

Part I Statement of annual audited consolidated financial results for the year ended on March 31, 2016 (Rs. in Lakhs)

No	Particulars	Quarter Ended			Year Ended	
		31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
		Audited	Unaudited	Audited	Audited	Audited
1	Income from operations (a) Net Sales/Income from operations	3,866	11,695	9,881	25,351	28,760
	Total income from operations	3,866	11,695	9,881	25,351	28,760
2	Expenditure (a) Land and construction cost (b) Employee benefit expense (c) Depreciation and amortization expense (d) Advertising and sales promotion expense (e) Other Expenditure	3,255 812 443 1,088 801	7,294 817 400 489 519	5,759 675 65 102 556	17,188 3,024 1,418 1,978 2,585	17,163 2,218 133 1,011 1,795
	Total Expenditure	6,399	9,519	7,157	26,193	22,320
3	Profit/(Loss) from operations before Other Income, Finance Costs and Exceptional Items (1-2)	(2,533)	2,176	2,724	(842)	6,440
4	Other Income	708	(1)	26	751	298
5	Profit/(Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	(1,825)	2,175	2,750	(91)	6,738
6	Finance costs (net of inventorisation)	1,700	1,319	794	4,971	2,842
7	Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	(3,525)	856	1,956	(5,062)	3,896
8	Exceptional Items	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before tax	(3,525)	856	1,956	(5,062)	3,896
10	Tax expense/(credit)	(171)	187	332	(9)	803
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	(3,354)	669	1,624	(5,053)	3,093
12	Extraordinary Items	-	-	-	-	-
13	(a) Profit/(Loss) transferred to minority interest (b) Share in loss of associate company	- 561	- 562	- 697	- 2,220	- 2,857
14	Net Profit/ (Loss) for the period (11-12-13)	(3,915)	107	927	(7,273)	236
15	Paid-up equity share capital (Face value per equity share Rs.10)	14,583	14,583	14,583	14,583	14,583
16	Reserves excluding Revaluation reserves (as per balance sheet of previous accounting year)	-	-	-	-	-
17	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.) (a) Basic EPS (b) Diluted EPS	(2.68) (2.68)	0.07 0.07	0.64 0.64	(4.99) (4.99)	0.16 0.16

*Arjun Kumar*



Part II Select information for the year ended on March 31, 2016

No	Particulars	Quarter Ended			Year Ended	
		31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
A	Particulars of Shareholding					
1	Public shareholding					
	- Number of shares	77,995,198	78,032,389	77,998,835	77,995,198	77,998,835
	- Percentage of shareholding	53.48%	53.51%	53.49%	53.48%	53.49%
2	Promoters and Promoter group shareholding					
	(a) Pledged/Encumbered					
	- Number of shares	-	-	6,802,460	-	6,802,460
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	0.00%	0.00%	10.03%	0.00%	10.03%
	- Percentage of shares (as a % of the total share capital of the company)	0.00%	0.00%	4.66%	0.00%	4.66%
	(b) Non-encumbered					
	- Number of shares	67,836,902	67,799,711	61,030,805	67,836,902	61,030,805
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	100.00%	100.00%	89.97%	100.00%	89.97%
	- Percentage of shares (as a % of the total share capital of the company)	46.52%	46.49%	41.85%	46.52%	41.85%

Part III Statement of assets and liabilities for year ended on March 31, 2016

Particulars	Year Ended	
	31-Mar-16	31-Mar-15
	Audited	Audited
<b>A EQUITY AND LIABILITIES</b>		
1 Shareholders' funds		
Share capital	14,583	14,583
Reserves and surplus	11,969	18,199
	26,552	32,782
2 Minority Interest	-	-
3 Non-current liabilities		
Other long-term liabilities	3,850	1,480
Long-term borrowings	58,502	3,508
Long-term provisions	318	299
	62,670	5,287
4 Current liabilities		
Short-term borrowings	62,021	38,248
Trade payables	21,016	15,829
Other current liabilities	24,323	27,718
Short-term provisions	823	1,189
	108,183	82,984
	197,405	121,052
<b>B ASSETS</b>		
1 Non-current assets		
Fixed assets		
Capital work-in-progress	6,042	5,810
- Tangible assets	25,187	198
- Intangible assets	36	141
	31,265	6,149
Goodwill on consolidation	1,691	1,511
Non-current investments	13,346	11,215
Deferred tax assets, net	162	97
Long-term loans and advances	38,414	33,456
Other non-current assets	369	369
	53,982	46,648
2 Current assets		
Current investments	3	-
Inventories	26,983	24,456
Trade receivables	4,653	5,359
Cash and bank balances	3,906	2,798
Short-term loans and advances	61,091	26,826
Other current assets	15,522	8,816
	112,158	68,255
	197,405	121,052

*Adhwin Kumar*

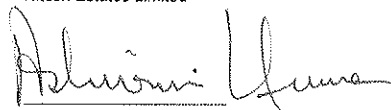


Notes to the financial results:

- (1) The above consolidated results have been reviewed by the Audit committee and on their recommendation have been approved by the Board of Directors at their meeting held on May 28, 2016. These results are uploaded on the Company website i.e. www.niteshestates.com and on the Stock Exchanges where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com. These results include the results of the following subsidiaries, joint ventures and associate companies:
- Subsidiaries - Nitesh Housing Developers Private Limited, Nitesh Urban Development Private Limited, Nitesh Indiranagar Retail Private Limited (Subsidiary: Nitesh Pune Mall Private Limited (formerly known as Anuttam Developers Private Limited), Kakanad Enterprises Private Limited, Nitesh Property Management Private Limited.
  - Joint ventures - Nitesh Estates- Whitefield, Courtyard Constructions Private Limited.
  - Associate - Nitesh Residency Hotels Private Limited.
- (2) The Company primarily operates in three business segments - 'Residential', 'Retail' and 'Hospitality'. All operations are in India and hence there is no geographical segment.
- (3) Details of number of investor complaints for the quarter ended March 31, 2016:  
Beginning - Nil; Received - Nil; Responded - Nil; Pending - Nil.
- (4) The figures of the previous year/period have been regrouped/ reclassified, wherever necessary.
- (5) The Land and construction cost includes Rs. 2743 Lakhs as finance cost towards interest for the year ended on March 31, 2016.
- (6) Figures for standalone financial results

No	Particulars	Quarter Ended			Year Ended	
		31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
		Audited	Unaudited	Audited	Audited	Audited
1	Income from operations					
	(a) Net Sales/Income from operations	492	3,870	5,203	8,712	12,501
	(b) Share in profit/(loss) of association of persons (Joint Venture)	(3)	(36)	(34)	(78)	(36)
	Total Income from operations	489	3,834	5,169	8,634	12,465
2	Profit/(Loss) before tax	(1,760)	155	1,729	(2,171)	2,496
3	Profit/(Loss) after tax	(1,741)	155	1,410	(2,137)	2,021

For and on behalf of the Board of Directors of  
Nitesh Estates Limited



Ashwini Kumar  
Executive Director & Chief Operating Officer



Place: Bangalore, India  
Date : May 28, 2016

Consolidated Segment wise revenue, results and capital employed

No	Particulars	Quarter Ended			Year Ended	
		31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Segment revenue</b>					
	(a) Residential	3,576	11,563	9,881	24,889	28,760
	(b) Retail	290	132	-	462	-
	(c) Hospitality	-	-	-	-	-
	<b>Total</b>	<b>3,866</b>	<b>11,695</b>	<b>9,881</b>	<b>25,351</b>	<b>28,760</b>
	Less: Inter-segment revenue	-	-	-	-	-
	<b>Net income from operations</b>	<b>3,866</b>	<b>11,695</b>	<b>9,881</b>	<b>25,351</b>	<b>28,760</b>
2	<b>Segment results</b>					
	Profit/(loss) before tax and interest					
	(a) Residential	(377)	3,701	3,691	1,314	6,748
	(b) Retail	(2,156)	(1,525)	(308)	(2,156)	(308)
	(c) Hospitality *	-	-	(659)	-	-
<b>Total</b>	<b>(2,533)</b>	<b>2,176</b>	<b>2,724</b>	<b>(842)</b>	<b>6,440</b>	
	Add: Other income	708	(1)	26	751	298
	Less: Interest	(1,700)	(1,319)	(794)	(4,971)	(2,842)
	<b>Total profit/(loss) before tax</b>	<b>(3,525)</b>	<b>856</b>	<b>1,956</b>	<b>(5,062)</b>	<b>3,896</b>
3	<b>Capital employed</b>					
	(a) Residential	89,313	54,391	39,361	89,313	39,361
	(b) Retail	16,997	15,488	18,568	16,997	18,568
	(c) Hospitality *	15,547	17,214	16,274	15,547	16,274
	(d) Unallocated	25,223	25,568	340	25,223	340
	<b>Total</b>	<b>147,081</b>	<b>112,662</b>	<b>74,543</b>	<b>147,081</b>	<b>74,543</b>

Note :

\* The Group holds a 22.23% stake in Nitesh Residency Hotels Private Limited which is primarily in the hospitality segment. Accordingly, results of Nitesh Residency Hotels Private Limited is reflected as Share in profit/(loss) of associate company in item 13(b) in the Consolidated financial results.

*Adhir Kuman*



## **Independent Auditor's Report**

TO THE MEMBERS OF NITESH ESTATES LIMITED

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **NITESH ESTATES LIMITED ("the Holding Company")**, its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2016, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding 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 consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles 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 judgements 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 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 Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements that give a true and fair view 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 the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements.

### **Opinion**

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 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 31<sup>st</sup> March, 2016, and their profit / loss and their cash flows for the year ended on that date.

### **Other Matter**

1. We did not audit the financial statements three subsidiaries and one joint venture, whose financial statements reflect total assets (net) of Rs. 14,041.08 Lakhs as at 31<sup>st</sup> March, 2016, total revenues of Rs. 1587.14 Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net Loss of Rs. 36 Lakhs for the year ended 31<sup>st</sup> March, 2016, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associate, is based solely on the reports of the other auditors.
2. The consolidated financial statements also include the Group's share of net loss of Rs. 2,220 Lakhs for the year ended 31<sup>st</sup> March, 2016, as considered in the consolidated financial statements, in respect of an associate (Previous year ended 31<sup>st</sup> March, 2015: Rs. (2,857 Lakhs), based on their audited financial statements as certified by the management. These statements reflect total assets (net) of Rs. 47,871 Lakhs as at 31<sup>st</sup> March, 2016 (As at 31<sup>st</sup> March, 2015: Rs. 55,620 Lakhs), total revenue of Rs.11,308 Lakhs (Previous year ended) 31<sup>st</sup> March, 2015: Rs. 7,854 Lakhs) for the year ended on that date.

Our opinion is not modified in respect of the above matter.



**Report on Other Legal and Regulatory Requirements**

1. 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 it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with in this Report are in agreement with the books of account.
  - 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 Holding Company as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors of the Holding Company, none of the Directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
  - g) 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:
    - I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the financial statements;
    - II. The Company has no material foreseeable losses, if any, on long-term contracts including derivative contracts .
    - III. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

For and on behalf of

**RAY & RAY**

Chartered Accountants

Firm Registration No. 301072E

*Mrinal Kanti Bandopadhyay*

Mrinal Kanti Bandopadhyay

Partner

Membership No. 051472



Bangalore

28<sup>th</sup> May, 2016

**Annexure - A to the Auditors' Report- Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the consolidated internal financial controls over financial reporting of **NITESH ESTATES LIMITED** ("the Holding company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for 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 the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its 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 Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the 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 procedures 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 control based on the assessed risk. 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. 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 reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes 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 transactions are recorded as necessary to permit preparation of financial statements in accordance with 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 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 controls 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 respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Opinion**

In our opinion, the Holding Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI .



For and on behalf of

**RAY & RAY**

Chartered Accountants

Firm Registration No. 301072E

*Mrinal Kanti Bandopadhyay*

Mrinal Kanti Bandopadhyay

Partner

Membership No. 051472

Bangalore

28<sup>th</sup> May, 2016

