

## **NILKANTH ENGINEERING LIMITED**

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

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### **DIRECTORS' REPORT TO THE SHARE HOLDERS**

Dear Shareholders,

Yours Directors have pleasure in presenting to you the 30<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2013.

### **FINANCIAL RESULTS**

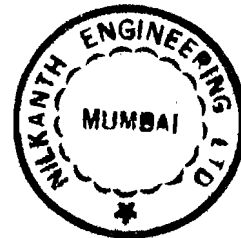
<b>Particulars</b>	<b>2012-13 Rs.</b>	<b>2011-12 Rs.</b>
Income	45,65,652	58,85,227
Expenses	5,59,922	4,79,564
Profit / (Loss) before tax	40,05,730	54,05,663
Tax expenses:		
Current Tax	(9,75,225)	(11,99,669)
Profit after tax	30,30,505	42,05,994

### **DIVIDEND**

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

### **DIRECTORS**

Mr. Lalit Kumar Daga retire by rotation from the Board and being eligible offers himself for reappointment.



## **DIRECTOR RESPONSIBILITY STATEMENT**

### **Your Directors confirm that :**

i in the preparation of the Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any;

ii. the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year ended on 31<sup>st</sup> March, 2013 and of the profit of the Company for that year;

iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the Directors have prepared the annual accounts on a going concern basis.

## **PUBLIC DEPOSITS**

The Company has not accepted any deposits from the public during the year under review.

## **EMPLOYEES**

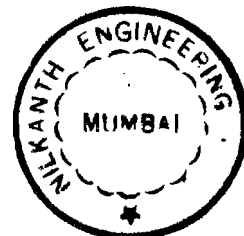
The Company had no employees of the category specified in Section 217(2A) of the Companies Act, 1956.

## **AUDITORS**

M/s Karnavat & Co., Chartered Accountants, the Statutory Auditors of the Company retire and being eligible offer themselves for re- appointment.

## **AUDITORS REPORT**

The observations made by the Auditor are self explanatory and therefore, do not call for any further comments on the Auditors Report under Section 217 of the Companies Act, 1956.



## **COMPLIANCE CERTIFICATE**

Pursuant to the proviso to Section 383A ( 1 ) of the Companies Act, 1956 read with the Companies ( Compliance Certificates ) Rules, 2001 framed thereunder, your Company has obtained a Compliance Certificate from Girish Murarka and Company, Company Secretaries, Mumbai for the financial year ended 31<sup>st</sup> March, 2013 confirming that the Company has complied with all the provisions of the Companies Act, 1956. A copy of such certificate is attached with this Report and forms an integral part. The observations made in the Compliance Certificate are self explanatory and therefore do not call for any comments.

## **REPORT ABOUT CONSERVATION OF ENERGY**

Since the Company is not having any manufacturing activity, Directors have nothing to report on conservation of energy, research and development and technology absorption.

## **FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign Exchange earned during the year under review - Rs. Nil

Foreign Exchange spent during the year under review - Rs. Nil

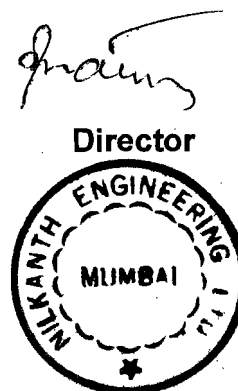
## **APPRECIATION**

Your Directors place on record their deep appreciation of the assistance and contribution received from their bankers, employees, etc.

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

  
Director

Place : Mumbai  
Date : 30.08.2013



**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, 2013, and 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***

Management is responsible for the preparation of these financial statements that gives a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. These 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.

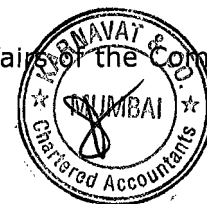
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

***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, 2013;



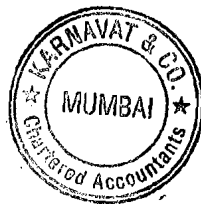
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- b) In the case of the Statement of Profit and Loss, of the **profit** for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that :
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
  - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act 1956.



192, Dr. D. N. Road  
Mumbai - 400001  
Dated: 25.06.2013

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

*Viral Joshi*  
(Viral Joshi)  
Partner  
Membership No. 137686

**NILKANTH ENGINEERING LIMITED**

**(Referred to in paragraph 4 of our report of even date)**

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act 1956, and on the basis of such checks as we considered appropriate, we further report that:-

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All assets have been physically verified by the Management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of the asset. No material discrepancies were noticed on such physical verification.
- (c) No fixed assets have been disposed of during the year.
- ii) The company does not hold any inventory and accordingly sub-clause (a), (b) and (c) of the clause (ii) of the aforesaid order, are not applicable.
- iii) The Company has neither granted nor taken any loans secured or unsecured to or from companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956, hence in our opinion clause (iii)(b) to (iii)(d) and (iii)(f) to (iii)(g) of Paragraph 4 of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to the purchase of fixed assets, shares, debentures and securities and sale of goods & services. During the course of our audit, no major weaknesses have been noticed in the internal controls system.
- v) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that there are no particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly, provisions of Paragraph 4(v) (b) of the Order are not applicable.
- vi) 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 58 A and 58 AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 are applicable. We are informed by the management that 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.
- vii) *The Company does not have a formal internal audit system.* The internal audit is carried out by the staff and, in our opinion, the internal audit system is commensurate with the size and nature of its business;

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