-
Total	1,082,752	1,154,400

Note 20 : DEPRECIATION AND AMORTIZATION EXPENSES

Depreciation on Property, Plant & Equipments	8,729,657	11,045,273
Total	8,729,657	11,045,273

Note 21 : OTHER EXPENSES

Advertisement expenses	18,047	17,165
Bank charges	670	5,803
Conveyance	20,054	18,646
Credit Information Membership Fees	5,900	5,900
Custodian / ISIN activation charges	21,240	21,420
Demat Account Charges	944	944
Electricity Charges	5,530	4,920
Filing Fees	10,800	6,500
General Expenses	10,719	20,618
Insurance Charges	70,068	65,391
Legal and Professional Charges	66,660	69,103
Listing Fees	354,000	295,000
Property Tax	102,094	102,094
Rent Paid	20,592	17,160
Repairs & Maintenance		
On Building	61,776	87,230
Telephone Expenses	17,479	18,413
Travelling Expenses	38,761	26,233
Loss on sale of Fixed Assets	-	2,598
Reinstatement Fees (BSE)	-	3,540,000
Payment to Auditor	141,600	168,300
Total	966,934	4,493,438
Payment to Auditor		
As Auditor		
Audit Fees	90,000	90,000
Tax Audit	-	20,000
In Other capacity		
Certification Fees	33,600	25,000
Reimbursement of Tax	18,000	33,300
	141,600	168,300

22. First-time adoption of Ind AS

Ind AS 101 "First-time Adoption of Indian Accounting Standards" provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the Opening Balance Sheet as per Ind AS as of April 01, 2018 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, reclassifying items from previous GAAP to Ind AS as required under Ind AS and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain mandatory exceptions and optional exemptions out of which the ones which are relevant for the Company are as detailed below:

Mandatory exceptions to the retrospective application of Ind AS

(i) Estimates

The estimates at April 01, 2018 and at March 31, 2019 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2018, the date of transition to Ind AS and as of March 31, 2019.

(ii) Derecognition of financial assets and financial liabilities

As per Ind AS 101 – An entity shall apply the exception to the retrospective application in case of "derecognition of financial assets and financial liabilities" wherein a first-time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs.

(iii) Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of the facts and circumstances existing as on the date of transition and the Company has complied accordingly.

As per Ind AS 101, for financial assets or financial liabilities classified as at amortised cost, if it is impracticable for the Company to apply retrospectively the effective interest method as mentioned in Ind AS 109, the fair value of the financial assets or financial liabilities at the date of transition to Ind AS shall be the new gross carrying amount of that financial asset or financial liability at the date of transition to Ind AS. For financial assets and financial liabilities classified as at amortised cost, measurement has been done retrospectively by the Company.

Voluntary exemptions availed

(i) Property, Plant and Equipment

Company has elected to continue with the carrying value under previous GAAP for all the items of property, plant and equipment.

(ii) Investment in Associates

Company has elected to continue with the carrying value of its investment in Associates recognised as at April 01, 2018 (transition date) measured as per the Previous GAAP as its deemed cost.

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101:

1 Reconciliation of Balance sheet as at April 01, 2018 (Transition Date) and as at March 31, 2019.

2 Reconciliation of Statement of Profit & Loss for the year ended March 31, 2019

3 Reconciliation of other equity as at April 01, 2018 and March 31, 2019

4 Reconciliation of total comprehensive income for the year ended March 31, 2019

5 Reconciliation of statement of cash flows for the year ended March 31, 2019.

1 **Reconciliation of Balance Sheet as at April 01, 2018 (date of transition to Ind AS)**

(Rupees)

Particulars	Indian GAAP	Adjustments	Ind AS
Financial assets			
Cash and cash equivalents	7,608,088	-	7,608,088
Loans	157,925,000		157,925,000
Investments	60,609,658	3,800,765	64,410,423
Other Financial Assets	51,036,544	-	51,036,544
Total Financial assets	**277,179,290**	**3,800,765**	**280,980,055**
Non- Financial assets			
Current Tax Assets (Net)	5,706,589	-	5,706,589
Property, plant and equipment	97,684,877	-	97,684,877
Other Non-Financial Assets	44,845	-	44,845
Total Non-Financial assets	**103,436,311**	-	**103,436,311**
Total Assets	380,615,601	3,800,765	384,416,366
LIABILITIES AND EQUITY			
Financial Liabilities			
Borrowings	210,000,000	-	210,000,000
Other Financial Liabilities	150,000,000	-	150,000,000
Total Financial Liabilities	**360,000,000**	-	**360,000,000**
Non- Financial Liabilities			
Provisions	520,804	-	520,804
Other Non-Financial Liabilities	1,440,225	-	1,440,225
Total Non-Financial Liabilities	**1,961,029**	-	**1,961,029**
EQUITY			
Equity Share capital	12,450,000	-	12,450,000
Other equity	6,204,572	3,800,765	10,005,337
Total Equity	**18,654,572**	**3,800,765**	**22,455,337**
Total Liabilities and Equity	**380,615,601**	**3,800,765**	**384,416,366**

Reconciliation of Balance Sheet as at March 31, 2019

(Rupees)

Particulars	Indian GAAP	Adjustments	Ind AS
Financial assets			
Cash and cash equivalents	1,611,272	-	1,611,272
Investments	60,638,394	2,214,861	62,853,255
Other Financial Assets	721,858	-	721,858
Total Financial assets	**62,971,524**	**2,214,861**	**65,186,385**
Non- Financial assets			
Current Tax Assets (Net)	7,732,831	-	7,732,831
Property, plant and equipment	86,668,505	-	86,668,505
Other Non-Financial Assets	44,666	-	44,666
Total Non-Financial assets	**94,446,002**	-	**94,446,002**
Total Assets	157,417,526	2,214,861	159,632,387
LIABILITIES AND EQUITY			
Financial Liabilities			
Borrowings	3,200,000	-	3,200,000
Other Financial Liabilities	150,000,000	-	150,000,000
Total Financial Liabilities	**153,200,000**	-	**153,200,000**
Non- Financial Liabilities			
Other Non-Financial Liabilities	135,389	-	135,389
Total Non-Financial Liabilities	**135,389**	-	**135,389**
EQUITY			
Equity Share capital	12,450,000	-	12,450,000
Other equity	(8,367,863)	2,214,861	(6,153,002)
Total Equity	**4,082,137**	**2,214,861**	**6,296,998**
Total Liabilities and Equity	**157,417,526**	**2,214,861**	**159,632,387**

2 Reconciliation of Profit & Loss for the year ended March 31, 2019

(Rupees)

Particulars	Indian GAAP	Adjustments	Ind AS
Income			
Interest Income	19,022,050	-	19,022,050
Dividend Income	36,750	-	36,750
Gain on current Investment	78,332	(16,679)	61,653
Other Income	1,816,804	-	1,816,804
Total revenue (I)	20,953,936	(16,679)	20,937,257
Expenses			
Finance costs	18,833,260	-	18,833,260
Employee benefit expenses	1,154,400	-	1,154,400
Depreciation and Amortization Expenses	11,045,273	-	11,045,273
Other expenses	4,493,438	-	4,493,438
Total expenses (II)	35,526,371	-	35,526,371
Profit/ (Loss) before tax (I-II)	(14,572,435)	(16,679)	(14,589,114)
Deferred Tax	-	-	-
(Excess)/ Short Provision of Earlier Years	-	-	-
Profit/ (Loss) for the year	(14,572,435)	(16,679)	(14,589,114)

3 Reconciliation of other equity as at April 01, 2018 and March 31, 2019

(Rupees)

Particulars	As at March 31, 2019	As at April 1, 2018
Total Other Equity under Previous GAAP (A)	(8,367,863)	6,204,572
Fair Value Loss on Financial Instruments at Fair Value through Profit & Loss	3,264	19,943
Deferred tax	-	-
Fair Value Gain on Financial Instruments at Fair Value through Other Comprehensive Income	2,211,597	3,780,822
Total Other Equity under Ind AS (A+B)	(6,153,002)	10,005,337

4 Reconciliation of Total Comprehensive Income for the year ended March 31, 2019

(Rupees)

Particulars	Year ended March 31, 2019
Net profit/(loss) under previous Indian GAAP	(14,572,435)
Fair Value Gain on Financial Instruments at Fair Value through Profit & Loss	(16,679)
Fair Value Gain on Financial Instruments at Fair Value through Other Comprehensive Income	(1,569,225)
Total Comprehensive Income / (Loss) as per Ind AS	(16,158,339)

5 Effect of Ind AS adoption on the Cash Flow Statement for the year ended March 31, 2019

(Rupees)

Particulars	Indian GAAP	Adjustments	Ind AS
Net Cash Flows from in Operating Activities	61,673,277	(16,679)	61,656,598
Net Cash Flows from Investing Activities	157,963,167	16,679	157,979,846
Net Cash Flows from Financing Activities	(225,633,260)	-	(225,633,260)
Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(5,996,816)	-	(5,996,816)
Cash and Cash Equivalents at the beginning of year	7,608,088	-	7,608,088
Cash and Cash Equivalents at the end of year	1,611,272	-	1,611,272

Notes to the reconciliation:

1) Investments - Fair value through other comprehensive income

Under Previous GAAP, the Company accounted for long term investments in unquoted and quoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, financial assets representing investment in equity shares of entities other than associate have to be fair valued. At the date of transition to Ind AS, difference between the instruments fair value and Previous GAAP carrying amount has been recognised as a separate component of equity, in the FVOCI reserve, net of related deferred taxes. Accordingly, an amount of Rs.(15.69) Lakh has been recognised in OCI for the year ended 31 March 2019 including an amount of Rs.37.80 Lakh has been recognised as increase as on 1 April 2018.

2) Investments - at fair value through profit or loss

Under Previous GAAP, the Company accounted for current Investments in mutual funds as investment measured at lower of cost or net realisable value. Under Ind AS, financial assets representing investment in mutual funds has been valued as investments designated at fair value through profit or loss. At the date of transition to Ind AS, difference of Rs 19,943 between the instruments fair value and Previous GAAP carrying amount has been recognised in the retained earnings net of related deferred taxes as on 1 April, 2018. Further an amount of Rs.(3,264) has been recognised in for the year ended 31 March 2019.

23. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recoveredor settled.

Particulars	As at 31 March, 2020			As at 31 March, 2019			As at 1st April, 2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS									
Financial Assets									
Cash and Cash Equivalents	1,851,971	-	1,851,971	1,611,272	-	1,611,272	7,608,088	-	7,608,088
Loans	-	-	-	-	-	-	157,925,000	-	157,925,000
Investments	-	59,943,372	59,943,372	403,533	62,449,722	62,853,255	391,476	64,018,947	64,410,423
Other Financial Assets	808,251	-	808,251	721,858	-	721,858	51,036,544		51,036,544
Non-Financial Assets						-			
Current Tax Assets (Net)	4,313,397	-	4,313,397	7,732,831	-	7,732,831	5,706,589	-	5,706,589
Propety, Plant and Equipment	78,033,248		78,033,248	86,668,505		86,668,505	97,684,877		97,684,877
Other Non Financial Assets	54,528		54,528	44,666		44,666	44,845		44,845
Total Assets	**85,061,395**	**59,943,372**	**145,004,767**	**97,182,665**	**62,449,722**	**159,632,387**	**320,397,419**	**64,018,947**	**384,416,366**
LIABILITIES									
Financial Liabilities									
Borrowings	-	-	-	3,200,000	-	3,200,000	210,000,000	-	210,000,000
Other Financial Liabilities	150,000,000	-	150,000,000	150,000,000		150,000,000	150,000,000		150,000,000
Non-Financial Liabilities									
Provisions	-	-	-	-	-	-	520,804	-	520,804
Other Non-Current Liabilities	327,933	-	327,933	-	-	-	-	-	-
Other Non-Financial Liabilities	356,637	-	356,637	135,389	-	135,389	1,440,225	-	1,440,225
Total Non-Financial Liabilities	**150,684,570**	**-**	**150,684,570**	**153,335,389**	**-**	**153,335,389**	**361,961,029**	**-**	**361,961,029**
Net Position	**(65,623,175)**	**59,943,372**	**(5,679,803)**	**(56,152,724)**	**62,449,722**	**6,296,998**	**(41,563,610)**	**64,018,947**	**22,455,337**

24. Capital Management:

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholders value.

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. Capital Management Policy, objectives and processes are under constant review by the Board.

25. 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.

As at 31st March, 2020	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	-	-	1,851,971	1,851,971	-	-	1,851,971	1,851,971
Loans	-	-	-	-	-	-	-	-
Invesetments	-	26,101,210	33,842,162	59,943,372	2,740,010	-	57,203,362	59,943,372
Other Financial Assets	-	-	808,251	808,251	-	-	808,251	808,251
	-	26,101,210	36,502,384	62,603,594	2,740,010	-	59,863,584	62,603,594
Financial Liabilities								
Borrowings	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	-	150,000,000	150,000,000	-	-	150,000,000	150,000,000
	-	-	150,000,000	150,000,000	-	-	150,000,000	150,000,000

As at 31st March, 2019	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	-	-	1,611,272	1,611,272	-	-	1,611,272	1,611,272
Loans	-	-	-	-	-	-	-	-
Invesetments	403,533	28,607,560	33,842,162	62,853,255	5,246,360	403,533	57,203,362	62,853,255
Other Financial Assets	-	-	721,858	721,858	-	-	721,858	721,858
	403,533	28,607,560	36,175,292	65,186,385	5,246,360	403,533	59,536,492	65,186,385
Financial Liabilities								
Borrowings	-	-	3,200,000	3,200,000	-	-	3,200,000	3,200,000
Other Financial Liabilities	-	-	150,000,000	150,000,000	-	-	150,000,000	150,000,000
	-	-	153,200,000	153,200,000	-	-	153,200,000	153,200,000

As at 1st April, 2018	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	-	-	7,608,088	7,608,088	-	-	7,608,088	7,608,088
Loans	-	-	157,925,000	157,925,000	-	-	157,925,000	157,925,000
Invesetments	391,476	30,176,785	33,842,162	64,410,423	6,815,585	391,476	57,203,362	64,410,423
Other Financial Assets	-	-	51,036,544	51,036,544	-	-	51,036,544.00	51,036,544
	391,476	**30,176,785**	**250,411,794**	**280,980,055**	**6,815,585**	**391,476**	**273,772,994**	**280,980,055**
Financial Liabilities								
Borrowings	-	-	210,000,000	210,000,000	-	-	210,000,000	210,000,000
Other Financial Liabilities	-	-	150,000,000	150,000,000	-	-	150,000,000	150,000,000
	-	-	**360,000,000**	**360,000,000**	-	-	**360,000,000**	**360,000,000**

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-thecounter 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.

26 *Financial Risk Management Objectives and Policies:*

The Company's principal financial liabilities comprise Current Tax Liabilities and Provisions. The Company's financial assets include Investments, Loan, Interest receivable on Loan and Cash and Cash equivalents that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's board of directors has an overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed to reflect changes in market conditions and the Company's activities.

The Company's board of directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations and arises principally from the Company's receivables from customers and loans. The carrying amounts of financial assets represent the maximum credit risk exposure.

Loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each Borrower / Customer, However, management also considers the factors that may influence the credit risk of its customer base. Including the default risk associated with the industry. The Company's exposure to credit risk for loans and advances by type of counterparty is as follows;

Carrying Amount

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Inter Corporate Loan	-	-	157,925,000

The Loans are repayable on demand, however an impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the trade receivables are categorised into groups based on days past due.

Investments

The major investments of the Company is in the group companies which includes investment in an associate.

The company has also made investments in the units of mutual funds on the basis of risk and returns of the respective scheme.

Cash and cash equivalent and Bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the fund are in Current Account and sometimes in invests in term deposits with banks.

2) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

The Company is monitoring its liquidity risk by estimating the future inflows and outflows during the start of the year and planned accordingly the funding requirement. The Company manages its liquidity by term loans, inter-corporate deposit and investment in mutual funds.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities based on contractual undiscounted payments along with its carrying value as at the balance sheet date.

Particular	As at 31 March, 2020		
	Up to 12 months	More than 12 months	Total
Borrowings	-	-	-
Other Financial Liabilities	150,000,000	-	150,000,000

Particular	As at 31 March, 2019		
	Up to 12 months	More than 12 months	Total
Borrowings	3,200,000	-	3,200,000
Other Non-Financial Liabilities	150,000,000	-	150,000,000

Particular	As at 1st April, 2018		
	Up to 12 months	More than 12 months	Total
Borrowings	210,000,000	-	210,000,000
Other Non-Financial Liabilities	150,000,000	-	150,000,000

3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk includes interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

27 **Schedule to the Balance Sheet under Annex IV of Master Direction - Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016**

Particulars

Liabilities Side **(Amount in Rs.)**

	Particulars	Amount O/S	Amount Overdue
1	Loans and advances availed by the non banking financial company inclusive of interest accrued thereon but not paid:		
	a) Debentures:		
	Secured	Nil	Nil
	Unsecured	Nil	Nil
	(other than falling within the meaning of public deposits)		
	b) Deferred Credits	Nil	Nil
	c) Term Loans	Nil	Nil
	d) Inter Corporate loans and borrowings	Nil	Nil
	e) Commercial Paper	Nil	Nil
	f) Other Loans (Specify nature)	Nil	Nil
	Total	Nil	Nil

Assets Side

	Particulars	Amount Outstanding
2	Breakup of Loans and Advances including bills receivables (other than those included in (4) below):	
	a) Secured	Nil
	b) Unsecured	388,051
3	Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities	
	i) Lease assets including lease rentals under sundry debtors:	
	a) Financial Lease	N.A
	b) Operating Lease	N.A
	ii) Stock on hire including hire charges under sundry debtors:	
	a) Assets on hire	N.A
	b) Reposessed Assets	N.A
	iii) Other loans counting towards AFC activities	
	a) Loans where assets have been repossessed	N.A
	b) Loans other than (a) above	N.A
4	Breakup of Investments:	
	Current Investments:	
	1. Quoted:	
	i) Shares: (a) Equity	Nil
	(b) Preference	Nil
	ii) Debentures and Bonds	
	iii) Units of mutual funds	Nil
	iv) Government Securities	Nil
	v) Others (please specify)	Nil
	2. Unquoted:	
	i) Shares: (a) Equity	Nil
	(b) Preference	Nil
	ii) Debentures and Bonds	Nil
	iii) Units of mutual funds	Nil
	iv) Government Securities	Nil
	v) Others (please specify)	Nil

Long Term investments:

1. Quoted:

i) Shares: (a) Equity	2,740,010
(b) Preference	Nil
ii) Debentures and Bonds	Nil
iii) Units of mutual funds	Nil
iv) Government Securities	Nil
v) Others (please specify)	Nil

2. Unquoted:

	Amount Outstanding
i) Shares: (a) Equity	57,203,362
(b) Preference	Nil
ii) Debentures and Bonds	Nil
iii) Units of mutual funds	Nil
iv) Government Securities	Nil
v) Others (please specify)	Nil

5 Borrower groupwise classification of assets financed as in (2) and (3) above:

Category	**Amount net of Provisions**		
	Secured	**Unsecured**	**Total**
1. Related Parties			
a) Subsidiaries	Nil	Nil	Nil
b) Companies in the same group	Nil	Nil	Nil
c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	388,051	Nil
Total	**Nil**	**388,051**	**Nil**

6 Investor groupwise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	**Market Value/Break up or fair value or NAV**	**Book Value (Net of Provisions)**
1. Related Parties		
a) Subsidiaries	-	-
b) Companies in the same group	33,842,162	33,842,162
c) Other related parties	-	-
2. Other than related parties	26,101,210	26,101,210
Total	**59,943,372**	**59,943,372**

7 Other information

i) Gross NonPerforming Assets		
a) Related Parties	Nil	Nil
b) Other than related parties	Nil	Nil
ii) Net NonPerforming Assets	Nil	Nil
a) Related Parties	Nil	Nil
b) Other than related parties	Nil	Nil
iii) Assets acquired in satisfaction of debt	Nil	Nil

28 Changes in Liabilities arising from Financing Activities

Particulars	For the year ended March 31, 2019	Cash Flows	For the year ended March 31, 2020
Inter Corporate Loan	3,200,000	(3,200,000)	-
Total Liabilities from Financing Activities	3,200,000	(3,200,000)	-

29 Contingent Liabilities not provided (Ind AS - 37)

a. Estimated amount of contracts remaining to be executed on capital account and not provided for – Rs. Nil (PY - Rs. Nil).

b. Other Contingent Liabilities not provided for - Rs. Nil (PY - Rs. Nil).

30 Earnings Per Share (Ind AS - 33)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net Profit/(Loss) After Tax as per Statement of Profit and Loss	(9,185,020)	(14,589,114)
Weighted Average Number of Equity Shares	1,245,000	1,245,000
Basic and Diluted earnings per Share (In Rs.)	(7.38)	(11.72)
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.

31 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.

32 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 :

	For the year ended March 31, 2020
Gratuity and other post employment benefit plans	
(I) Change in present value of obligation	
PVO at the beginning of period	-
Interest cost	-
Current Service cost	42,502
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	285,431
PVO at the end of period	327,933

Statement of Assets and Liabilities for Defined Benefit Obligation :

(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	327,933
Fair value of plan assets at end of year	-
Funded Status	(327,933)
Net Asset/(Liability) recognised in the Balance Sheet	(327,933)

(iv) Expenses recognised in Statement of Profit and Loss

Current Service cost	42,502
Net Interest cost	-
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	285,431
Return on plan assets excl. net interest	-
Expenses recognised in the Statement of Profit & Loss	327,933

(v) Other Comprehensive Income (OCI)

Actuarial (Gain)/Loss recognized for the period	285,431
Asset limit effect	-
Return on Plan Assets excl. net interest	-
Unrecognized Actuarial (Gain)/Loss from previous period	-
Total Actuarial (Gain)/Loss recognized in (OCI)	285,431

(vi) Movement in the liability recognised in Balance Sheet

Liability at the beginning of the period	-
Adjustment to Opening Balance	-
Expenses	42,502
Contribution paid	-
Other Comprehensive Income (OCI)	285,431
Net amount recognised in Balance Sheet	327,933

(vii) Expected Payout

Projected Benefits Payable in Future Years From the Date of Reporting	
1st Following Year	1,217
2nd Following Year	1,361
3rd Following Year	1,525
4th Following Year	1,710
5th Following Year	1,920
Sum of Years 6 To 10	13,968

(viii) Assumptions

Mortality	IALM (2006-08) Ult.
Interest / Discount Rate	6.80%
Rate of Increase in Compensation	12.00%
Expected Average Remaining Age	19.74
Employee Attrition rate	PS 0 to 60 : 0.80%

(ix) Sensitivity analysis for significant assumptions

Projected Benefit Obligation on Current Assumptions	327,933
Delta Effect of +1% Change in Rate of Discounting	307,368
Delta Effect of -1% Change in Rate of Discounting	476,293
Delta Effect of +1% Change in Rate of Salary Increase	470,165
Delta Effect of -1% Change in Rate of Salary Increase	310,143

Narrations

1. Expected rate of return basis

Scheme is not funded EORA 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.

Statement of Assets and Liabilities for Defined Benefit Obligation :

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.

33 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
R. D. Bhatter	Director
Rajshree Tapuriah	Director
Nitin Agarwal	Managing Director
Shruti Didwania	Company Secretary
Anil Londhe	Chief Financial Officer

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

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
I.	Salaries, Bonus and Allowances	1,082,752	1,154,400

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 during the year
31st March, 2020	-	-
31st March, 2019	-	-
31st March, 2018	-	-

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

34 Segment Reporting (Ind AS - 108)

The Company operates mainly in the business segment of fund based 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'.

35 Leases (Ind AS - 116)

The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from April 1, 2019. The adoption of Ind AS 116 did not have any material impact on the financial position of the Company for the year ended March 31, 2020.

36 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.

37 The provisions of section 186 of the Companies Act, 2013 pertaining to investment and lending activities were not applicable to the Company since the Company was an NBFC whose principal business was acquisitions of securities. Further, during the year, the Company has not provided any guarantee (Refer Note No. 29).

38 The Certificate of Registration of the Company to carry on the Business as a Non Banking Financial Company (NBFC) has been cancelled by the Reserve Bank of India (RBI) vide its order dated June 28, 2018 passed under Section 45-1A (6) of The Reserve Bank of India Act, 1934 on the ground that Net Owned Fund (NOF) are below Rs. 2 Crores. The Company has filed an appeal under Section 45-1A (7) on 9th November, 2018 before the Appellate Authority of NBFC Registration, New Delhi and the same is pending for disposal. As advised by the RBI, as on 31.03.2020 the Company has not transacted any business of a NBFC. The Company does not intent to carry on the business of NBFC during the period of disposal of appeal.

39 There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2020.

40 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.

41 The outbreak of Coronavirus (COVID-19) pandemic globally and in India has resulted in a slowdown of economic activity. The Company has evaluated the impact of this pandemic on its business operations during the year ended March 31, 2020. The pandemic has not materially impacted revenues of the Company for the year ended March 31, 2020.

The extent to which the pandemic will impact Company's results will depend on future developments, which are highly uncertain, including, among things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company. Given the uncertainty over the potential macro economic condition, the impact of the global health pandemic may be different from that estimated as at the approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

42 The following disclosure is required pursuant to RBI circular dated 13.03.2020- Circular No. RB112019-201170 DOR/(NBFC).CC.PD. No. 1091/22.10.106/2019-20 :

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying value as per Ind AS	Loss allowances (Provisions) as required under Ind AS 109	Net Carrying Value	Provision as per ICARP norms	Difference Between Ind AS 109 and provisions as per ICARP norms
(A)	(B)	(C)	(D)	(E) = (C) - (D)	(F)	(G) = (D) - (F)
Performing Assets Standard	Stage 1	-	-	-	-	-

43 Disclosure pursuant to RBI notification on "COVID-19 Regulatory Package - Asset Classification and Provisioning" dated 17 April 2020 :

Sr. No.	Particulars	Amount
i)	Respective amounts in SMA/overdue categories where the moratorium/deferment was extended.	Nil
ii)	Respective amount where asset classification benefits is extended.	Nil
iii)	Provision made during the F.Y. 2020 as per RBI circular dated 17 April 2020 Norms.	Nil
iv)	Provisions adjusted during the respective accounting period against slippages and the residual provisions.	Nil

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 founds all known liabilities.

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

b) Figures have been rounded off to nearest rupee.

As per our report of even date attached
KARNAVAT & CO.
Chartered Accountants

For and on behalf of the Board of Directors

(Viral Joshi)
Partner
Membership No: 137686

(G.M.LOYALKA)
Director
DIN: 00299416

(NITIN AGARWAL)
Managing Director
DIN: 08186528

Place : Mumbai
Date: July 31, 2020
UDIN : 20137686AAAAEG2044

(Shruti Didwania)
Company Secretary

(Anil Londhe)
Chief Financial Officer

UDIN : 20137686AAAAEH6330

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, 2020, 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, 2020 and its loss, 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.

Emphasis of Matter

We draw your attention to Note No.40 to the Consolidated Financial Statement for the year ended March 31, 2020, which describes the impact of the outbreak of Coronavirus (COVID-19) on the business operations. In view of the highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our conclusion is not modified in respect of this matter.

(Cont..2)

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, 2020. 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:

Sr. No.	Key Audit Matter	Our Response
1	***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.	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. 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.
2	***Modified Audit Procedures carried out in light of COVID-19 outbreak:*** Due to COVID-19 pandemic, Nation-wide lockdown and travel restrictions imposed by Central/ State Government/ Local Authorities during the period of our audit to facilitate carrying out audit remotely wherever physical access was not possible, audit could not be conducted by visiting the premises of the Parent Company.	Due to the outbreak of COVID-19 pandemic that caused nationwide lockdown and other travel restrictions imposed by the Central and State Governments/local administration during the period of our audit, we could not travel to the Parent Company's Office and carry out the audit processes physically. Wherever physical access was not possible, necessary records/ reports/ documents/ certificates were made available to us through digital medium and emails. To this extent, the audit process was carried out on the basis of such documents, reports and records made available to us which were relied upon as audit evidence for conducting the audit and reporting for the current period.

(Cont..3)

	As we could not gather audit evidence in person/physically/ through discussions and personal interactions with the officials at the Parent Company's Office, we have identified such modified audit procedures as a Key Audit Matter. Accordingly, our audit procedures were modified to carry out the audit remotely.	Accordingly, we modified our audit procedures as follows: a. Conducted verification of necessary records/ documents through emails wherever physical access was not possible. b. Carried out verification of scanned copies of the documents, deeds, certificates and the related records made available to us through emails. c. Making enquiries and gathering necessary audit evidence through Video Conferencing, dialogues and discussions over phone calls/conference calls, emails and similar communication channels. d. Resolution of our audit observations telephonically/through email instead of a face-to-face interaction with the designated officials.

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

(Cont..4)

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.

(Cont..5)

- 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.1,93,19,863/- being the Parent Company's share in the net Loss of its three associate companies for the year ended 31st March, 2020, which Consolidated Financial Statements/financial information have not been audited by us. These Consolidated 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.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the financial statements audited by other auditors.

(Cont..6)

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, 2020, and taken on record by the respective Board of Directors, none of the directors of the Group Companies is disqualified as on March 31, 2020, 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

(Cont..7)

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.

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

(Viral Joshi)
Partner
Membership No. 137686

Place : Mumbai
Dated : July 31, 2020

NILKANTH ENGINEERING LIMITED
CIN: L27300MH1983PLC029360
Consolidated Balance Sheet as at 31st March, 2020

Particulars	Notes	As at 31 March, 2020 (₹)	As at 31 March, 2019 (₹)	As at 1st April, 2018 (₹)
ASSETS				
(1) Financial Assets				
Cash and cash equivalents	3	1,851,971	1,611,272	7,608,088
Loans	4	-	-	157,925,000
Investments	5	1,157,372,672	2,302,451,651	1,950,745,435
Other Financial Assets	6	808,251	721,858	51,036,544
Total Financial Assets		**1,160,032,894**	**2,304,784,781**	**2,167,315,067**
(2) Non-Financial Assets				
Current Tax Assets (Net)	7	4,313,397	7,732,831	5,706,589
Property, plant and equipment	8	78,033,248	86,668,505	97,684,877
Other Non-Financial Assets	9	54,528	44,666	44,845
Total Non-Financial Assets		**82,401,173**	**94,446,002**	**103,436,311**
Total Assets		**1,242,434,067**	**2,399,230,783**	**2,270,751,378**
EQUITY AND LIABILITIES				
(1) Financial Liabilities				
Borrowings	10	-	3,200,000	210,000,000
Other Financial Liabilities	11	150,000,000	150,000,000	150,000,000
Total Financial Liabilities		**150,000,000**	**153,200,000**	**360,000,000**
(2) Non-Financial Liabilities				
Provisions	12	-	-	520,804
Other Non-Current Liabilities	13	327,933	-	-
Other Non-Financial Liabilities	14	356,637	135,389	1,440,225
Total Non-Financial Liabilities		**684,570**	**135,389**	**1,961,029**
(3) Equity				
Equity Share capital	15	12,450,000	12,450,000	12,450,000
Other equity	16	1,079,299,497	2,233,445,394	1,896,340,349
Total Equity		**1,091,749,497**	**2,245,895,394**	**1,908,790,349**
Total Equity and Liabilities		**1,242,434,067**	**2,399,230,783**	**2,270,751,378**
Summary of significant accounting policies	1 & 2			
The accompanying notes are an integral part of the financial statements.	22-45			

As per our report of even date attached
KARNAVAT & CO.
Chartered Accountants

For and on behalf of the Board of Directors

(Viral Joshi)
Partner
Membership No: 137686

(G.M.LOYALKA)
Director
DIN: 00299416

(NITIN AGARWAL)
Managing Director
DIN: 08186528

Place : Mumbai
Date: July 31, 2020
UDIN : 20137686AAAAEH6330

(Shruti Didwania)
Company Secretary

(Anil Londhe)
Chief Financial Officer

NILKANTH ENGINEERING LIMITED
CIN: L27300MH1983PLC029360
Consolidated Statement of Profit and Loss for the year ended 31st March, 2020

Particulars	Notes	2019-20 (₹)	2018-19 (₹)
Income			
Revenue from Operations			
Interest Income		-	19,022,050
Dividend Income		25,725	36,750
Net Gain on Fair Value Changes		73,036	61,653
I. Total Revenue From Operations		98,761	19,120,453
II. Other Income	17	1,662,654	1,816,804
III.Total Income (I+II)		1,761,415	20,937,257
Expenses			
Finance costs	18	140,274	18,833,260
Employee benefit expenses	19	1,082,752	1,154,400
Depreciation and Amortization Expenses	20	8,729,657	11,045,273
Other expenses	21	966,934	4,493,438
IV. Total Expenses		10,919,617	35,526,371
V. Profit/(Loss) BeforeTax(III-IV)		(9,158,202)	(14,589,114)
VI.Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
Excess/(Short) Provision of Earlier Years		(26,818)	-
VII. Net Profit After Tax		(9,185,020)	(14,589,114)
VIII. Share of Profit from Associates		(19,319,863)	(2,633,455)
Profit after tax and Share in Profit of Associates		(28,504,883)	(17,222,569)
IX. Other Comprehensive Income (OCI)			
Other Comprehensive Income not to be reclassified to profit and loss in subsequent periods			
Actuarial Gain/(Loss)		(285,431)	-
Net Gain/(Loss) on FVTOCI Investments		(1,125,355,583)	354,327,614
Total Other Comprehensive Income		(1,125,641,014)	354,327,614
X. Total Comprehensive Income for the year		(1,154,145,897)	337,105,045
XI. Basic and Diluted Earnings per share (Face value ₹ 10 each)	29	(22.90)	(13.83)
Summary of significant accounting policies	1 & 2		
The accompanying notes are an integral part of the financial statements.	22-45		

As per our report of even date attached
KARNAVAT & CO.
Chartered Accountants

For and on behalf of the Board of Directors

(Viral Joshi)
Partner
Membership No: 137686

(G.M.LOYALKA)
Director
DIN: 00299416

(NITIN AGARWAL)
Managing Director
DIN: 08186528

Place : Mumbai
Date: July 31, 2020
UDIN : 20137686AAAAEH6330

(Shruti Didwania)
Company Secretary

(Anil Londhe)
Chief Financial Officer

NILKANTH ENGINEERING LIMITED
CIN : L27300MH1983PLC029360
Consolidated Cash Flow Statement for the year ended 31st March, 2020

Particulars		Year Ended 2019-20 (₹)	2018-19 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Net profit before taxation and extraordinary items		(9,158,202)	(17,222,569)
Adjustments for:			
Depreciation and amortisation expense		8,729,657	11,045,273
Provision for Expenses		684,570	135,389
Prepaid Expenses		54,528	44,666
(Profit)/Loss on Sale of Investments		(73,036)	61,653
Loss on Sale of Property, Plant and Equipment		-	2,598
Interest Expense		140,274	18,833,260
Dividend Income		(25,725)	(36,750)
Operating Profit before working capital changes		**352,066**	**12,863,520**
Increase/(Decrease) in Sundry Payables & Other Liabilities		(420,820)	(1,961,028)
(Increase)/Decrease in Trade & Other Receivables		3,375,033	50,270,199
(Increase)/Decrease in Inventories		-	-
Cash generated from operations		**3,306,279**	**61,172,691**
Less: Direct Taxes paid		133,200	2,026,242
Net Cash Flow from operating activities before extraordinary items		**3,173,079**	**59,146,449**
Adjustments for Prior Period Items		-	-
Net Cash Flow from operating activities	(A)	**3,173,079**	**59,146,449**
B. CASH FLOW FROM INVESTING ACTIVITIES:			
Sale of Investments (net)		476,569	2,559,745
Purchase of Property, Plant and Equipment		(94,400)	(31,500)
Loan Granted / (Repayment Received)		-	157,925,000
Dividend Income		25,725	36,750
Net Cash from/(used) in Investing activities	(B)	**407,894**	**160,489,995**
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Loan Taken / (Repaid)		(3,200,000)	(206,800,000)
Interest Paid		(140,274)	(18,833,260)
Net Cash from/(used) in financing activities	(C)	**(3,340,274)**	**(225,633,260)**
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		**240,699**	**(5,996,816)**
Cash & Cash Equivalents as at beginning of period		1,611,272	7,608,088
Cash & Cash Equivalents as at end of period		1,851,971	1,611,272

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

	2019-20 (₹)	2018-19 (₹)
Cash on hand	3,304	1,348
Balance in current account	1,848,667	1,609,924
Cash and cash equivalents as restated	**1,851,971**	**1,611,272**

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
KARNAVAT & CO.
Chartered Accountants

(Viral Joshi)
Partner
Membership No: 137686

Place : Mumbai
Date: July 31, 2020
UDIN : 20137686AAAAEH6330

For and on behalf of the Board of Directors

(G.M.LOYALKA)
Director
DIN: 00299416

(NITIN AGARWAL)
Managing Director
DIN: 08186528

(Shruti Didwania)
Company Secretary

(Anil Londhe)
Chief Financial Officer

NILKANTH ENGINEERING LIMITED
CIN: U64200MH2000PTC129356
Consolidated Statement of Change in Equity for the year ended 31st March, 2020

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

	Number	Amount (₹)
	Number	Amount (₹)
At 01 April, 2018	1,245,000	12,450,000
Issue of share capital	-	-
At 31 March, 2019	1,245,000	12,450,000
At 01 April, 2019	1,245,000	12,450,000
Issue of share capital	-	-
At 31 March, 2020	1,245,000	12,450,000

Other Equity

Particulars	Amount (₹)			
	Reserve and Surplus		Items of OCI	Total Equity
	Reserve Fund under RBI Act,1934	Retained Earnings	NetGain/(Loss) on FVTOCI Investments	
Balance as at 01 April, 2018	9,289,250	(608,787)	-	8,680,463
Transition adjustment on account of:				
Net Gain/(Loss) on FVTOCI Investments	-	-	3,780,822	3,780,822
Net Gain/(Loss) on FVTOCI Investments of Associates	-	-	1,883,859,121	1,883,859,121
Net Gain/(Loss) on FVTPL Investments	-	19,943	-	19,943
Net Gain/(Loss) on FVTPL Investments of Associates	-	-	-	0
	9,289,250	(588,844)	1,887,639,943	1,896,340,349
Profit/(Loss) for the year	-	(17,222,569)	-	(17,222,569)
NetGain/(Loss) on FVTOCI Investments	-	-	(1,569,225)	(1,569,225)
Net Gain/(Loss) on FVTPL Investments of Associates	-	-	355,896,839	355,896,839
Tax Effect on above	-	-	-	-
	9,289,250	(17,811,413)	2,241,967,557	2,233,445,394
Transfer to Reserve Fund under RBI Act	-	-	-	-
Balance as at 31 March, 2019	9,289,250	(17,811,413)	2,241,967,557	2,233,445,394

Particulars	Amount (₹)			
	Reserve and Surplus		Items of OCI	Total Equity
	Reserve Fund under RBI Act,1934	Retained Earnings	NetGain/(Loss) on FVTOCI Investments	
Balance as at 01 April, 2019	9,289,250	(17,811,413)	2,241,967,557	2,233,445,394
Profit/(Loss) for the year	-	(28,504,883)	-	(28,504,883)
NetGain/(Loss) on FVTOCI Investments	-	-	(2,506,350)	(2,506,350)
Net Gain/(Loss) on FVTPL Investments of Associates	-	-	(1,122,849,233)	(1,122,849,233)
Actuarial Gain/(Loss)	-	-	(285,431)	(285,431)
Tax effect on above	-	-	-	-
	-	(46,316,296)	1,116,326,543	1,079,299,497
Transfer to Reserve Fund under RBI Act	-	-	-	-
Balance as at 31 March, 2020	9,289,250	(46,316,296)	1,116,326,543	1,079,299,497

As per our report of even date attached
KARNAVAT & CO.
Chartered Accountants

For and on behalf of the Board of Directors

(Viral Joshi)
Partner
Membership No: 137686

(G.M.LOYALKA)
Director
DIN: 00299416

(NITIN AGARWAL)
Managing Director
DIN:08186528

Place : Mumbai
Date: July 31, 2020
UDIN : 20137686AAAAEH6330

(SHRUTI DIDWANIA)
Company Secretary

(Anil Londhe)
Chief Financial Officer

NILKANTH ENGINEERING LIMITED
CIN: L27300MH1983PLC029360

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

1. Corporate information

Nilkanth Engineering Limited ('the Parent 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 Parent Company is engaged in the activity of Finance & Investment. The principal place of business of the Parent Company is at Kalbadevi, Mumbai, Maharashtra.

2. Significant Accounting Policies

2.1. 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).

2.2. First time adoption

These Consolidated Financial Statements, for the year ended March 31, 2020, are the first Consolidated Financial Statements the Parent Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2019, the Parent Company prepared its Consolidated Financial Statements in accordance with accounting standards notified under section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Parent Company has prepared Consolidated Financial Statements which comply with Ind AS applicable for periods ending on March 31, 2020, together with the comparative period data as at and for the year ended March 31, 2019, as described in the summary of significant accounting policies. In preparing these Consolidated Financial Statements, the opening balance sheet was prepared as at April 1, 2018, the date of transition to Ind AS. This note explains the principal adjustments made by the Parent Company in restating its Indian GAAP Consolidated Financial Statements, including the balance sheet as at April 1, 2018 and the Consolidated Financial Statements as at and for the year ended March 31, 2019.

2.3. 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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

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 31.03.2020
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%

2.4. Presentation of Consolidated financial statements

The Consolidated Financial Statements of the Parent Company are presented as per Schedule III (Division III) of the Act applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

i. The normal course of business.
ii. The event of default.
iii. The event of insolvency or bankruptcy of the Parent Company and/or its counterparties.

2.5. Basis for Preparation

a. Historical Cost Convention

These Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

b. Fair Value Measurement

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- **Level 3** inputs are unobservable inputs for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For the purpose of fair value disclosures, the Parent Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Functional and Presentational Currency

These Consolidated Financial Statements are presented in Indian Rupee (INR) which is also the functional currency.

d. Use of Estimates and Judgments

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Consolidated Financial Statements is included in the accounting policies and/or the notes to the Consolidated Financial Statements.

2.6. 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 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. 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:

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.

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 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.

2.7. Impairment of Non-Financial Assets

The Parent Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Parent Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Parent Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount. Impairment losses are recognised in the statement of profit and loss.

2.8. Revenue Recognition

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 payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment 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 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.

2.9. 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 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.

2.10. Borrowing Costs

Borrowing costs include interest expense calculated using the effective interest rate method, other costs incurred in connection with borrowing of funds and exchange differences to the extent regarded as an adjustment to the interest costs. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

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

2.11. Leases

The Parent Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Parent Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Parent Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Parent Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Parent Company is reasonably certain not to exercise that option. In assessing whether the Parent Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Parent Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Parent Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

2.12. Taxes on Income

Income tax expense comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in Equity or Other Comprehensive Income. In such cases, the tax is also recognised directly in Equity or in Other Comprehensive Income.

a. Current Tax

Current tax is the amount of tax payable on the taxable income for the year, determined in accordance with the provisions of the Income Tax Act, 1961.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b. Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.13. Properties, Plant and Equipment (PPE)

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.

For transition to Ind AS, the Parent Company has elected to adopt as deemed cost, the carrying value of PPE measured as per Previous GAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2018.

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.

2.14. Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above.

2.15. Provision, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

(i) Possible obligations which will be confirmed only by future events not wholly within the control of the Parent Company or
(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are disclosed when probable and recognised when realisation of income is virtually certain.

2.16. Earnings Per Share

Earnings per share is calculated by dividing the net profit or loss before OCI 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 before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to the Consolidated Financial Statements for the year ended March 31, 2020

2.17. Segment Reporting - Identification of Segments

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.

2.18. Use of Critical Estimates, Judgements and Assumptions

The preparation of the Consolidated Financial Statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgment and make certain assumptions in applying the Parent Company's accounting policies and preparation of Consolidated Financial Statements.

In the process of applying the Parent Company's accounting policies, management has made the following judgments, which have most significant effect on the amounts recognised in the Consolidated Financial Statements:

a. Estimation of Defined benefit obligations

The cost of the defined benefit plans and the present value of the obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increase is based on expected future inflation rates.

b. Estimated fair value of unlisted securities

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets and is determined based on valuation report from an expert.

2.19. Operating Cycle

Based on the nature of products/activities of the Parent Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Parent Company has determined its operating cycle as 12 months.

2.20. Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

NILKANTH ENGINEERING LIMITED
Notes to the Consolidated Financial Statements (Continued)
for the year ended 31st March, 2020

Note 5 : INVESTMENTS

Particulars	Face Value	Number	As at 31 March, 2020 (₹)	As at 31 March, 2019 (₹)	As at 1st April, 2018 (₹)
Non Current Investments					
Investments at Fair Value through OCI (FVTOCI)					
I) Quoted Equity Shares not held for trade					
Jay Shree Tea & Industries Limited (31st March, 2019 : 73,500; 1st April, 2018 : 73,500)	5	73,500	2,256,450	4,762,800	6,332,025
Mansoon Trading Company Limited (31st March, 2019 : 1,22,200; 1st April, 2018 : 1,22,200)	10	122,200	281,060	281,060	281,060
Meenakshi Steel Industries Limited (31st March, 2019 : 90,000; 1st April, 2018 : 90,000)	10	90,000	202,500	202,500	202,500
			2,740,010	5,246,360	6,815,585
II) Unquoted Equity Shares not held for trade					
In Associate Companies					
Jatayu Textiles & Industries Limited (31st March, 2019 : 5,73,900; 1st April, 2018 : 5,73,900)	10	573,900	21,070,901	21,070,901	21,070,901
Add: Post Acquisition Profit/(Loss)			518,782,437	1,005,467,941	851,958,760
Add: Goodwill/(Capital Reserve) on Investment in Associates			(2,700,348)	(2,700,348)	(2,700,348)
Osiris Online Private Limited (31st March, 2019 : 3,000; 1st April, 2018 : 3,000)	10	3,000	(16,236)	(16,236)	(16,236)
Add: Post Acquisition Profit/(Loss)			54,373,829	113,869,473	94,781,511
Add: Goodwill/(Capital Reserve) on Investment in Associates			46,311	46,311	46,311
Sushree Trading Limited (31st March, 2019 : 5,28,250; 1st April, 2018 : 5,28,250)	10	528,250	36,143,911	36,143,911	36,143,911
Add: Post Acquisition Profit/(Loss)			524,273,034	1,120,260,982	939,594,741
Add: Goodwill/(Capital Reserve) on Investment in Associates			(20,702,377)	(20,702,377)	(20,702,377)
In Other Companies					
Aakarshak Synthetics Limited (31st March, 2019 : 17,11,000; 1st April, 2018 : 17,11,000)	10	1,711,000	16,151,200	16,151,200	16,151,200
Manav Investment & Trading Company Limited (31st March, 2019 : 2,67,300; 1st April, 2018 : 2,67,300)	100	267,300	-	-	-
Rutgers Investment & Trading Company Private Limited (31st March, 2019 : 72,000; 1st April, 2018 : 72,000)	100	72,000	7,210,000	7,210,000	7,210,000
			1,154,632,662	2,296,801,758	1,943,538,374
Investments at Fair Value through Profit & Loss (FVTPL)					
II) Unquoted Mutual Funds					
Units of Aditya Birla Sun Life Cash plus -Growth Direct Plan (31st March, 2019 : 1343.156, 1st April, 2018 - 1401.559)	-		-	403,533	391,476
			-	403,533	391,476
Total			1,157,372,672	2,302,451,651	1,950,745,435
Aggregate value of quoted investments			2,740,010	5,246,360	6,815,585
Aggregate value of unquoted Investments			1,154,632,662	2,297,205,291	1,943,929,850

NILKANTH ENGINEERING LIMITED
Notes to the Consolidated Financial Statements (Continued)
for the year ended 31st March, 2020

Note 3 : CASH AND CASH EQUIVALENTS

	As at 31 March, 2020 (₹)	As at 31 March, 2019 (₹)	As at 1st April, 2018 (₹)
Cash in hand	3,304	1,348	133
Balances with Banks in			
- Current Accounts	1,848,667	1,609,924	7,607,955
Total	**1,851,971**	**1,611,272**	**7,608,088**

Note 4 : LOANS

Unsecured ,Considered good			
Inter Corporate Loan		-	157,925,000
Total (a)	**-**	**-**	**157,925,000**

Note 6 : OTHER FINANCIAL ASSETS

Interest Accrued on Inter Corporate Loans	-	-	50,396,409
Deposits	420,200	420,200	420,200
Advances recoverable in cash or kind	388,051	301,658	219,935
Total	**808,251**	**721,858**	**51,036,544**

Note 7 : CURRENT TAX ASSETS (NET)

Advance Income Taxes (Net of Provision for taxation as on 30.06.2019 - Rs.2,00,000, 31 March, 2019- Rs. 6,45,000, 01 April, 2018- Rs.6,45,000)	4,313,397	7,732,831	5,706,589
Total	**4,313,397**	**7,732,831**	**5,706,589**

Note 9 : OTHER NON-FINANCIAL ASSETS

Prepaid Expenses	54,528	44,666	44,845
Total	**54,528**	**44,666**	**44,845**

Note 10 : BORROWINGS

Unsecured			
Inter Corporate Loan	-	3,200,000	210,000,000
Total	**-**	**3,200,000**	**210,000,000**

Note 11 : OTHER FINANCIAL LIABILITIES

Security Deposit	150,000,000	150,000,000	150,000,000
Total	**150,000,000**	**150,000,000**	**150,000,000**

Note 12 : PROVISIONS

Contingent provision against Standard Asset	-	-	520,804
Total	**-**	**-**	**520,804**

Note 13 : PROVISIONS

Other Non- Current Liabilities	327,933	-	-
Total	**327,933**	**-**	**-**

Note 14 : OTHER NON-FINANCIAL LIABILITIES

Expenses Payable	344,637	123,830	135,000
Other Payable	12,000	11,559	1,305,225
Total	**356,637**	**135,389**	**1,440,225**

8. Property, Plant & Equipments

Particulars	Gross Block				Depreciation and Amortisation				Net Block	
	As at April 01, 2019	Additions	Deductions	As at March 31, 2020	As at April 01, 2019	For the Year	Deductions	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Buildings	78,026,347	-	-	78,026,347	12,130,403	3,209,007	-	15,339,410	62,686,937	65,895,944
Plant & Machinery	3,070,732	-	-	3,070,732	1,434,031	296,312	-	1,730,343	1,340,389	1,636,701
Furniture & Fittings	43,787,740	94,400	-	43,882,140	26,021,459	4,602,074	-	30,623,533	13,258,607	17,766,281
Computers	140,490	-	-	140,490	101,515	22,406	-	123,921	16,569	38,975
Office Equipments	8,127,443	-	-	8,127,443	6,796,839	599,858	-	7,396,697	730,746	1,330,604
Total	**133,152,752**	**-**	**-**	**133,247,152**	**46,484,247**	**8,729,657**	**-**	**55,213,904**	**78,033,248**	**86,668,505**

Property, Plant & Equipments

Particulars	Gross Block				Depreciation and Amortisation				Net Block	
	As at April 01, 2018	Additions	Deductions	As at March 31, 2019	As at April 01, 2018	For the Year	Deductions	As at March 31, 2019	As at March 31, 2019	As at April 01, 2018
Buildings	78,026,347	-	-	78,026,347	8,757,123	3,373,280	-	12,130,403	65,895,944	69,269,224
Plant & Machinery	3,070,732	-	-	3,070,732	1,072,216	361,815	-	1,434,031	1,636,701	1,998,516
Furniture & Fittings	43,787,740	-	-	43,787,740	19,815,468	6,205,991	-	26,021,459	17,766,281	23,972,272
Computers	161,190	31,500	52,200	140,490	139,202	11,915	49,602	101,515	38,975	21,988
Office Equipments	8,127,443	-	-	8,127,443	5,704,567	1,092,272	-	6,796,839	1,330,604	2,422,876
Total	**133,173,452**	**31,500**	**52,200**	**133,152,752**	**35,488,576**	**11,045,273**	**49,602**	**46,484,247**	**86,668,505**	**97,684,876**

NILKANTH ENGINEERING LIMITED
Notes to the Consolidated Financial Statements (Continued)
for the year ended 31st March, 2020

Note 15 : SHARE CAPITAL

Particulars	As at 31 March, 2020 (₹)	As at 31 March, 2019 (₹)	As at 1st April, 2018 (₹)
Authorised:			
12,50,000 (March 31, 2019: 12,50,000; 1st April, 2018: 12,50,000) Equity Shares, of Rs. 10 par value	12,500,000	12,500,000	12,500,000
	12,500,000	12,500,000	12,500,000
Issued, Subscribed and Fully Paid up Shares			
12,45,000 (March 31, 2019: 12,45,000; 1st April, 2018: 12,50,000) Equity Shares, of Rs. 10 par value	12,450,000	12,450,000	12,450,000
Total	12,450,000	12,450,000	12,450,000

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

I) Equity Share Description	As at 31st March, 2020 Number	(₹)	As at 31 March, 2019 Number	(₹)	As at 31 March, 2018 Number	(₹)
Number of Shares outstanding at the beginning of the year	1,245,000	12,450,000	1,245,000	12,450,000	1,245,000	12,450,000
Number of Shares issued during the year	-	-	-	-	-	-
Number of Shares outstanding at the end of the year	**1,245,000**	**12,450,000**	**1,245,000**	**12,450,000**	**1,245,000**	**12,450,000**

Term/right attached to equity shares
The Parent Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

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 2020 / March 31, 2019.

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

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

Name of Equity Share Holder	31st March, 2020 Number	%	31st March, 2019 Number	%	31st March, 2018 Number	%
Aakarshak Synthetics Limited	170,000	13.65%	170,000	13.65%	170,000	13.65%
Rutgers Investments And Trading Company Private Limited	112,000	9.00%	112,000	9.00%	112,000	9.00%
Sushree Trading Limited	622,000	49.96%	622,000	49.96%	622,000	49.96%
Kajal Synthetics & Silk Mills Limited	206,000	16.55%	206,000	16.55%	206,000	16.55%

NOTE 16 : OTHER EQUITY

Particulars	As at 31 March, 2020 (₹)	As at 31 March, 2019 (₹)	As at 1st April, 2018 (₹)
(i) Retained Earnings			
Balance as per last Financial Statements	(17,811,413)	(588,844)	(608,787)
Profit/(Loss) for the year	(28,504,883)	(17,222,569)	-
Net Gain/(Loss) on FVTPL Investments	-	-	19,943
Net Gain/(Loss) on FVTPL Investments of Associates			
Jatayu Textiles & Industries Limited	-	-	-
Less:Transferred to Special Reserve	-	-	-
Total	**(46,316,296)**	**(17,811,413)**	**(588,844)**
(ii) Special Reserve			
Reserve Fund under RBI Act,1934			
Balance as per last Financial Statements	9,289,250	9,289,250	9,289,250
Add: Transferred from Statement of Profit and Loss	-	-	-
	9,289,250	**9,289,250**	**9,289,250**
(iii) FVTOCI Reserves			
Balance as per last Financial Statements	2,241,967,557	1,887,639,943	-
Net Gain/(Loss) on FVTOCI Investments	(2,506,350)	(1,569,225)	3,780,822
Actuarial Gain/(Loss)	(285,431)	-	-
Net Gain/(Loss) on FVTOCI Investments of Associates			
Osiris Online Private Limited	(59,497,350)	19,083,075	94,750,004
Sushree Trading Limited	(576,149,723)	183,775,232	939,633,614
Jatayu Textiles & Industries Limited	(487,202,160)	153,038,532	849,475,503
Tax effect on above	-	-	-
	1,116,326,543	**2,241,967,557**	**1,887,639,943**
Total	**1,079,299,497**	**2,233,445,394**	**1,896,340,349**

Notes:

Special Reserve : Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

FVTOCI Reserve : The Parent 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 Parent Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

NILKANTH ENGINEERING LIMITED
Notes to the Consolidated Financial Statements (Continued)
for the year ended 31st March, 2020

Particulars	2019-20 (₹)	2018-19 (₹)
Note 17: OTHER INCOME		
Rent Received	1,332,000	1,296,000
Interest on Income Tax Refund	288,654	-
Miscellaneous Income	42,000	-
Reversal of Contingent Provision against Standard Asset	-	520,804
Total	**1,662,654**	**1,816,804**

Note 18 : FINANCE COSTS

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost
Interest on Inter Corporate Loan	-	140,274	-	18,833,260
Interest on corporate loan from financial institution	-	-	-	-
Other Borrowing Costs	-	-	-	-
Total	-	**140,274**	-	**18,833,260**

Note 19 : EMPLOYEE BENEFIT EXPENSES		
Salaries, Bonus and Allowances	1,040,250	1,154,400
Gratuity	42,502	-
Total	**1,082,752**	**1,154,400**
Note 20 : DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation on Property, Plant & Equipments	8,729,657	11,045,273
Total	**8,729,657**	**11,045,273**
Note 21 : OTHER EXPENSES		
Advertisement expenses	18,047	17,165
Bank charges	670	5,803
Conveyance	20,054	18,646
Credit Information Membership Fees	5,900	5,900
Custodian / ISIN activation charges	21,240	21,420
Demat Account Charges	944	944
Electricity Charges	5,530	4,920
Filing Fees	10,800	6,500
General Expenses	10,719	20,618
Insurance Charges	70,068	65,391
Legal and Professional Charges	66,660	69,103
Listing Fees	354,000	295,000
Property Tax	102,094	102,094
Rent Paid	20,592	17,160
Repairs & Maintenance		
On Building	61,776	87,230
Telephone Expenses	17,479	18,413
Travelling Expenses	38,761	26,233
Loss on sale of Fixed Assets	-	2,598
Reinstatement Fees (BSE)	-	3,540,000
Payment to Auditor	141,600	168,300
Total	**966,934**	**4,493,438**
Payment to Auditor		
As Auditor		
Audit Fees	90,000	90,000
Tax Audit	-	20,000
In Other capacity		
Certification Fees	33,600	25,000
Reimbursement of Tax	18,000	33,300
	141,600	168,300

22. First-time adoption of Ind AS

Ind AS 101 "First-time Adoption of Indian Accounting Standards" provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Parent Company has prepared the Opening Balance Sheet as per Ind AS as of April 01, 2018 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, reclassifying items from previous GAAP to Ind AS as required under Ind AS and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain mandatory exceptions and optional exemptions out of which the ones which are relevant for the Parent Company are as detailed below:

Mandatory exceptions to the retrospective application of Ind AS

(i) Estimates

The estimates at April 01, 2018 and at March 31, 2019 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the Parent Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2018, the date of transition to Ind AS and as of March 31, 2019.

(ii) Derecognition of financial assets and financial liabilities

As per Ind AS 101 – An entity shall apply the exception to the retrospective application in case of "derecognition of financial assets and financial liabilities" wherein a first-time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs.

(iii) Classification and Measurement of Financial Assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of the facts and circumstances existing as on the date of transition and the Parent Company has complied accordingly.

As per Ind AS 101, for financial assets or financial liabilities classified as at amortised cost, if it is impracticable for the Parent Company to apply retrospectively the effective interest method as mentioned in Ind AS 109, the fair value of the financial assets or financial liabilities at the date of transition to Ind AS shall be the new gross carrying amount of that financial asset or financial liability at the date of transition to Ind AS. For financial assets and financial liabilities classified as at amortised cost, measurement has been done retrospectively by the Parent Company.

Voluntary exemptions availed

(i) Property, Plant and Equipment

Parent Company has elected to continue with the carrying value under previous GAAP for all the items of property, plant and equipment.

(ii) Investment in Associates

Parent Company has elected to continue with the carrying value of its investment in Associates recognised as at April 01, 2018 (transition date) measured as per the Previous GAAP as its deemed cost.

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101:

1 Reconciliation of Balance sheet as at April 01, 2018 (Transition Date) and as at March 31, 2019.

2 Reconciliation of Statement of Profit & Loss for the year ended March 31, 2019

3 Reconciliation of other equity as at April 01, 2018 and March 31, 2019

4 Reconciliation of total comprehensive income for the year ended March 31, 2019

5 Reconciliation of statement of cash flows for the year ended March 31, 2019.

1 Reconciliation of Balance Sheet as at April 01, 2018 (date of transition to Ind AS)

(Rupees)

Particulars	Indian GAAP	Adjustments	Ind AS
Financial assets			
Cash and cash equivalents	7,608,088	-	7,608,088
Loans	157,925,000		157,925,000
Investments	63,085,549	1,887,659,886	1,950,745,435
Other Financial Assets	51,036,544	-	51,036,544
Total Financial assets	**279,655,181**	**1,887,659,886**	**2,167,315,067**
Non- Financial assets			
Current Tax Assets (Net)	5,706,589	-	5,706,589
Property, plant and equipment	97,684,877	-	97,684,877
Other Non-Financial Assets	44,845	-	44,845
Total Non-Financial assets	**103,436,311**	-	**103,436,311**
Total Assets	**383,091,492**	**1,887,659,886**	**2,270,751,378**

LIABILITIES AND EQUITY			
Financial Liabilities			
Borrowings	210,000,000	-	210,000,000
Other Financial Liabilities	150,000,000	-	150,000,000
Total Financial Liabilities	**360,000,000**	-	**360,000,000**
Non- Financial Liabilities			
Provisions	520,804	-	520,804
Other Non-Financial Liabilities	1,440,225	-	1,440,225
Total Non-Financial Liabilities	**1,961,029**	-	**1,961,029**
EQUITY			
Equity Share capital	12,450,000	-	12,450,000
Other equity	8,680,463	1,887,659,886	1,896,340,349
Total Equity	**21,130,463**	**1,887,659,886**	**1,908,790,349**
Total Liabilities and Equity	**383,091,492**	**1,887,659,886**	**2,270,751,378**

Reconciliation of Balance Sheet as at March 31, 2019

(Rupees)

Particulars	Indian GAAP	Adjustments	Ind AS
Financial assets			
Cash and cash equivalents	1,611,272	-	1,611,272
Investments	60,480,580	2,241,971,071	2,302,451,651
Other Financial Assets	721,858	-	721,858
Total Financial assets	**62,813,710**	**2,241,971,071**	**2,304,784,781**
Non- Financial assets			
Current Tax Assets (Net)	7,732,831	-	7,732,831
Property, plant and equipment	86,668,505	-	86,668,505
Other Non-Financial Assets	44,666	-	44,666
Total Non-Financial assets	**94,446,002**	-	**94,446,002**
Total Assets	**157,259,712**	**2,241,971,071**	**2,399,230,783**
LIABILITIES AND EQUITY			
Financial Liabilities			
Borrowings	3,200,000	-	3,200,000
Other Financial Liabilities	150,000,000	-	150,000,000
Total Financial Liabilities	**153,200,000**	-	**153,200,000**
Non- Financial Liabilities			
Other Non-Financial Liabilities	135,389	-	135,389
Total Non-Financial Liabilities	**135,389**	-	**135,389**
EQUITY			
Equity Share capital	12,450,000	-	12,450,000
Other equity	(8,525,677)	2,241,971,071	2,233,445,394
Total Equity	**3,924,323**	**2,241,971,071**	**2,245,895,394**
Total Liabilities and Equity	**157,259,712**	**2,241,971,071**	**2,399,230,783**

2 Reconciliation of Profit & Loss for the year ended March 31, 2019

(Rupees)

Particulars	Indian GAAP	Adjustments	Ind AS
Income			
Interest Income	19,022,050	-	19,022,050
Dividend Income	36,750	-	36,750
Gain on current Investment	78,332	(16,679)	61,653
Other Income	1,816,804	-	1,816,804
Total revenue (I)	**20,953,936**	**(16,679)**	**20,937,257**
Expenses			
Finance costs	18,833,260	-	18,833,260
Employee benefit expenses	1,154,400	-	1,154,400
Depreciation and Amortization Expenses	11,045,273	-	11,045,273
Other expenses	4,493,438	-	4,493,438
Total expenses (II)	**35,526,371**	-	**35,526,371**
Profit/ (Loss) before tax (I-II)	**(14,572,435)**	**(16,679)**	**(14,589,114)**
Deferred Tax	-	-	-
(Excess)/ Short Provision of Earlier Years	-	-	-
Profit/ (Loss) for the year	**(14,572,435)**	**(16,679)**	**(14,589,114)**
Share of Profit from Associates	(2,633,705)	250	(2,633,455)
Profit after tax and Share in Profit of Associates	**(17,206,140)**	**(16,429)**	**(17,222,569)**

3 Reconciliation of other equity as at April 01, 2018 and March 31, 2019

(Rupees)

Particulars	As at March 31, 2019	As at April 1, 2018
Total Other Equity under Previous GAAP (A)	(8,525,677)	8,680,463
Fair Value Loss on Financial Instruments at Fair Value through Profit & Loss	3,514	19,943
Deferred tax	-	-
Fair Value Gain on Financial Instruments at Fair Value through Other Comprehensive Income	2,241,967,557	1,887,639,943
Total Other Equity under Ind AS (A+B)	**2,233,445,394**	**1,896,340,349**

4 Reconciliation of Total Comprehensive Income for the year ended March 31, 2019

(Rupees)

Particulars	Year ended March 31, 2019
Net profit/(loss) under previous Indian GAAP	(17,206,140)
Change in Share of Profit from Associates	250
Fair Value Gain on Financial Instruments at Fair Value through Profit & Loss	(16,679)
Fair Value Gain on Financial Instruments at Fair Value through Other Comprehensive Income	354,327,614
Total Comprehensive Income / (Loss) as per Ind AS	**337,105,045**

5 Effect of Ind AS adoption on the Cash Flow Statement for the year ended March 31, 2019

(Rupees)

Particulars	Indian GAAP	Adjustments	Ind AS
Net Cash Flows from in Operating Activities	59,162,878	(16,429)	59,146,449
Net Cash Flows from Investing Activities	160,473,566	16,429	160,489,995
Net Cash Flows from Financing Activities	(225,633,260)	-	(225,633,260)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	**(5,996,816)**	-	**(5,996,816)**
Cash and Cash Equivalents at the beginning of year	7,608,088	-	7,608,088
Cash and Cash Equivalents at the end of year	**1,611,272**	-	**1,611,272**

Notes to the reconciliation:

1) Investments - Fair value through other comprehensive income

Under Previous GAAP, the Parent Company accounted for long term investments in unquoted and quoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, financial assets representing investment in equity shares of entities other than associate have to be fair valued. At the date of transition to Ind AS, difference between the instruments fair value and Previous GAAP carrying amount has been recognised as a separate component of equity, in the FVOCI reserve, net of related deferred taxes. Accordingly, an amount of Rs.(15.69) Lakh has been recognised in OCI for the year ended 31 March 2019 including an amount of Rs.37.80 Lakh has been recognised as increase as on 1 April 2018 by the Parent Company.

2) Investments - at fair value through profit or loss

Under Previous GAAP, the Company accounted for current investments in mutual funds as investment measured at lower of cost or net realisable value. Under Ind AS, financial assets representing investment in mutual funds has been valued as investments designated at fair value through profit or loss. At the date of transition to Ind AS, difference of Rs 19,943 between the instruments fair value and Previous GAAP carrying amount has been recognised in the retained earnings net of related deferred taxes as on 1 April, 2018. Further an amount of Rs.(3,264) has been recognised in for the year ended 31 March 2019.

23. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recoveredor settled.

Particulars	As at 31 March, 2020			As at 31 March, 2019			As at 1st April, 2018		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS									
Financial Assets									
Cash and cash equivalents	1,851,971	-	1,851,971	1,611,272	-	1,611,272	7,608,088	-	7,608,088
Loans	-	-	-	-	-	-	157,925,000	-	157,925,000
Investments	-	1,157,372,672	1,157,372,672	403,533	2,302,048,118	2,302,451,651	391,476	1,950,353,959	1,950,745,435
Other Financial Assets	808,251	-	808,251	721,858	-	721,858	51,036,544		51,036,544
						-			
Non-Financial Assets									
Current Tax Assets (Net)	4,313,397	-	4,313,397	7,732,831	-	7,732,831	5,706,589	-	5,706,589
Propety, Plant and Equipment	78,033,248		78,033,248	86,668,505		86,668,505	97,684,877		97,684,877
Other Non Financial Assets	54,528		54,528	44,666		44,666	44,845		44,845
Total Assets	**85,061,395**	**1,157,372,672**	**1,242,434,067**	**97,182,665**	**2,302,048,118**	**2,399,230,783**	**320,397,419**	**1,950,353,959**	**2,270,751,378**
LIABILITIES									
Non-Financial Liabilities									
Borrowings	-	-	-	3,200,000	-	3,200,000	210,000,000	-	210,000,000
Other Financial Liabilities	150,000,000	-	150,000,000	150,000,000		150,000,000	150,000,000		150,000,000
Non-Financial Liabilities									
Provisions	-	-	-	-	-	-	520,804	-	520,804
Other Non-Current Liabilities	327,933	-	327,933	-	-	-	-	-	-
Other Non-Financial Liabilities	356,637	-	356,637	135,389	-	135,389	1,440,225	-	1,440,225
Total Non-Financial Liabilities	**150,684,570**	**-**	**150,684,570**	**153,335,389**	**-**	**153,335,389**	**361,961,029**	**-**	**361,961,029**
Net Position	**(65,623,175)**	**1,157,372,672**	**1,091,749,497**	**(56,152,724)**	**2,302,048,118**	**2,245,895,394**	**(41,563,610)**	**1,950,353,959**	**1,908,790,349**

24. Capital Management:

The primary objectives of the Parent Company's capital management policy are to ensure that the Parent Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholders value.

The Parent Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. Capital Management Policy, objectives and processes are under constant review by the Board.

25. 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 Parent Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at 31st March, 2020	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	-	-	1,851,971	1,851,971	-	-	1,851,971	1,851,971
Loans	-	-	-	-	-	-	-	-
Invesetments	-	26,101,210	1,131,271,462	1,157,372,672	2,740,010	-	1,154,632,662	1,157,372,672
Other Financial Assets	-	-	808,251	808,251	-	-	808,251.00	808,251
	-	**26,101,210**	**1,133,931,684**	**1,160,032,894**	**2,740,010**	**-**	**1,157,292,884**	**1,160,032,894**
Financial Liabilities								
Borrowings	-	-	-	-	-	-	-	-
Other Financial Liabilities	-	-	150,000,000	150,000,000	-	-	150,000,000	150,000,000
	-	**-**	**150,000,000**	**150,000,000**	**-**	**-**	**150,000,000**	**150,000,000**

As at 31st March, 2019	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	-	-	1,611,272	1,611,272	-	-	1,611,272	1,611,272
Loans	-	-	-	-	-	-	-	-
Invesetments	403,533	28,607,560	2,273,440,558	2,302,451,651	5,246,360	403,533	2,296,801,758	2,302,451,651
Other Financial Assets	-	-	721,858	721,858	-	-	721,858	721,858
	403,533	**28,607,560**	**2,275,773,688**	**2,304,784,781**	**5,246,360**	**403,533**	**2,299,134,888**	**2,304,784,781**
Financial Liabilities								
Borrowings	-	-	3,200,000	3,200,000	-	-	3,200,000	3,200,000
Other Financial Liabilities	-	-	150,000,000	150,000,000	-	-	150,000,000	150,000,000
	-	**-**	**153,200,000**	**153,200,000**	**-**	**-**	**153,200,000**	**153,200,000**

As at 1st April, 2018	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	-	-	7,608,088	7,608,088	-	-	7,608,088	7,608,088
Loans	-	-	157,925,000	157,925,000	-	-	157,925,000	157,925,000
Invesetments	391,476	30,176,785	1,920,177,174	1,950,745,435	6,815,585	391,476	1,943,538,374	1,950,745,435
Other Financial Assets	-	-	51,036,544	51,036,544	-	-	51,036,544.00	51,036,544
	391,476	**30,176,785**	**2,136,746,806**	**2,167,315,067**	**6,815,585**	**391,476**	**2,160,108,006**	**2,167,315,067**
Financial Liabilities								
Borrowings	-	-	210,000,000	210,000,000	-	-	210,000,000	210,000,000
Other Financial Liabilities	-	-	150,000,000	150,000,000	-	-	150,000,000	150,000,000
	-	**-**	**360,000,000**	**360,000,000**	**-**	**-**	**360,000,000**	**360,000,000**

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-thecounter 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.

26 Financial Risk Management Objectives and Policies:

The Parent Company's principal financial liabilities comprise Current Tax Liabilities and Provisions. The Parent Company's financial assets include Investments, Loan, Interest receivable on Loan and Cash and Cash equivalents that derive directly from its operations.

The Parent Company is exposed to credit risk, liquidity risk and market risk. The Parent Company's board of directors has an overall responsibility for the establishment and oversight of the Parent Company's risk management framework.

The Parent Company's risk management policies are established to identify and analyse the risks faced by the Parent Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed to reflect changes in market conditions and the Parent Company's activities.

The Parent Company's board of directors oversees how management monitors compliance with the Parent Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Parent Company.

1) Credit risk

Credit risk is the risk of financial loss to the Parent Company if a customer fails to meet its contractual obligations and arises principally from the Parent Company's receivables from customers and loans. The carrying amounts of financial assets represent the maximum credit risk exposure.

Loans

The Parent Company's exposure to credit risk is influenced mainly by the individual characteristics of each Borrower / Customer, However, management also considers the factors that may influence the credit risk of its customer base. Including the default risk associated with the industry. The Parent Company's exposure to credit risk for loans and advances by type of counterparty is as follows;

Carrying Amount

Particulars	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Inter Corporate Loan	-	-	157,925,000

The Loans are repayable on demand, however an impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the trade receivables are categorised into groups based on days past due.

Investments

The major investments of the Parent Company is in the group companies which includes investment in an associate.

The Parent Company has also made investments in the units of mutual funds on the basis of risk and returns of the respective scheme.

Cash and cash equivalent and Bank deposits

Credit risk on cash and cash equivalent and bank deposits is limited as the fund are in Current Account and sometimes in invests in term deposits with banks.

2) Liquidity risk

Liquidity risk is the risk that the Parent Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The Parent Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due.

The Parent Company is monitoring its liquidity risk by estimating the future inflows and outflows during the start of the year and planned accordingly the funding requirement. The Parent Company manages its liquidity by term loans, inter-corporate deposit and investment in mutual funds.

The table below summarises the maturity profile of the Parent Company's non-derivative financial liabilities based on contractual undiscounted payments along with its carrying value as at the balance sheet date.

Particular	As at 31 March, 2020		
	Up to 12 months	More than 12 months	Total
Borrowings	-	-	-
Other Financial Liabilities	150,000,000	-	150,000,000

Particular	As at 31 March, 2019		
	Up to 12 months	More than 12 months	Total
Borrowings	3,200,000	-	3,200,000
Other Non-Financial Liabilities	150,000,000	-	150,000,000

Particular	As at 1st April, 2018		
	Up to 12 months	More than 12 months	Total
Borrowings	210,000,000	-	210,000,000
Other Non-Financial Liabilities	150,000,000	-	150,000,000

3) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk includes interest rate risk and foreign currency risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

27 Changes in Liabilities arising from Financing Activities

Particulars	For the year ended March 31, 2019	Cash Flows	For the year ended March 31, 2020
Inter Corporate Loan	3,200,000	(3,200,000)	-
Total Liabilities from Financing Activities	**3,200,000**	**(3,200,000)**	-

28 Contingent Liabilities not provided (Ind AS - 37)

a. Estimated amount of contracts remaining to be executed on capital account and not provided for – Rs. Nil (PY -

b. Other Contingent Liabilities not provided for - Rs. Nil (PY - Rs. Nil).

29 Earnings Per Share (Ind AS - 33)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net Profit/(Loss) After Tax as per Statement of Profit and Loss	(28,504,883)	(17,222,569)
Weighted Average Number of Equity Shares	1,245,000	1,245,000
Basic and Diluted earnings per Share (In Rs.)	(22.90)	(13.83)
Nominal Value Per Share (In Rs.)	10	10

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

30 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 Parent Company has not recognised Deferred Taxes.

31 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 Parent Company and is in accordance with the rules of the Parent Company for payment of gratuity.

Inherent Risk:

The plan is defined benefit in nature which is sponsored by the Parent Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Parent 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 :

	For the year ended March 31, 2020
Gratuity and other post employment benefit plans	
(i) Change in present value of obligation	
PVO at the beginning of period	-
Interest cost	-
Current Service cost	42,502
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	285,431
PVO at the end of period	327,933

(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	327,933
Fair value of plan assets at end of year	-
Funded Status	(327,933)
Net Asset/(Liability) recognised in the Balance Sheet	(327,933)

(iv) Expenses recognised in Statement of Profit and Loss

Current Service cost	42,502
Net Interest cost	-
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	285,431
Return on plan assets excl. net interest	-
Expenses recognised in the Statement of Profit & Loss	327,933

(v) Other Comprehensive Income (OCI)

Actuarial (Gain)/Loss recognized for the period	285,431
Asset limit effect	-
Return on Plan Assets excl. net interest	-
Unrecognized Actuarial (Gain)/Loss from previous period	-
Total Actuarial (Gain)/Loss recognized in (OCI)	285,431

(vi) Movement in the liability recognised in Balance Sheet

Liability at the beginning of the period	-
Adjustment to Opening Balance	-
Expenses	42,502
Contribution paid	-
Other Comprehensive Income (OCI)	285,431
Net amount recognised in Balance Sheet	327,933

(vii) Expected Payout

Projected Benefits Payable in Future Years From the Date of Reporting	
1st Following Year	1,217
2nd Following Year	1,361
3rd Following Year	1,525
4th Following Year	1,710
5th Following Year	1,920
Sum of Years 6 To 10	13,968

(viii) Assumptions

Mortality	IALM (2006-08) Ult.
Interest / Discount Rate	6.80%
Rate of Increase in Compensation	12.00%
Expected Average Remaining Age	19.74
Employee Attrition rate	PS 0 to 60 : 0.80%

(ix) Sensitivity analysis for significant assumptions

Projected Benefit Obligation on Current Assumptions	327,933
Delta Effect of +1% Change in Rate of Discounting	307,368
Delta Effect of -1% Change in Rate of Discounting	476,293
Delta Effect of +1% Change in Rate of Salary Increase	470,165
Delta Effect of -1% Change in Rate of Salary Increase	310,143

Narrations

1. Expected rate of return basis

Scheme is not funded EORA 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 Parent 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 Parent 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 Parent 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.

32 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
R. D. Bhatter	Director
Rajshree Tapuriah	Director
Nitin Agarwal	Managing Director
Anil Londhe	Chief Financial Officer
Shruit Didwania	Company Secretary

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

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
i.	Salaries, Bonus and Allowances	1,368,183	1,154,400

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, 2020	-	-
31st March, 2019	-	-
31st March, 2018	-	-

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

33 Segment Reporting (Ind AS - 108)

The Parent Company operates mainly in the business segment of fund based 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'.

34 Leases (Ind AS - 116)

The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from April 1, 2019. The adoption of Ind AS 116 did not have any material impact on the financial position of the Parent Company for the year ended March 31, 2020.

35 Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Based on the intimation received by the Parent 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.

36 The provisions of section 186 of the Companies Act, 2013 pertaining to investment and lending activities were not applicable to the Parent Company since the Parent Company was an NBFC whose principal business was acquisitions of securities. Further, during the year, the Parent Company has not provided any guarantee (Refer Note No. 29).

37 The Certificate of Registration of the Parent Company to carry on the Business as a Non Banking Financial Company (NBFC) has been cancelled by the Reserve Bank of India (RBI) vide its order dated June 28, 2018 passed under Section 45-1A (6) of The Reserve Bank of India Act, 1934 on the ground that Net Owned Fund (NOF) are below Rs. 2 Crores. The Parent Company has filed an appeal under Section 45-1A (7) on 9th November, 2018 before the Appellate Authority of NBFC Registration, New Delhi and the same is pending for disposal. As advised by the RBI, as on 31.03.2020 the Parent Company has not transacted any business of a NBFC. The Parent Company does not intent to carry on the business of NBFC during the period of disposal of appeal.

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

39 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.

40 The outbreak of Coronavirus (COVID-19) pandemic globally and in India has resulted in a slowdown of economic activity. The Company has evaluated the impact of this pandemic on its business operations during the year ended March 31, 2020. The pandemic has not materially impacted revenues of the Company and its associates for the quarter/year ended March 31, 2020.

Further, in terms of COVID-19 regulatory package announced by Reserve Bank of India (RBI) on March 27, 2020 the moratorium was to be extended to the eligible borrowers for installments falling due between March 1, 2020 and May 31, 2020. Further, pursuant to RBI notification dated May 23, 2020, the moratorium is given to eligible borrowers was extended for a further period of three months upto August 31, 2020. Extension of such moratorium benefit to borrowers as per the COVID-19 Regulatory package of the RBI by itself is not considered to result in significant increase in credit risk us per Ind AS 109 for staging of accounts.

The extent to which the pandemic will impact Company's results will depend on future developments, which are highly uncertain, including, among things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company and its associates. Given the uncertainty over the potential macro economic condition, the impact of the global health pandemic may be different from that estimated as at the approval of these financial results and the Company and its associates will continue to closely monitor any material changes to future economic conditions.

41 The following disclosure is required pursuant to RBI circular dated 13.03.2020- Circular No. RB112019-201170 DOR/(NBFC).CC.PD. No. 1091/22.10.106/2019-20 :

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying value as per Ind AS	Loss allowances (Provisions) as required under Ind AS 109	Net Carrying Value	Provision as per ICARP norms	Difference Between Ind AS 109 and provisions as per ICARP norms
(A)	(B)	(C)	(D)	(E) = (C) - (D)	(F)	(G) = (D) - (F)
Performing Assets Standard	Stage 1	-	-	-	-	-

42 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 as on 31st March 2020

Name of the entity in the Group	Net Assets i.e., total assets minus total		Share in profit or loss.		Share in other comprehensive income.		Share in total comprehensive income.	
	As % of Consolidated net assets	Amount	As % of Consolidated profit orloss	Amount	As % of consolidated othercomprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Nilkanth Engineering Limited	1.62	17,676,611	32.22	(9,185,020)	100.00	(1,125,641,014)	98.33	(1,134,826,034)
Associates								
Jatayu Textiles & Industries Limited	49.20	537,152,990	-1.81	516,656	-	-	-0.04	516,656
Osiris Infotech Private Limited	4.98	54,403,904	-0.01	1,706	-	-	-0.00	1,706
Sushree Trading Limited.	49.44	539,714,568	69.60	(19,838,225)	-	-	1.72	(19,838,225)
Sub Total	105.24	1,148,948,073	100.00	-28,504,883	100.00	-1,125,641,014	100.00	-1,154,145,897
Inter-Company Elimination & Consolidation Reserve.	5.24	57,198,576	-	-	-	-	-	-
Consolidated Net Asset/ Total Comprehensive Income for the year.	100.00	1,091,749,497	100	(28,504,883)	100	(1,125,641,014)	100	(1,154,145,897)

43 Disclosure pursuant to RBI notification on "COVID-19 Regulatory Package - Asset Classification and Provisioning" dated 17 April 2020 :

Sr. No.	Particulars	Amount
i)	Respective amounts in SMA/overdue categories where the moratorium/deferment was extended.	Nil
ii)	Respective amount where asset classification benefits is extended.	Nil
iii)	Provision made dunng the F.Y. 2020 as per RBI orcdiar datea 17 April 2020 Norms.	Nil
iv)	Provisions adjusted during the respective accounting period against slippages and the residual provisions.	Nil

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

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

b) Figures have been rounded off to nearest rupee.

As per our report of even date attached
KARNAVAT & CO.
Chartered Accountants

(Viral Joshi)
Partner
Membership No: 137686

Place : Mumbai
Date: July 31, 2020
UDIN : 20137686AAAAEH6330

For and on behalf of the Board of Directors

(G.M.LOYALKA)
Director
DIN: 00299416

(NITIN AGARWAL)
Managing Director
DIN: 08186528

(Shruti Didwania)
Company Secretary

(Anil Londhe)
Chief Financial Officer

NILKANTH ENGINEERING LIMITED

CIN – L27300MH1983PLC029360

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

Website : www.nilkanthengineering.co.in email : nilkanthengineeringltd@gmail.com

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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 37th Annual General Meeting of the Members of the Company held on Wednesday, 30th September, 2020 at 11.30 am at 407, Kalbadevi Road, 3rd Floor, Daulat Bhavan, 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 :

Resolution No. and Nature of Resolution	Resolution	No. of Equity Shares Held	I/We assent To the Resolution (for)	I/We assent To the Resolution (Against)
1	Adoption of Standalone and Consolidated Audited Annual Account for the year ended 31st March, 2020			
2	Re-appointment of Shri. G. M. Loyalka (DIN- 00299416) as Director, liable to retire by rotation			
3	Re-appointment Shri Ramdas Bhatter (DIN-00288162) as Non-Executive Independent Director for second term of 5 year ie. Upto 30.09.2025			
4	Re-appointment Smt. Rajshree Tapuria (DIN-01655859) as Non-Executive Independent Director for second term of 5 year ie. Upto 30.09.2025			
5	Appointment of Mr. Nitin Agrawal (DIN 08186528) as Managing Director for further period of Three years			

*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 : 5th September, 2020

Signature of Shareholder / Proxy

Form No. MGT-11

Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: **L27300MH1983PLC029360**
Name of the Company: **NILKANTH ENGINEERING LIMITED**
Registered office: **407, Kalbadevi Road, 3rd Floor, Daulat Bhavan, Mumbai 400 002**

Name of the Member(s):
Registered address:
E-mail Id:
Folio No/ Clint Id:

I/ We being the member of Nilkanth Engineering Limited hereby appoint

1. Name: …………….
   Address:
   E-mail Id:
   Signature: ……….., or failing him

2. Name: …………….
   Address:
   E-mail Id:
   Signature: ………..,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 37th Annual General Meeting of members of the Company, to be held on Wednesday, 30th September, 2020 at 11.30 am registered office of the Company at 407, Kalbadevi Road, 3rd Floor, Daulat Bhavan, Mumbai 400 002, and at any adjournment thereof in respect of such resolutions mentioned in the Notice convening 37th Annual General Meeting

Signed this ….. day of September, 2020

Affix Revenue Stamp

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the 37th Annual General Meeting