

NILKANTH ENGINEERING LIMITED

STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2015

KARNAVAT & CO.

CHARTERED ACCOUNTANTS

2A, KITAB MAHAL, 1ST FLOOR, 192, DR. D. N. ROAD,
MUMBAI - 400001

TELEPHONE NO. +9122 4065 6666 (10 LINES)

FAX NO. +9122 4065 6660

Email: karnavataudit@gmail.com

karnavattax@gmail.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NILKANTH ENGINEERING LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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* 2 *

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

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

Opinion

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

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

Report on Other Legal and Regulatory Requirements

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

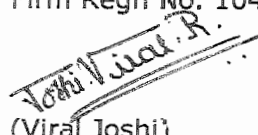
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- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion the aforesaid financial statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us, we report that:
- i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.

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


(Viral Joshi)
Partner
Membership No. 137686

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

NILKANTH ENGINEERING LIMITED
Annexure to the Independent Auditors' Report

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

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

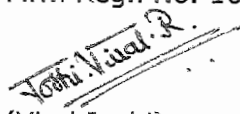
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- vii. (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, duty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

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


(Viral Joshi)
Partner
Membershp No. 137686

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

NILKANTH ENGINEERING LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2015

	Notes	As at 31-03-2015	As at 31-03-2014
I EQUITY AND LIABILITIES			
1 Shareholders' Fund			
Share Capital	2	1,24,50,000	1,24,50,000
Reserves and Surplus	3	<u>3,82,76,957</u>	<u>3,69,18,784</u>
		5,07,26,957	4,93,68,784
2 Non-Current Liabilities			
Other Long Term Liabilities	4	15,00,00,000	12,00,00,000
3 Current Liabilities			
Other Current Liabilities	5	45,600	41,001
Total		<u>20,07,72,557</u>	<u>16,94,09,785</u>
II ASSETS			
1 Non Current Assets			
Fixed Assets			
Tangible Assets	6	3,99,087	4,29,090
Capital Work in Progress		<u>12,61,74,971</u>	<u>4,70,38,083</u>
		12,65,74,058	4,74,67,173
Non Current Investments	7	5,44,85,640	5,44,85,640
Long Term Loans and Advances	8	46,634	<u>1,23,23,880</u>
		5,45,32,274	6,68,09,520
2 Current Assets			
Current Investments	9	15,58,403	1,41,354
Cash and Bank Balances	10	2,88,551	21,95,776
Short Term Loans and Advances	8	1,77,47,591	5,15,41,760
Other Current Assets	11	71,680	12,54,203
		<u>1,96,66,225</u>	<u>5,51,33,093</u>
Total		<u>20,07,72,557</u>	<u>16,94,09,785</u>

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

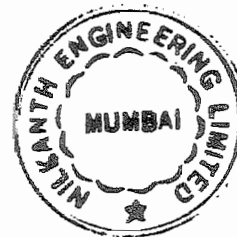
As per our report of even date attached
For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

For and on behalf of the Board of Directors

Viral Joshi
(Viral Joshi)
Partner
Membership No. 137586
Place: Mumbai
Date: 30 JUN 2015

G.M. Loya
(G.M. Loya (a))
Director
CIN : 00299416

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



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

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

Significant Accounting Policies

1

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of

KARNAVAT & CO.

Chartered Accountants

Firm Regn. No. 104863W

For and on behalf of the Board of Directors

(Viral Joshi)

Partner

Membership No. 137686

Place: Mumbai

Date:

30 JUN 2015

(G.M. Lovaiika)

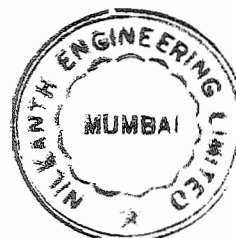
Director

DIN : 00299416

(R. D. Bhatler)

Director

DIN : 00288162



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

Amount in Rs.

PARTICULARS	2014-2015		2013-2014	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit / (loss) before Tax		16,55,343		24,82,992
Add/(Less) Adjustments for				
Depreciation		19,980		23,772
Provision for expenses		44,924		38,203
Provision for Standard Assets		42,679		93,997
Interest accrued on loan		(71,600)		(12,54,203)
Compensation Received		(10,80,000)		(10,12,500)
Expenses prepaid		(22,510)		(3,720)
Operating Profit before working capital changes		5,88,755		3,68,541
Adjustment for Working Capital Charges:				
Trade and other receivables	4,73,23,204		(4,91,44,400)	
Trade and other payables	(4,345)	4,72,87,859	(30,910)	(4,91,75,310)
Cash flow from operations before tax paid		4,78,76,614		(4,88,06,769)
Less : Direct Taxes paid (net of refund)		3,09,901		4,65,606
Net Cash generated from / (used in) Operating Activities		4,75,66,713		(4,92,72,375)
B. CASH FLOW FROM INVESTING ACTIVITIES				
(Purchase)/Sale of Investments		(14,17,049)		11,66,108
Amount spent on Capital Work in Progress		(7,91,36,888)		(4,70,38,083)
Compensation Received		10,80,000		10,12,500
Net Cash flow generated from / (used in) Investing Activities		(7,94,73,937)		(4,48,59,475)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Security Deposits Received		3,00,00,000		9,60,00,000
Net Cash flow generated from / (used in) Financing Activities		3,00,00,000		9,60,00,000
Net increase / (decrease) in Cash and Cash equivalent (A+B+C)		(19,07,224)		18,68,150
Cash and Cash equivalents as at April 1		21,95,775		3,27,625
Cash and Cash equivalents as at March 31		2,88,551		21,95,775

Notes:

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

31-03-2015

31-03-2014

2,061

2,251

2,86,490

21,90,907

-

2,618

2,88,551

21,95,775


2 Direct tax Paid are treated as arising from operating activity and not bifurcated between investment & Financing activity .

3 Previous year figures have been regrouped wherever necessary to confirm with current year groupings.

4 Figures in bracket denotes outflow.

As per our report of even date attached

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

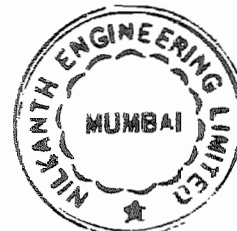

(Viral Joshi)
Partner
Membership No. 137686
Place : Mumbai
Date:

30 JUN 2015

For and on behalf of the Board of Directors

(G.M. Loyalka)
Director
DIN : 00299416

(R. J. Bhattar)
Director
DIN : 00288162



NILKANTH ENGINEERING LIMITED

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

1. Significant Accounting Policies

1.1 Basis of preparation

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

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

1.2 Use of Estimates:

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

1.3 Revenue Recognition

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

a) Interest

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

b) Dividend

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

c) Other Income

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

1.4 Tangible Fixed Assets

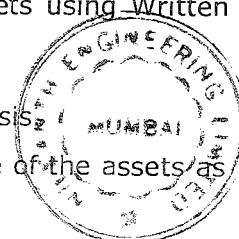
All fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes all incidental expenses related to acquisition.

1.5 Depreciation/Amortisation on Fixed Assets

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

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

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



1.6 Impairment of Tangible and Intangible Assets:

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

1.7 Investments:

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

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

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

1.8 Earnings Per Share

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

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

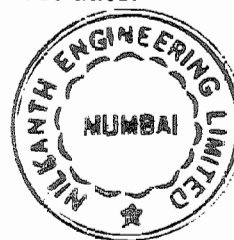
1.9 Income Taxes

Current Taxes

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

Deferred Taxes

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



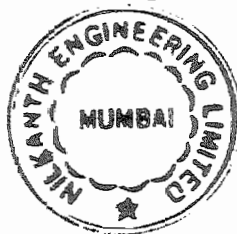
1.10 Provisions

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

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

1.11 Contingent Liabilities

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



NILKANTH ENGINEERING LIMITED

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

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

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

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

2.2 Terms/Rights attached to equity shares:

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

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

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

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

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

3. Reserve and Surplus

	31-03-2015	31-03-2014
	Rs.	Rs.
Surplus in the Statement of Profit and Loss		
Balance as per the last financial statements	2,80,59,349	2,64,60,675
Profit for the year:	13,68,196	19,98,342
Less: Appropriations		
Adjustment on account of Depreciation as per Schedule II of Companies Act, 2013	10,023	-
Transfer to reserve fund under Section 45 I C(1) of Reserve Bank of India Act, 1934	2,73,639	3,99,668
Net surplus in the Statement of Profit and Loss	2,91,43,883	2,80,59,349

Reserve Fund as per Section 45 I C(1) of Reserve Bank of India Act, 1934

Balance as per the last financial statements	88,59,435	84,59,767
Add: Amount transferred from surplus balance in the statement of profit and loss	2,73,639	3,99,668
Closing Balance	91,33,074	88,59,435

Total Reserves and Surplus

3,82,76,957	3,69,18,784
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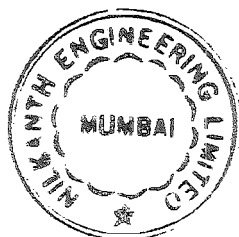
4. Other Long Term Liabilities:

Others payables		
Security Deposits	15,00,00,000	12,00,00,000
Total	15,00,00,000	12,00,00,000

5. Other Current Liabilities:

Others payables		
Sundry Creditors for Expenses	41,600	34,382
TDS Payable	4,000	6,619
Total	45,600	41,001

8

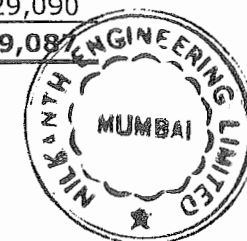


NILKANTH ENGINEERING LIMITED

6. Tangible Assets

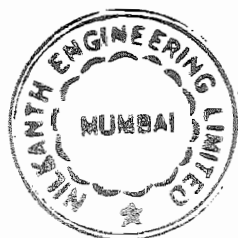
	Building	Plant & Equipments	Furniture & Fittings	Office Equipments	Total
Cost or Valuation					
At 1 April 2013	18,43,464	88,000	80,763	97,200	21,09,427
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March, 2014	18,43,464	88,000	80,763	97,200	21,09,427
Additions	-	-	-	-	-
Adjustments	-	-	-	-	-
At 31 March,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

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

	31-03-2015 Rs.	31-03-2014 Rs.
7. Non Current Investments		
Non-trade Investments		
(valued at cost unless stated otherwise)		
7.1 Quoted		
Investment in Equity Shares		
73,500 (31 March 2014 - 73,500) Equity Shares of Rs.5/- each fully paid up of Jayashree Tea & Industries Limited	25,14,083	25,14,083
122,200 (31 March 2014 - 122,200) Equity Shares of Rs.10/- each fully paid up of Mansoon Trading Company Limited	3,08,110	3,08,110
90,000 (31 March 2014 - 90,000) Equity Shares of Rs.10/- each fully paid up of Meenakshi Steel Industries Limited	2,12,570	2,12,570
5,563 (31 March 2014 - 5,563) Equity Shares of Rs.10/- each fully paid up of Umang Commercial Company Limited *	-	18,57,515
	<u>30,34,763</u>	<u>48,92,278</u>
* Ceased to be Quoted Shares		
7.2 Unquoted		
Investment in Equity Shares		
1,270,000 (31 March 2014 - 1,270,000) Equity Shares of Rs.10/- each fully paid up of Aakarshak Synthetics Limited	1,17,41,200	1,17,41,200
573,900 (31 March 2014 - 573,900) Equity Shares of Rs.10/- each fully paid up of Jatayu Textiles & Industries Limited	1,83,70,553	1,33,70,553
267,300 (31 March 2014 - 267,300) Equity Shares of Rs.10/- each fully paid up of Manav Investment & Trading Company Limited	-	-
3,000 (31 March 2015 - 3,000) Equity Shares of Rs.10/- each fully paid up of Osiris Online Private Limited	30,075	30,075
40,000 (31 March 2014 - 40,000) Equity Shares of Rs.10/- each fully paid up of Rutgers Investment & Trading Company Private Limited	40,10,000	40,10,000
528,250 (31 March 2014 - 528,250) Equity Shares of Rs.10/- each fully paid up of Sushree Trading Limited	1,54,41,534	1,54,41,534
5,563 (31 March 2014 - 5,563) Equity Shares of Rs.10/- each fully paid up of Umang Commercial Company Limited	18,57,515	
Total	<u>5,14,50,877</u>	<u>4,95,93,362</u>
	<u>5,44,85,640</u>	<u>5,44,85,640</u>
Aggregate amount of Quoted investments	30,34,763	48,92,278
Aggregate Market Value of Quoted investments	57,68,210	67,22,024
Aggregate amount of Unquoted investments	5,14,50,877	4,95,93,362
8. Loans and Advances		
	Non-Current	Current
	31-03-2015	31-03-2014
	Rs.	Rs.
8.1 Prepaid Expenses	-	-
8.2 Income Tax Deposits (Net of Provisions)	46,634	23,880
8.3 Other Loans and Advances		
Inter Corporate Deposits (ICD's)	-	-
Advances recoverable in cash or kind		
(Unsecured, Considered good)	-	1,23,00,000
	46,634	1,23,23,880
Less: Contingent Provision against Standard Assets as per RBI directions	-	-
	-	42,679
	-	1,30,734
Total	<u>46,634</u>	<u>1,23,23,880</u>
	<u>1,77,90,270</u>	<u>5,16,72,494</u>
	<u>1,77,47,591</u>	<u>5,15,41,760</u>
Note :		
Income Tax Deposits is net of provision for tax includes :	31-03-2015	31-03-2014
Income Tax Deposits	Rs.	Rs.
Less : Provision for Income Tax	10,56,634	17,23,880
	(10,10,000)	(17,00,000)
	<u>46,634</u>	<u>23,880</u>
9. Current Investments		
Non-trade Investments, Unquoted		
(valued at cost unless stated otherwise)		
In Mutual Fund Units		
7126.399 (31 March 2014 - 790.975) Units of Birla Sun Life Cash plus -Growth Regular Plan	15,58,403	1,41,354
Total	<u>15,58,403</u>	<u>1,41,354</u>
Aggregate amount of Unquoted investments	15,58,403	1,41,354
10. Cash and Bank Balances		
Cash and Cash equivalents		
Cash on hand	2,061	2,251
Cheques in Hand	-	2,618
Balance with banks:		
In Current Accounts	2,86,490	21,90,907
Total	<u>2,88,551</u>	<u>21,95,776</u>
11. Other Current Assets		
Unsecured, Considered good unless stated otherwise		
Interest accrued but not due on Loans	71,680	12,54,203
Total	<u>71,680</u>	<u>12,54,203</u>



NILKANTH ENGINEERING LIMITED

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

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



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

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

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

18. Segment Information (AS - 17)

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

19. Related Party Disclosures (AS - 18)

Name of related parties and related party relationship:

a) Key Management Personnel :

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

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

- NIL -

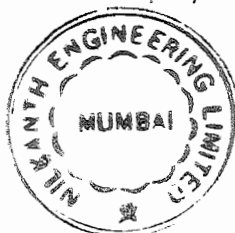
Note : Related Parties are disclosed by the management and relied upon by the auditors.

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

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

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

- 21.** Due to the uncertainty in the future taxable income, the Company has not recognized Deferred Tax as per Accounting standard-22 "Accounting for Taxes On Income".
- 22.** The Company believes that no impairment of assets arises during the year as per the recommendations of Accounting Standard - 28 Impairment of Assets.
- 23.** Since the asset size of the Company is less than Rs. 500 Crores as at 31.03.2015, the Company is a Non Systemically Important Company as per the provisions of Non Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015. Further, the Company does not have any public funds, the provisions of Non Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 are not applicable to the Company except Para 15 relating to submission of a Certificate from Statutory Auditor.



24. Details of dues to Micro and Small Enterprises as defined under the 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.

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

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

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

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

b) Figures have been rounded off to nearest rupee.

As per our report of even date attached

For and on behalf of

KARNAVAT & CO.

Chartered Accountants

Firm Regn. No. 104863W

Viral Joshi

(Viral Joshi)

Partner

Membership No. 137686

Place: Mumbai

Date:

30 JUN 2015

For and on behalf of the Board of Directors

G.M. Loyalka

(G.M. Loyalka)

Director

DIN : 00299416

R. D. Bhatner

(R. D. Bhatner)

Director

DIN : 00288162

