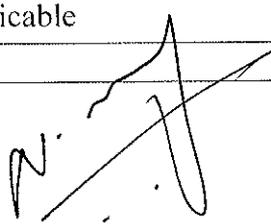
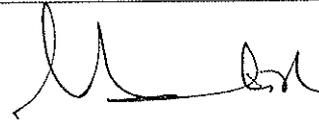


FORM A

(Pursuant to Clause 31(a) of Listing Agreement)

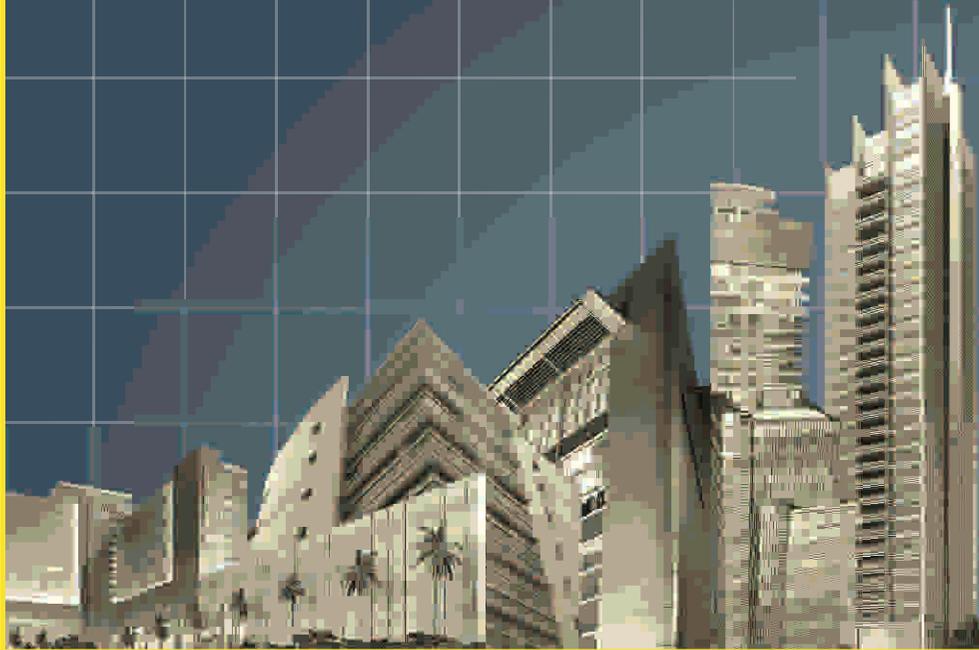
Format of covering letter of annual audit report to be filed with the stock exchange

S. No	Particulars	Details
1	Name of Company	Nitesh Estates Limited
2	Address	Nitesh Timesquare, 7 th Floor, No 8, M.G.Road, Bangalore-560001, Karnataka, India. Office: +91-8040174000 Fax: +91-80-2555-0825
3	Annual Financial Statements for the year ended	31 st March, 2015
4	Type of audit observation	Un-qualified
5	Frequency of observation	Not applicable
6	To be signed by-	
	CEO/Managing Director Nitesh Shetty Chairman and Managing Director	 
	CFO M A Venkateshan Chief Financial Officer	 
	Auditor of the company: <i>for Ray & Ray</i> <i>Chartered Accountants</i> Firm registration number: 301072E Mrinal Kanti Bandyopadhyay <i>Partner</i> Membership No. 051472	 
	Audit Committee Chairman Mr Jagdish Capoor Chairman of the Audit Committee	 

Nitesh[®]
E S T A T E S

EXPECT MORE

11th annual
report 2014-15





annual report

STRIDES AHEAD 2015

We have stepped into our 12th year with an attractive portfolio of projects and the confidence of having seen significant growth in our sales. We have taken some giant strides and now have two income generating assets.

We are upbeat about growing our portfolio from homes into retail and more. With 6 new residential projects that we launched in Bengaluru we continue to maintain a steady pace and grow our homes portfolio. We have initiated our presence in Pune by acquiring an A grade asset Koregaon Plaza Mall, which is second to none in this catchment area.

We are now at a point where our confidence stands reinforced and we look at the future with the optimism that our team has the ability to continue to enhance our performance and march forward.

11th

OUR GUIDING PRINCIPLES

VISION

“To achieve absolute perfection in all our endeavors with our unwavering adherence to excellence, commitment and integrity in order to be a leading national developer with the commitment to create greater value for our customers and loyalty to our investors”

BUSINESS PRINCIPLES

- ▶ Our foremost goal is to construct/create the best quality buildings which can be benchmarked against the best real estate developments globally
- ▶ Our client's interest always comes first. Our experience shows that if we serve our clients well, our own success will follow
- ▶ Our assets are our people, brand and reputation. If any of these is ever compromised, the last is the most difficult to restore. We undertake to comply fully with the letter and spirit of the laws, rules and ethical principles that govern us. Our continued success depends upon unswerving adherence to this standard
- ▶ We take great pride in the professional quality of our work. We have an uncompromising determination to achieve excellence in all that we create like hotels, residential condominiums, office buildings and retail. Though we may be involved in a wide variety and heavy volume of activity, we would, if it came to a choice, rather be best than biggest
- ▶ We stress teamwork in everything we do. While individual creativity is always encouraged, we have found that team effort often produces the best results. We have no room for those who put their personal interests ahead of Nitesh Estates or its clients.
- ▶ The dedication of our people to the company, the intense effort they put into their jobs is greater than one finds in most other organizations. We think that this is an important part of our success. Nitesh Estates is an organization with a human touch
- ▶ We consider size an asset and try to grow substantially year on year. We want to be big enough to undertake the largest project that any of our clients can contemplate, yet small enough to maintain the loyalty, and the humbleness that we all treasure and that contributes greatly to our success
- ▶ Integrity and honesty are at the heart of our business. We expect our people to maintain high ethical standards in everything they do, both in their work for the company and in their personal lives. This culture is imbued into our people from the moment they enter the company
- ▶ At Nitesh Estates Environment, Health and Safety is a standard which is at the heart of our business. We ensure that in all our projects and our people follow our internal Environment Health and Safety norms stringently and deliver projects keeping this paradigm in mind.



MESSAGE FROM CHAIRMAN AND MANAGING DIRECTOR

Dear Fellow Shareowners,

I am happy to write to you once again to update you on the performance of Nitesh Estates Limited.

Nitesh Estates continues to grow despite a challenging global economic scenario marked by volatile commodity prices, weak growth in certain major economies, dollar appreciation, subdued real estate interest and high interest cost.

We would like to highlight this year's performance on consolidated basis, our top line was ₹291 Crores, an EBITA of ₹69 Crores, Profit before tax of ₹39 Crores and Profit after tax of ₹31 Crores.

The Indian economy is in the midst of a recovery with low current account deficit, lower inflation and weak commodity prices.

Our country's growth seems poised to return to a well growth path. It is in this context that Nitesh Estates continues its quest for sustained growth.

I am pleased to inform you that Nitesh Estates has signed a partnership with Goldman Sachs an American multinational investment banking firm based in New York, for acquiring income generating assets like Office Buildings and Shopping Malls. All our 4 Businesses – Home, Hotels, Office Buildings and Shopping Malls in the years to come will show growth.

I would like to thank all my colleagues across our different business verticals for their unflinching dedication, commitment and contribution to strengthening Nitesh Estates Limited.

We are looking forward to continue our mission of generating sustained value for our stakeholders and the country.

I would like to place on record my sincere appreciation to the Board of Directors for their guidance. I would also like to express my gratitude to all our stake holders for their continued faith in Nitesh Estates.

With Best Wishes,
Sincerely,

Nitesh Shetty
Chairman & Managing Director

HIGHLIGHTS 2015

REVENUE
₹ 291 crore

EBIDTA
₹ 69 crore

PBT
₹ 39 crore

PAT
₹ 31 crore

NEW LAUNCHES
6 Residential
projects

**REVENUE POTENTIAL OF
RESIDENTIAL PORTFOLIO**
₹ 4600 crore

TOTAL NUMBER OF UNITS SOLD
₹ 468 crore

**TOTAL NUMBER OF
EMPLOYEES (GROUP)**
552

KEY ACCOMPLISHMENTS

- 24% growth in sales over FY 2014
- Agreement with Goldman Sachs for investments up to USD 250 million
- Acquisition of Pune Shopping Mall
- Expansion of Project portfolio

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Name of the Project: The Ritz-Carlton Hotel

Genre: Luxury Hotel

Location: Residency Road, Bangalore

Project Description: Exquisite Luxury hotel

Highlights:

- Stunning panoramic view of the upscale Residency Road commercial area
- 277 richly appointed, spacious rooms and suites, exclusive club level access which redefines the luxury hotel experience
- 7 innovative and varied luxurious dining establishments
- 1600 sq. mtr. Ritz-Carlton Spa and internationally acclaimed Rossano Ferreti Salon
- 1700 sq. mtr. Of meeting space that can accommodate up to 1,000 guests including one of the largest ballroom in the city
- The impressive development combined with the legendary The Ritz-Carlton service gives the hotel the edge.



THE RITZ-CARLTON®
BANGALORE





Nitesh

NAPA VALLEY

OFF BELLARY ROAD NORTH BANGALORE

Name of the Project: Nitesh Napa Valley

Genre: Luxury Villas

Location: Off Bellary Road, Bangalore

Project Description: Premium Luxury Villas

Highlights: Nitesh Napa Valley is a picturesque, luxury villa development off Bellary Road, Bangalore. Here, exquisite villas spread over 20 verdant acres open doors to luxury and privacy. At Nitesh Napa Valley, a private world awaits – Unspoiled. Unrushed. Unmatched. Exquisitely appointed villas, custom-designed for pleasure and style, the property recreates the ambience of luxury resort living, offering international gated-community lifestyles.





MESSAGE FROM EXECUTIVE DIRECTOR

The last few years have been very challenging for the Indian economy. During fiscal year 2015, the Indian economy saw several positive developments including recovery from a prolonged slow down, a decline in inflation and an improving fiscal deficit. However, despite all the favorable signs, things at the ground level did not see much change. The Indian real estate industry has shown only marginal growth, mainly due to over-supply in the recent past, low absorption levels and a rise in unsold inventory. With improvement in absorption levels the supply overhang is expected to be corrected in the near to mid-term.

Like any other industry real estate also has its own set of challenges. Availability of quality land parcels with good accessibility and infrastructure is the key challenge for real estate companies. Antiquated approach of the urban and town planning authorities are posing significant challenge

to the approval process which causes inordinate delays to the commencement of projects. Policies and procedures must be unambiguous, simple and transparent that discourage arbitrary regulatory action and there is a greater need to establish a single agency which grants approval in a time bound manner.

In FY2015, we saw softening of interest rates, the benefits of which will be visible in the coming year. We have also seen the overall availability of liquidity improving, despite the increasing levels of NPAs with banks recently having created a negative perception in the industry.

It is welcome to note that the sector which was deprived of long term and equity funding for the past few years is back in favour with the long term funds and likely to get more in the form of equity which will bring stability and sustainability and give enough cushion to the short and medium term pressures.

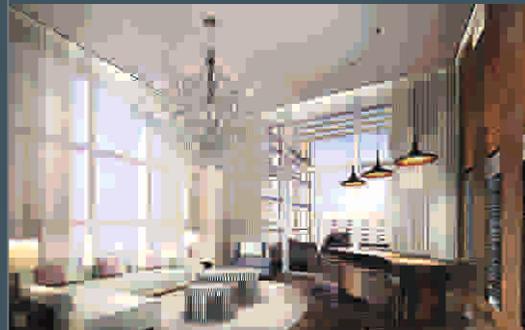
We have in the past witnessed Government initiatives played a major role in development of micro markets across all key real estate markets in India. In spite of the best efforts by the players, most of the matured markets are not able to sustain the growth in the absence of any significant effort taken by the State Governments. With the Government making significant efforts in investing in the local infrastructure development and the initiatives such as Smart Cities and Home-for-all will provide significant growth opportunities for us.

We have been one of the pioneers of the JDA model in Bengaluru and have developed capabilities to engage with land owners at key locations in the city. Today, most of our developments are located in the most sought after micro-markets. Our projects are suited to all types of customers at various price points.

At Nitesh Estates our focus continues to be on sustainable growth. Over the years, we have spent considerable time in understanding our customers' requirements and designing our offerings to suit their needs. Innovation remains at the core of our strategy and hence we have been able to deliver Right Size, Right Price and Right Location products to our valued buyers. On the project execution front, we have an experienced team and partnered with best in class industry players to deliver our value proposition. Bengaluru is a robust real estate market with ample opportunities to grow manifold from where we are today. We continue to identify right micro-markets and price our offerings in a way that lets the customer get most value out of his investment.

L.S. Vaidyanathan

Executive Director



Nitesh PARK^{AVE}

Name of the Project: Nitesh Park Avenue

Genre: High Rise Premium Luxury Condominium

Location: Sankey Road, Bangalore

Project Description: An architecturally stunning tower with luxurious private residences

Highlights: Nitesh Park Avenue comprising luxurious private residences will be a new iconic landmark in the town, ushering in a new paradigm-enviable lifestyle of the privileged that can only be from the Nitesh Estates brand. The architecturally stunning tower is at Bangalore's most sought-after-location – High Grounds, Sankey Road, and distinguishes itself as the most opulent and spectacular address in Bangalore. This phenomenal future development take luxury to new heights by offering sweeping 360 degree views of the prestigious Bangalore Golf Club and Downtown Bangalore. An exclusive address for the most discerning connoisseurs of luxury.



MESSAGE FROM EXECUTIVE DIRECTOR & CHIEF OPERATING OFFICER

FY2015 has been a Year of continued transformation for Nitesh Estates, with the Company emerging much stronger even though the economic environment has not been favourable. During the entire fiscal year we launched 6 new projects, taking the revenue potential of our product portfolio to ₹ 4600 Crores of which ₹ 3500 Crores is yet to be recognized as revenue. The newly launched projects have seen excellent response from customers, whereas three projects which are heading towards completion were fully sold out by the end of the fiscal year. We are grateful to our customers for trusting us and we will continue to enhance our brand equity by designing products that customers like and by continuously improving our project management processes. We believe that these are key factors which ultimately get reflected in superior financial performance of the Company.

The value of bookings during the year registered a significant growth of 23.5% on a y-o-y basis, to ₹ 468 crores. The total area sold during the year was 85.470 sq. m. The attractive project portfolio with a significant value of unrecognized income and the fact that the sales performance has been robust makes us look at the future with optimism.

More recently, in May 2015, we have successfully been able to register two significant achievements, one is the acquisition of a shopping mall in a prime location of Pune and the other is the signing of a partnership platform agreement with Goldman Sachs.

New Launches

During the year under review, we added 6 projects to the ongoing projects portfolio, all located in Bengaluru

1) **Nitesh Virgin Island:** A premium condominium development with an area of 96.618 sq. m and spread over a land area of 8 acres. Located on Old Madras Road (National Highway 4) the project has easy access to

Whitefield as well as to the Bangalore City center.

2) **Nitesh Rio:** A plotted development project with 56.670 sq. m. of developable area. Situated off Kanakapura Road, this is the closest plotted development to the traditional residential area of Bangalore and has seen good response from customers.

3) **Nitesh Chelsea:** A high-rise premium condominium development located on Hosur Road with easy access to Bangalore's IT corridor. It has a developable area of 45.522 sq.m. and is spread over a land area of 3.12 acres

4) **Nitesh Melbourne Park:** A premium condominium development with low-rise residential units, situated off Hennur Main Road in Bangalore, designed on 10.9 acres with 97.044 sq.m. developable area

5) **Nitesh Hunter Valley:** An integrated gated conclave spread across 21 acres in Hennur locality of Bangalore with 204.385 sq.m. of developable area.

6) **Nitesh Knightsbridge:** A project with 15 luxurious homes in Sadashivnagar, a prime residential area of Bengaluru

Hospitality Business

The Ritz-Carlton, a super luxury hotel, developed by Nitesh Estates in Bengaluru opened its doors to the public in FY2014 and month over month since then it has continued to notch higher occupancy rates. We expect the performance to improve further in the coming period.

Current Portfolio

Nitesh Estates has a robust portfolio of ongoing projects comprising of 19 residential projects and 1 retail project (shopping mall), with a total developable area of 1.35 million sq. m. The 19 residential properties have a total developable area of 1.22 million sq. m. and total sales potential of ₹ 4600 crores. The residential projects are

spread across the key micro markets of Bengaluru. Thus, the projects offer a wide variety of choices to the customers in terms of location, price, development type and stage of construction. Projects cumulating to 24% of the total developable area i.e., 325,158 sq. m. are set to be completed by end of FY 2016.

Acquisition of Pune Shopping Mall

In May 2015, Nitesh Estates acquired the Plaza Central shopping mall in Pune. The acquisition reinforces the Company's ongoing initiative to diversify its revenue stream to annuity type of income. Spread over 6 acres of land, with a built up area of 92,902 sq. m., the mall is located in Koregaon, a prime upmarket location in Pune. The high disposable income locality, quality of design and construction combined with our retail and marketing strategy is expected to drive footfalls and generate a rental income of ₹ 45 crores per annum, adding significantly to the topline and profitability of the Company in the coming years.

Joint Venture with Goldman Sachs

In May 2015, Nitesh Estates signed a 'Partnership Platform Agreement' with Goldman Sachs, a global financial institution. Under this platform agreement, Goldman Sachs will make investments upto US\$ 250million through Nitesh Estates SPVs, Associates and Subsidiaries. These investments will be targeted towards income generating Grade 'A' office buildings, shopping malls and luxury hotels across the Tier I cities in India. Through this partnership, the Company envisions to enhance its asset base in the next 3-5 years and diversify its revenue stream by increasing the annuity type of income.

Strategy and Outlook

Over the years, Nitesh Estates has created strong brand equity for itself in the real estate

market. Nitesh Estates is a pioneer of the JDA model of operation and it continues to form a cornerstone of our strategy. We will continue to focus primarily on Bangalore market, which historically has and will continue to generate demand owing to the user driven nature of the market. The continuing choice of the asset like JDA business model coupled with a stable geographic focus, has enabled the Company to rapidly scale up and also provide higher returns on investments.

Though, residential segment continues to be our primary focus, we have been able to seize attractive opportunities in the commercial and retail segments to diversify our revenue stream. FY2015 has provided a strong platform for future growth of Nitesh Estates and we look at the future with confidence and optimism.

Ashwini Kumar

Executive Director & Chief Operating Officer



MESSAGE FROM CHIEF FINANCIAL OFFICER

Nitesh Estates' operational performance for the year has been robust, demonstrated by the strong 23.5% growth in Sales Value. The Company's financial performance during the year remained stable with improved margins, despite a challenging macro environment. This was due to extensive efforts devoted by the management to the operations strategy and cost optimization.

We launched 6 new projects during the year and received encouraging customer response and traction. In particular, Nitesh Melbourne Park, Nitesh Chelsea and Nitesh Virgin Island projects experienced robust bookings within a short period of launch. Currently, the Company has a portfolio of 20 ongoing projects having 14.56 mn sq ft of area, including 1 shopping mall, under various stages of construction. These projects have a total sales potential of over ₹ 4,600 Crore, of which Company's share of sales is about ₹ 4,100 Crore. This provides a

strong base to our business and as the consumer sentiment is improving, our business will see enhanced demand scenario, enabling the Company to further improve its performance and deliver significant value addition to its stakeholders.

In line with our strategy to diversify revenue streams to enhance value to shareholders, the Company acquired a shopping mall in Pune in May 2015. This mall is expected to generate a recurring rental income of ₹ 45 Crore per annum.

Consolidated Financial Performance

During FY2015, Nitesh Estates recorded revenue of ₹ 290 crores which is in line with last year. The Gross Profit margin for the Company increased to 40.9% compared to 37.5% in FY2014. EBITDA during the year was ₹ 68 Crore, an increase of 13.0% y-o-y at 23.6% margin. Out of the 19 ongoing residential projects, 7 projects have reached reasonable level of progress, thereby crossing the threshold for revenue recognition. We continue to focus on making progress in the ongoing projects resulting in increasing

revenue recognition. This is also emphasized by the fact that we are targeting completion of 6 out of the 19 ongoing residential projects in the next 12 months.

Revenue Recognition

According to the accounting standards applicable to the real estate development projects, revenue is recognized as per the stage of construction of the project, which generally extends to 3 or 4 years. The Company had 9 projects under revenue recognition at the end of the year.

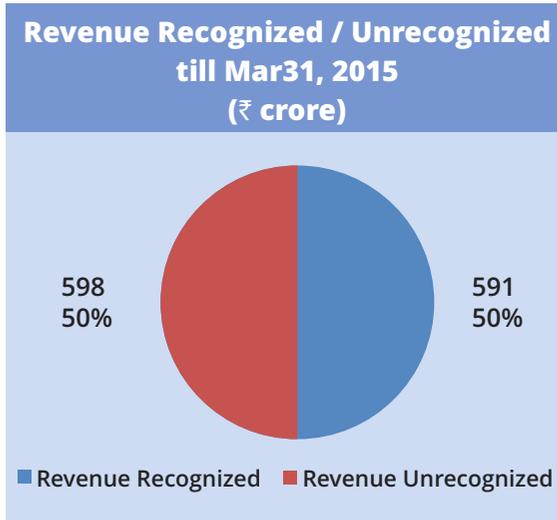
Project	Location
Nitesh Flushing Meadows	Whitefield
Nitesh Central Park	Bellary Road
Nitesh Caesar's Palace	Kanakapura Road
Nitesh Logos	Aga Abbas Ali Road
Nitesh Long Island	Devanahalli
Nitesh Hyde Park	Bannerghatta Road
Nitesh Napa Valley	Bellary Road
Nitesh Cape Cod	Outer Ring Road
Nitesh Columbus Square	Bellary Road

Continuous progress in execution of these projects is expected to result in significantly higher revenue recognition and profitability in the coming year. In addition to above, we expect at least 3 projects to cross the revenue recognition threshold in the coming year.

A large proportion of the revenue was derived from the Company's build-and-sell portfolio of residential properties. Contractual activities such as facility management also contributed to the overall revenue.

Nitesh Estates share of 'Sales Value Potential' from the 19 ongoing residential projects falls to 89.0% of 'Total Sales Value Potential' of over ₹ 4,600 Crore. The Company's share of Sales booked till March 31, 2015 is ₹ 1,189 Crore, of which the Company has successfully made

collections of ₹ 757 Crore. However, still a significant amount of revenue remains unrecognized which is expected to provide a major fillip to the Company's financial performance in the ensuing years. The chart below summarizes the breakup of revenue recognized till date:



Furthermore, the 19 ongoing residential projects and new launches coupled with the new revenue streams, is expected to help Nitesh Estates record considerable topline growth in the coming financial year.

Leverage Profile

On a consolidated basis, the Total Debt of the Company was ₹ 418 crores as on March 31, 2015 while the Cash & Cash Equivalents were ₹ 28 crores. Consequently, the Net Debt position of the Company was Rs. 390 crores. For FY2015, Nitesh Estates has a conservative Net Debt / EBITDA of 1.19x and Book Value / Share of ₹ 22.48. Nitesh Estates is closely monitoring the leverage position and plans to reduce the high cost debt from the cash generated from ongoing projects.

M.A. Venkateshan

Chief Finance Officer



Nitesh

PLAZA

ALIASKER ROAD, BANGALORE.

Name of the Project: Nitesh Plaza

Genre: Mixed use

Location: Ali Asker Road, Bangalore

Project Description: A sophisticated tower, with designated retail, residential and commercial space

Highlights: Nitesh Plaza, a striking new landmark, located at the Ali Asker Road, a prime location in the heart of downtown Bangalore. The residences and office developed on this will be one of Nitesh Estate's signature offering. Nitesh Plaza boasts of sweeping urban views. The occupants can experience a new level of luxury with world class amenities like a fitness centre, swimming pool, dining area, entertainment lounge and a dedicated concierge service.



Nitesh
KNIGHTSBRIDGE
PALACE ORCHARDS | SADASHIVNAGAR

Name of the Project: Nitesh Knightsbridge

Genre: Luxury Homes

Location: Sadashivnagar, Bangalore(Upper Palace Orchards)

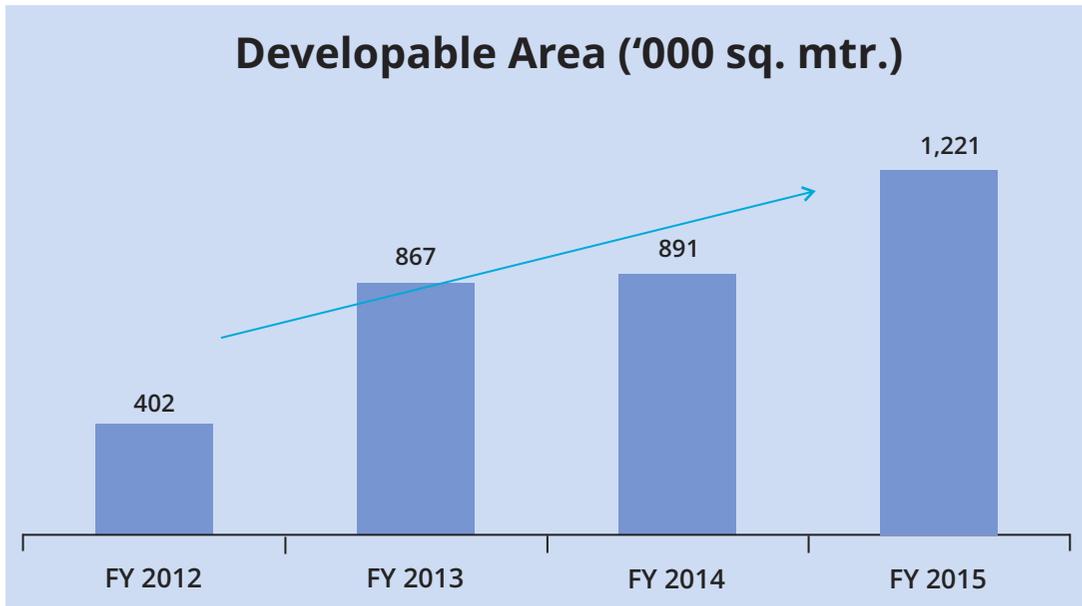
Project Description: Premium homes

Highlights :A resplendent blend of contemporary architecture and state-of-the-art luxury homes, Nitesh Knightsbridge is a product of a global acumen and inclination, what with the team of expert designers combining the knowhow and expertise of architects from the United Kingdom to create the final product. Exuding sophistry, elegance and structural magnificence, Nitesh Knightsbridge is the luxurious highlight in the skyline of Bangalore's Sadashivnagar. Unrivalled greenery around and striking details from floor to ceiling height views, finest finishes and appliances, what with a roof top infinity pool offering the perfect setting, Nitesh Knightsbridge is a mélange of the lavish and the thoughtful.

KEY FINANCIAL HIGHLIGHTS

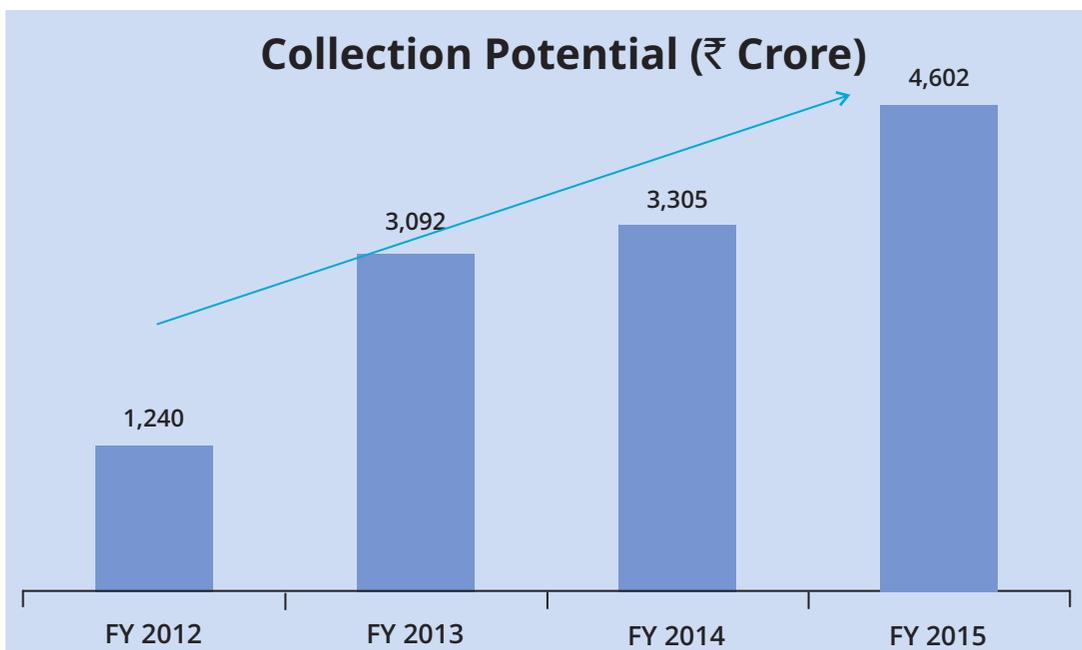
Growth of Developable Area:

- Increased from 402 thousand sq. mtr. in FY2012 to 1,221 thousand sq. mtr. in FY2015
- CAGR of 45%



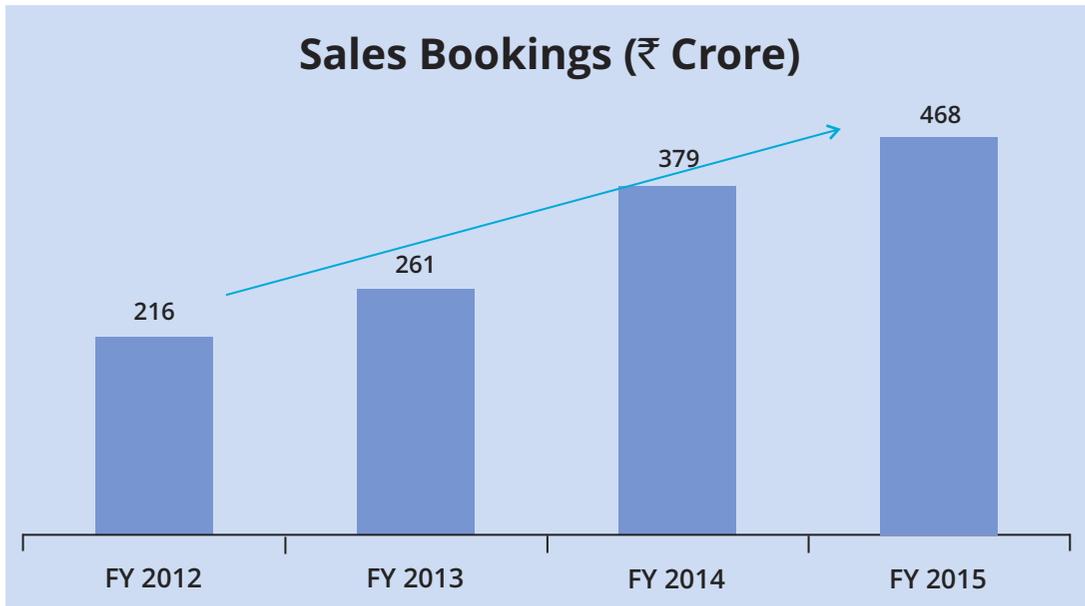
Growth in Collection Potential:

- Increased from ₹ 1,240 Crores in FY2012 to ₹ 4,602 Crores in FY2015
- CAGR of 55%



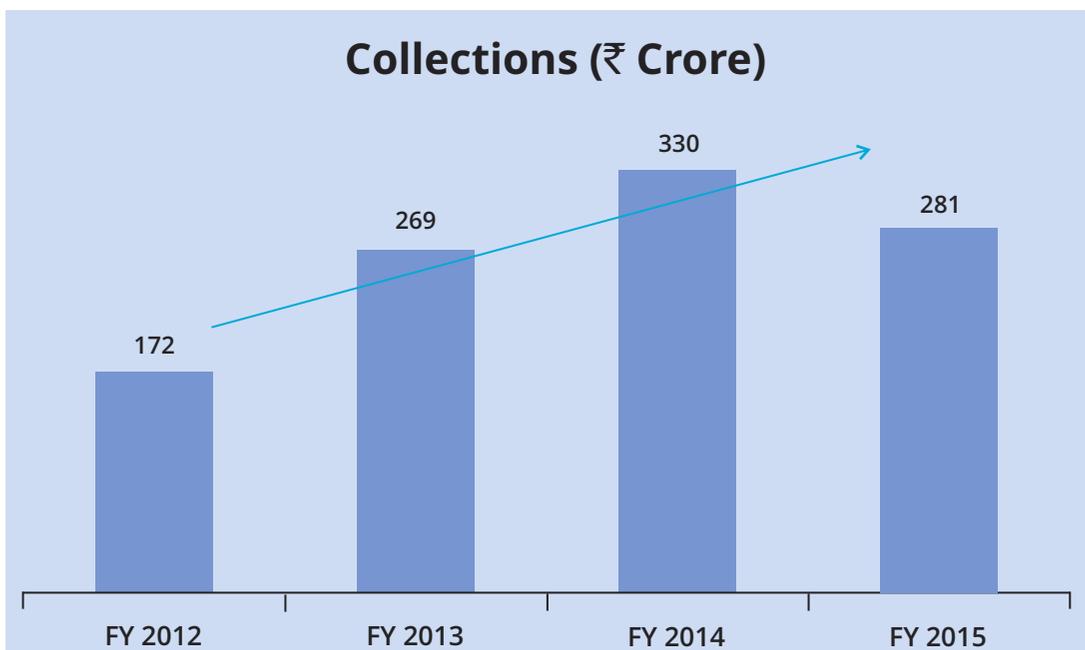
Growth in Sales Bookings:

- Increased from ₹ 216 Crores in FY2012 to ₹ 468 Crores in FY2015
- CAGR of 29%



Growth in Collection:

- Increased from ₹ 172 Crores in FY2012 to ₹ 281 Crores in FY2015
- CAGR of 18%





Nitesh

VIRGIN ISLAND
OLD MADRAS ROAD

Name of the Project: Nitesh Virgin Island

Genre: Premium condominiums

Location: Old Madras Road, Bangalore

Project description: Luxury Condominiums

A premium condominium development with an area of 96.618 sq. m and spread over a land area of 8 acres. Located on Old Madras Road (National Highway 4) the project has easy access to Whitefield as well as to the Bangalore City center.

AWARDS



We are pleased to announce that Nitesh Napa Valley has been honoured once again at the Asia Pacific Property Awards 2015 for its spectacular architecture and landscape designs. The Ritz Carlton was also bestowed by an award for the best interiors in Hotels.

We have also received accolades in domestic forums across different projects and for the brand.

- Bangalore's hot50 brands in Bangalore – awarded by Paul Writers.
- Track2Reality Brand X Report 2014-2015 -Top 10 Developers in hospitality segment across India.
- Track2Realty Brand X Report 2014 -2015 - Top 10 developers across South India across Asset Classes
- Silicon India recognized our project for the best design in South Bangalore
- Worldwide Achievers Real Estate award 2014. - Best developer for Luxury residential of the year (Southern region for Nitesh Cape Cod, Nitesh Columbus Square, Nitesh Central Park, Nitesh Park Avenue & Nitesh Napa Valley)
- Asia's Most promising brand – 2015 validated by consumers and industry, also by Worldwide Achievers Real Estate Awards – 2014
- Most admired architecture of the year – Southern region for The Ritz Carlton Bangalore - 5 star luxury hotel.



NITESH HUB

Name of the Project: Nitesh Hub

Genre : Retail Mall

Location : Koregaon Park, Pune

Project Description: Nitesh Estates has acquired A grade shopping mall, spread over 6 acres in prime upscale locale of Koregaon in Pune, Nitesh Estates has achieved yet another milestone in its decade old presence in India. With this acquisition the Nitesh Estates shopping mall portfolio is now 204 thousand Sq. Mtr.

The Koregaon Park shopping mall can accommodate 130 retail stores, an extensive food court and can house around 1000 cars in the parking space. The mall already has a PVR cinema with 7 screens and Spar supermarket along with brands like Tommy Hilfiger, Collective, MAC, Calvin Klein, Swarovski and Raymonds.

This mall is second to none in this catchment area.



SHOPPING MALL

Name of the Project: Shopping Mall

Genre: Retail Mall

Location: Indiranagar, Bangalore

Project Description: The largest mall in the central business district of Bangalore

Highlights: The Shopping Mall with 103 thousand Sq. Mtr. of lifestyle retail outlets will be one of the largest malls in the central business district of Bangalore. This project is being designed by the globally renowned architectural firm, Callison of Seattle. The Shopping Mall will be the most convenient retail destination for all avid shopaholics in the city. A one-stop-shop for all well-known international and other brands. Shopping Mall promises to be the epitome of luxury, opulence, style, detectable indulgence and a shopper's delight.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Nitesh Shetty,
Chairman & Managing Director

Mr. Ashok T. Aram
Independent Director

Mr. G N Bajpai
Independent Director

Mr. Sudhakar Rao
Non - Executive Director

Mr. Jagdish Capoor
Independent Director

Mr. Mahesh Bhupathi
Non-Executive Director

Mr. M. D. Mallya
Independent Director

Mr. L. S. Vaidyanathan
Executive Director

Mrs. Dipali Khanna
Independent Director

Mr. Ashwini Kumar
Executive Director & Chief Operating Officer

Mr. M A Venkateshan
Chief Finance Officer

Mr. D Srinivasan
Company Secretary & Chief Compliance Officer

COMMITTEES OF THE BOARD

Audit Committee

Mr. Jagdish Capoor -Chairman
Mr. G. N. Bajpai - Member
Mr. M. D. Mallya - Member
Mr. Sudhakar Rao - Member
Mr. L. S. Vaidyanathan - Member

Nomination & Remuneration Committee

Mr. G. N. Bajpai -Chairman
Mr. M. D. Mallya - Member
Mr. Jagdish Capoor - Member
Mr. Sudhakar Rao - Member
Mr. Nitesh Shetty - Member

Stakeholders Relationship Committee

Mr. Jagdish Capoor - Chairman
Mr. L. S. Vaidyanathan - Member

Corporate Social Responsibility Committee

Mr. Jagdish Capoor -Chairman
Mr. Nitesh Shetty - Member
Mr. L. S. Vaidyanathan - Member

STATUTORY AUDITORS

RAY & RAY,
Chartered Accountants,
No: 824, Ground Floor, 2nd Cross, 11th Main,
Hal 2nd Stage, Indiranagar, Bangalore-560 008

INTERNAL AUDITORS

Deloitte Haskins & Sells LLP.
"Deloitte Center", Anchorage II, 100/2,
Richmond Road, Bangalore - 560 025

CORPORATE INFORMATION

SUBSIDIARIES & ASSOCIATES

STATUTORY AUDITORS

M/s. B S S R & Co.,
Chartered Accountants,
Maruthi Info-Tech Centre,
11-12/1, Inner Ring Road, Koramangala,
Bangalore - -560 071

M/s. S R B C & Co. LLP,
Chartered Accountant,
C-401, 4th Floor, Panchshill Tech Park,
Yerwada (Near Don Bosco School),
Pune – 411 006

M/s. B. K. Ramadhyani & Co. LLP,
Chartered Accountants,
No. 68, #4-B, Chitrapur Bhavan,
8th Main, 15th Cross, Malleswaram,
Bangalore-560 055.

SECRETARIAL AUDITORS

M/s. S. Kedarnath & Asst.
004 Ojus Apartments,
4th Main Road, Malleswaram,
Bangalore-560 003

PRINCIPAL BANKERS

Housing Development Finance
Corpn. Ltd (HDFC)
Corporation Bank Limited
HDFC Bank Limited
Bank of Baroda
State Bank of India

REGISTERED OFFICE

Level 7, Nitesh Timesquare,
#8, M.G. Road, Bangalore – 560 001
Tel: +91 80 4017 4000,
Fax:+91 80 2555 0825,
Website: www.niteshestates.com

COST AUDITORS

M/s. G. S. & Associates
Cost Accountants, No.10, 1st Floor,
Vinayaka Apartments,
Vinayaka Layout, Basaveshwaranagar,
Bangalore-560 079

REGISTRAR & SHARE TRANSFER AGENTS

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot No 31 & 32
Gachibowli, Financial District, Nanakramguda,
Serilingampally, Hyderabad – 500 038
Telephone No. : 040 67161510
Email: mailmanager@karvy.com

EQUITY SHARES LISTED AT

National Stock Exchange of India
Limited (NSE)
Bombay Stock Exchange Limited
(BSE)

SOLICITORS

J. Sagar Associates
Holla & Holla
Shetty and Hedge Associates
Cyril Amarchand Mangaldas



Nitesh
MELBOURNE PARK
HENNUR MAIN ROAD

Name of the Project: Nitesh Melbourne Park

Genre: Low Rise Luxury Condominiums

Location: Hennur Main Road, Bangalore

Project Description: A Premium Condominium Development

Highlights: Nitesh Melbourne Park is an upcoming premium condominium development project by Nitesh Estates, for those who seek nothing but the best in a truly international style project. Situated in the northern part of Bangalore. Nitesh Melbourne Park will offer spectacular living spaces designed with modern and global standards of living. This project promises its residents a sublime blend of luxury and tranquility, with exquisite architecture, landscaped gardens, elegant interiors and lavish amenities.

BOARD OF DIRECTORS



Mr. Nitesh Shetty
Chairman & Managing Director

Mr. Nitesh Shetty a first generation entrepreneur is the founder and Chairman of Nitesh Estates. Under his leadership the company has scaled up in 9 years and successfully completed a initial public offering and raised series of Private equity capital.

A former tennis Player started his career as a 19 year old with the Billboard business and has interests in Infrastructure, Hotels, Shopping Malls & Diversified investments.

He is the founder and sets the Big Vision for the growth of the company.



Mr. G N Bajpai
Independent Director

Mr. G N Bajpai holds a Master in Commerce Degree from the University of Agra and Bachelors in Law Degree from the University of Indore.

Former Chairman of the Securities and Exchange Board of India (SEBI), has also been the Chairman of Life Insurance Corporation of India (LIC). Winner of "Outstanding Contribution to the Development of Finance" award from Dr. Manmohan Singh, Prime Minister of India.

Mr. Bajpai is a visiting faculty at leading institutes of management and also currently serves as Non-Executive Chairman and a Director on the board of several companies, both in India and overseas.



Mr. M. D. Mallya
Independent Director

Mr. M. D. Mallya was a Chairman and Managing Director of Bank of Baroda since May 2008 retired in November 2012. He has been the Business Standard Banker of the Year 2011-12. Prior to joining the Bank, he was the Chairman & Managing Director of Bank of Maharashtra.

Mr. Mallya, born on 9th November 1952, passed out Bachelor of Engineering with Distinction from Karnataka Regional Engineering College, Suratkal. Subsequently, he completed post-graduation Diploma in Management from Indian Institute of Science, Bangalore with Distinction.

His tenure as Executive Director of Oriental Bank of Commerce (OBC) was marked by several new initiatives and providing leadership inputs, the merger of erstwhile Global Trust Bank with OBC etc.

Mr. M. D. Mallya has been on various committees of Indian Banks' Association and National Institute of Bank Management (NIBM), Pune like - Member of the Managing Committee of IBA and Standing Committee on Legal and Banking Operations of IBA, Member of the Governing Board of NIBM, Finance Committee of NIBM and Campus Committee of NIBM., Member of the Governing Council of Indian Institute of Banking and Finance, Member of the Governing Council of Institute of Banking Personnel Selection.

BOARD OF DIRECTORS



Mr. Jagdish Capoor

Independent Director

Mr. Jagdish Capoor, the former Chairman of HDFC Bank, brings with him a wealth of knowledge regarding the banking and financial sector. He has worked at the Reserve Bank of India (RBI) as Deputy Governor of the Bank.

Mr. Capoor's other assignments include serving on the Board of Directors of the Indian Hotels Co Ltd, Non Executive Chairman of Manappuram Finance Limited, Board of Governors of the Indian Institute of Management, Indore.

He also held roles on Academic Advisory Board of Asian Business School and as a Chairman of Governing Board of the Derivatives Segment of the Bombay Stock Exchange Ltd. [BSE]. He is a Fellow of Indian Institute of Banking and Finance and holds a Masters of Commerce from University of Agra.



Mr. Sudhakar Rao

Non Independent Director

Mr. Sudhakar Rao was former Chief Secretary of Government of Karnataka and has held various senior positions in Government of India.

He is currently serving as an Independent Director on the Boards of L&T Infrastructure & Development Projects Ltd, Indian Oil Corporation Limited, United Spirits Limited and other companies.



Mrs. Dipali Khanna

Independent Director

Mrs. Dipali Khanna holds Masters in Arts from the Delhi University (Lady Sri Ram College) and she is M.Sc. (National Security) from the National Defence College, ICMA and Certificate of Leadership Programme, Harvard.

Mrs. Khanna was in Indian Railway Accounts Services in 1976, Retired as Member Secretary of Indira Gandhi National Centre for Arts which is analogous to Secretary to Government of India. Prior to that she was an Additional Member (Finance) of Railway Board and was also a Financial Adviser with National Disaster Management Authority over 10 years and served in Senior Roles at Ministry of Defense and Ministry of Power.

She also served on the Boards of large Public Sector Undertakings – such as HAL, MDL, GRSC and GS. She has also chaired various sub-committees of the Boards.



Mr. Ashok Aram

Independent Director

Mr. Ashok Aram is the Managing Director of Deutsche Bank (Middle East, North Africa). Prior to this he was the Head of Global Banking Division and was MD of Abraaj Capital, one of the largest PE fund in Middle East, which currently has US\$4 billion under management.

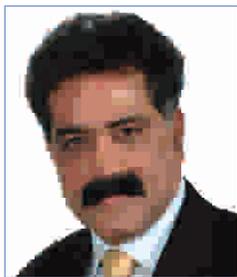
BOARD OF DIRECTORS

**Mr. Mahesh Bhupathi**

Non-Executive Director

Mr. Mahesh Bhupathi is India's first & only 10 times Grand Slam title winner and the US Open mixed double titles holder. He has the distinction of winning three doubles titles including French Open and Wimbledon. He has also been part of the first doubles team to reach the finals of all four Grand Slams.

Mr. Mahesh Bhupathi is the Managing Director of Globosport and the founder of The International Tennis Premier League (ITPL)

**Mr. L S Vaidyanathan**

Executive Director

Mr. L S Vaidyanathan holds a degree of Bachelor of Science from Madras University. He is a fellow member of the Institute of Chartered Accountants of India.

Before joining the Company in the year 2005, Mr. L S Vaidyanathan was a practicing Chartered Accountant.

Mr. L S Vaidyanathan has been associated with the real estate industry for the last 25 years in various capacities. Overall he has over 30 years of experience in auditing, consulting, and in the real estate industry. He is a Professional member of the Royal Institute of Chartered Surveyors (UK)

As a Director of the Company, Mr. L S Vaidyanathan is responsible for all strategic initiatives relating to business including business development, transaction strategy, resources mobilisation and Taxation (Direct).

**Mr. Ashwini Kumar**

Executive Director & Chief Operating Officer

Mr. Ashwini Kumar, joined the Company on 2nd November, 2009 as the Chief Operating Officer and is responsible for the business operations of the Company. He was elevated to Board as Executive Director and Chief Operating officer effective April 19, 2012.

Prior to joining Nitesh Estates Limited, he was the Managing Director of Lineage Power India Pvt. Ltd. a leading US based MNC in the area of Power Electronics and responsible for their business in India and South East Asia. Prior to this he worked as Director with Tyco Electronics and Lucent Technologies and was responsible for their telecom power electronics business in India.

In all he has an experience of 30 years starting with functional roles, in sales, project management, manufacturing, performance improvement and culminating in business leadership roles.

He is a Mechanical Engineer from NIT, Rourkela (1981) and Post Graduate in Business Management from XLRI, Jamshedpur (1983).



Nitesh

HUNTER VALLEY
HENNUR, BANGALORE

Name of the Project: Nitesh Hunter Valley

Genre: Gated Conclave

Location: Hennur Road, Bangalore

Project Description: Gated community

Highlights: Nitesh Hunter Valley is an integrated gated conclave which sits on a sprawling property of 22 acres.

This mixed use development is located in the upcoming area of Hennur in North Bangalore, completely geared for the future. These premium condominiums in this exclusive development boast of some of the finest amenities like tennis court, large club house, gymnasium, one of the largest swimming pools in the city which includes a children's pool as well, large landscaped garden, squash, and cricket pitch, etc. Hennur is fast emerging as Bangalore's hottest residential destination and Nitesh Hunter Valley will be one of Bangalore's finest mixed use development.

MANAGEMENT TEAM

**Mr. Ashwini Kumar**

Executive Director & Chief Operating Officer

As Executive Director & Chief Operating Officer Mr. Ashwini Kumar is responsible for Operations and other function strategic planning, growth, decision making, investor relations and the entire day to day operations of the company.

Prior to joining Nitesh Estates Limited, he was the Managing Director of Lineage Power India Pvt. Ltd. a leading US based MNC in the area of Power Electronics and responsible for their business in India and South East Asia. He also worked as Director with Tyco Electronics and Lucent Technologies and was responsible for their telecom power electronics business in India. He is a Mechanical Engineer from NIT, Rourkela (1981) and Post Graduate in Business Management from XLRI, Jamshedpur (1983).

**Mr. L S Vaidyanathan**

Executive Director

Mr. Vaidyanathan, as Executive Director is responsible for all strategic initiatives related to Business Development, Transactional Strategy, working on the growth of the future pipeline of the company and also handles Taxation (direct).

Mr. Vaidyanathan has been associated with the real estate industry for the last 25 years in various capacities. Overall he has over 30 years of experience in auditing, consulting, and in the real estate industry. He is a Chartered Accountant.

**M.A. Venkateshan**

Chief Financial Officer

Mr. Venkateshan as CFO is responsible for the entire compliance, risk management and overall management of the Finance Department. He is also responsible for financial reporting. His 33 years work experience includes companies like JSW Steel Ltd., Jindal Praxair Oxygen Company Limited & Deutsche Babcock Balcke Durr Ltd.

**Pradeep Narayan**

Executive Vice President - Head - Sales & Marketing

Mr. Pradeep Narayan is responsible for the entire Sales initiative of the company along with the Marketing function which involves managing the brand. He has worked for the TATA group, Essilor India and Bharti Airtel Limited.

Mr. Pradeep Narayan is an Engineer with a PGDBM from IIM Ahmedabad. His experience of 25 years covers Brand Management, ROI based Marketing Strategy & Execution, Setting up & managing Channel Partner Networks, Direct Selling Customer Relationship Management.

**Sanjoy Kumar Das**

President - Projects

Mr. Sanjoy Kumar Das is responsible for all aspects of Construction. He is a B.Tech from IIT Kharkpur and a holds a PGDBM from IIM Ahmedabad. He has 35 years of multi faceted experience includes industries like Godrej & JSW Steel. He has a sound understanding of Financial Management and has also worked in the area of Strategic & Operational management.

MANAGEMENT TEAM



Prema Ram

Executive Vice President -Shared Services

Ms. Prema Ram is responsible for all shared services that include HR, IT, Administration, CRM & Asset Management & Corporate Development. With a six sigma certification she holds a Masters and a MBA as well. Her career of 35 years in companies like Air France & KLM has focused on being responsible for Customer Service & Relationship Management, Project Management, Key Account Management, Human Resource Management, Strategic Planning with a focus on Operational Excellence.

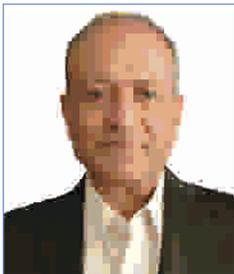


Vivek Sharma

Executive Vice President Head – Retail & Commercial

Mr. Vivek Sharma is responsible for Retail and Office buildings segment of our business.

Mr. Vivek Sharma is an Engineer from IIT Roorkee, holds an MBA and a PGDMB from IIM Kolkatta. His career spanning 22 years has been across holding responsibility for P&L, Business Development, Corporate Finance, Contract, Tenders & Negotiations, Planning – Design & Construction Facility Management, and Manufacturing Operations. He has worked in companies like Shriram Group and BSNL.



Vijendra Kumar

Design & Planning

Mr. Vijendra Kumar is responsible for Design, Planning & Costing of all projects. He is a B- Tech from IIT Kharagpur. His close to 40 years of experience includes Project Management Consultancy for Infrastructure Planning & Construction, Contracts & Tender Management, Structural Design & Engineering, Project Budgeting & Financial Management and Arbitration & Dispute Resolution. He has worked in BSNL.



Prabhakar Udipi G

Executive Vice President - Contracts & Procurement

Mr. Prabhakar Udipi is responsible for managing the Contracts & Procurement function of the company.

Mr. Prabhakar Udipi has rich experience of over 4 decades. An Engineer and a Banker by profession, prior to joining our company his career focused on Profit Centre Management, Credit Management Marketing, Business Development, Customer Relationship Management Strategy, and Planning & Operations. He has worked in banks like Global Trust Bank & Oriental Bank of Commerce.



Mahesh Kumar DV

Vice President - Quality & Project Monitoring

Mr. Mahesh Kumar holds a degree in BE Civil & an M-Tech from IIT Madras. He is responsible for Quality and Safety in across Projects.

Mr. Mahesh Kumars experience of 38 Years spans the space of Quality Management, Quality Assurance & Systems, Project Management. He has worked on different aspects of Design & Execution, Training and Development. He spent the last 12 years with Larsen & Toubro – L&T Constructions.

MANAGEMENT TEAM

**George C Abraham**

Vice President - Project Finance

As VP- Project Finance Mr. George Abraham handles the Capital Raising vertical for the company. He interacts with Financial Institutions, Private Equity Firms, Banks and other Investors. He is a qualified Chartered Accountant and a MBA from University of Houston, Texas, USA.

**Ashok P C**

Finance Controller- Hospitality & Retail

Mr. Ashok P C is responsible for finance and accounts function related with hospitality and retail segments of the business.

A finance professional with 33 years experience, Mr. Ashok P C's experience cuts across in various functions including accounts and MIS, project finance, cash flow management, relationship with investors and bankers, statutory compliance.

**Subramaniam G**

Finance Controller - Residential

Mr.Subramaniam is responsible for managing cash flow and profitability of the Residential part of the business.

Mr.Subramaniam is a Chartered Accountant who's 32 years of experience covers all aspects of Financial Management, Working Capital Management, Preparation and Monitoring of budgets, Banking Operations, Statutory Compliance Finalization of Accounts & Project Finance. He has worked for BPL Limited & Premier Tissues India Ltd. previously.

**Srinivasan D**

Company Secretary & Chief Compliance Officer

Mr. Srinivasan is responsible for all Board and Corporate Secretarial activities, with regard to ensuring compliance with statutory and regulatory requirements. Stakeholders relationship, Compliances of other related matters. He is an FCS and holds degrees in LLM; MBA. He has 31 years of experience, working in TVS Electronics & Caterpillar Power India Pvt Ltd.



Nitesh
CHELSEA
HOSUR MAIN ROAD

Name of Project: Nitesh Chelsea

Genre: High Rise Condominium

Location: Hosur Main Road, Bangalore

Project Description: Premium Condominium

Highlights: Nitesh Chelsea is developed on 2.9 acres of plot designed to create iconic built form. The project is a combination of 3 types of units 2, 3-small, 3-big BHK. A state-of-art Club House with modern amenities is designed with a beautiful swimming pool and recreational areas that caters to all age groups. Vehicle-free pedestrian zones are designed with vehicular movements on the periphery. State-of-art security systems are planning for the entire complex.



Nitesh RIO

KANAKAPURA ROAD

Name of the Project: Nitesh Rio

Genre: Plotted Development

Location: Kanakapura road, Bangalore

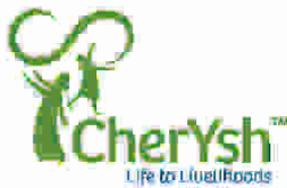
Project Description: Premium Plots

Highlights: Nitesh Rio premium plots are situated in "Upper Jayanagar", located on Kanakapura Road, in the heart of South Bangalore's fastest growing neighborhood. Spread over a 13 acre gated community Nitesh Rio offers easy access to your favourite weekend getaways. This project will have extensive planting in parks and open spaces with Children's play area, dribbling basketball court, pavilions, senior citizens park, open air theatres as part of outdoor amenities will be provided. Well planned street lights will be provided for the entire layout.

CORPORATE SOCIAL RESPONSIBILITY

The Company as a responsible corporate citizen voluntarily supports the cause of social development, woman development and the cause of education.

Cherysh Trust – for education and women’s sustainability in rural Karnataka and Goa.



Cherysh Trust is a registered non-profit organization working towards empowering women and girl children in rural Karnataka, Goa and soon Maharashtra. Our aim is empowerment through learning and livelihood.

Cherysh focuses on the transformative journey from an early-stage learning for the girl child and vocational skills training for work choices, to secure their future as self-reliant women. Nitesh estates is vocal about women empowerment through education and necessary infrastructure. Collaborating and providing financial aid to Cherysh was a clear route to enable this vision.

Joining hands with Ekam Foundation – Healthy Child Health Community



Ekam Foundation addresses the neo-natal, pediatric and maternal health care needs of under-privileged children and mothers by complementing and augmenting existing public and private healthcare services.

Nitesh Estates has contributed generously in order for Ekam to fulfill their dream of reducing infant mortality rate and improving healthcare outcomes for neonatal, infants and children.



Nitesh
LOGOS
AGA ABBAS ALI ROAD
OFF M.G. ROAD, BANGALORE

Name of the Project: Nitesh Logos

Genre: Low Rise Luxury Condominium

Location: Aga Abbas Ali Road, Bangalore

Project Description: Premium Luxury Residences

Highlights: Nitesh Logos has distinguished itself as the most opulent and spectacular address in Bangalore. The residents will have the convenience of luxury hotel, lifestyle retail, and other world class shopping along with some of the finest banks, making this the most desirable place to live in.

STATUTORY REPORTS

Nitesh Estates Limited

CIN : L07010KA2004PLC033412

Regd. Office: Level 7, Nitesh Timesquare, # 8, M. G. Road, Bangalore-560 001, India

Ph. +91-80-4017 4000 Fax: +91-80-2555 0825,

Website: www.niteshestates.com, e-mail : investor@niteshestates.com

Notice

NOTICE is hereby given that the Eleventh Annual General Meeting of Nitesh Estates Limited will be held at “**Dr. B. R. Ambedkar Memorial Trust**” (Ambedkar Bhavana), Miller’s Road, Vasanthnagar, Bangalore – 560 052 on Monday, the 28th September, 2015 at 2.00 P.M., to transact the following business:

ORDINARY BUSINESS:

1. To consider and if thought fit, to adopt the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the audited balance sheet as at 31st March 2015, the statement of profit and loss account and cashflow statement including the consolidated financial statements for the year ended as on that date, together with the Report of the Director’ and Auditors’ thereon as presented to the meeting, be and are hereby approved and adopted.”

2. To consider and if thought fit, to adopt, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mr. Sudhakar Rao (DIN:00267211) Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company.”

3. To ratify the appointment of statutory auditors of the Company, and to fix their remuneration and to adopt the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by members at the Annual General Meeting held on September 26, 2014, the appointment of M/s. Ray & Ray, Chartered Accountants (Firm No. IS 301072E), as Statutory Auditors of the Company for the financial year 2015-16 and to hold the office till the conclusion of the 12th Annual General Meeting, be and is hereby ratified and that the Board of Directors be and are hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2016 as may be determined by the Audit Committee in consultation with the Auditors.”

SPECIAL BUSINESS:

4. **To appoint Mrs. Dipali Khanna as an Independent Director of the Company:**

To consider and if thought fit, to adopt, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modifications and re-enactments thereof) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mrs. Dipali Khanna (DIN: 03395440) be and is hereby appointed as an Independent Director of the Company to hold office for the first term of five consecutive years from the conclusion of this Annual General Meeting.”

By order of the Board
For **NITESH ESTATES LIMITED**

Place: Bangalore
Date: August 11, 2015

D. SRINIVASAN
Company Secretary & Chief Compliance Officer

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE PAID UP 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.

2. A Corporate Member entitled to attend the meeting shall along with their authorized representative(s) send a certified true copy of a resolution passed by the Board of Directors and vote on their behalf at the meeting.
3. A Statement pursuant to Section 102 of the Companies Act, 2013 on each item of special business to be transacted at the meeting is annexed hereto as **Annexure-I**.
4. All documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection at the Registered Office of the Company between 10.00 A.M. to 12.00 noon from Monday to Friday on all business days up to and including the date of the meeting.
5. The Register of Members, Debenture holders and the Register of Securities Transfer will remain closed from **Tuesday, 22nd September, 2015 to Monday, the 28th September, 2015** (both days inclusive).
6. Pursuant to Section 160 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the brief resume / candidature of the Directors seeking appointment / reappointment at the Annual General Meeting is appended to this Notice as **Annexure - II**.
7. Members are requested to advise any changes in their communication address, register their E-mail address, PAN details and Bank details such as Bank and Branch Name, IFSC Code and MICR No. etc with Karvy Computershare Private Limited, the Registrars and Share Transfer Agents of the Company at Karvy Selenium Tower B, Plot No. 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 038, Tel: +91 040 67161510.
8. Members are requested to bring their copy of the Annual Report to the meeting. Additional copies will not be provided at the meeting.
9. For the convenience of Members and for the proper conduct of the meeting, entry to the place of meeting will be regulated by an Attendance Slip, which is annexed to the Proxy Form, Members/Proxies attending the meeting are kindly requested to complete the enclosed Attendance Slip and affix their signature at the place provided thereon and hand it over at the entrance.
10. The Notice is being sent to all the Members (electronic or physical copy), whose names appeared in the Register of Members as on Monday, the 21st August, 2015. The Notice of the meeting is also posted on the website of the Company www.niteshestates.com.
11. **The businesses as set out in the Notice will be transacted through electronic voting system and the Company will provide a facility for voting by electronic means.** In compliance with the provisions of Section 108 of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically instead of casting their vote by way of ballot papers at the Meeting. Please note that the voting through electronic means is optional.
12. The voting through electronic means will commence on Thursday, September 24, 2014 at 10.00 A.M. and will end on Sunday, September 27, 2014 at 5.00 P.M. The Members will not be able to cast their vote electronically beyond the date and time mentioned here.
13. The Company has appointed Mr. Sudhindra K. S., Practicing Company Secretary (FCS 7909, CP No. 8190) and Partner of S Kedarnath & Associates, Company Secretaries, Bangalore, to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.

The procedure and instructions for the voting through electronic means is, as follows:

Open your web browser during the voting period and log on to the e-voting website <https://evoting.karvy.com>

Now, fill up the following details in the appropriate boxes:

User-ID	a) For NSDL:- 8 characters DP ID followed by 8 Digits Client ID b) For CDSL:- 16 digits beneficiary ID
Password :	please refer to the cover email enclosing this Notice
PAN*	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department
* Members who have not updated their PAN with the Company are requested to use default number 'ABCDE12345' in the PAN field.	

1. After entering the details appropriately, click on **LOGIN**.
2. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, email etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
3. You need to login again with the new credentials.
4. On successful login, the system will prompt you to select the EVENT i.e., NITESH ESTATES
5. On the voting page, the number of shares as held by the shareholder as on the Cut-off Date will appear. If you desire to cast all the votes assenting/dissenting to the Resolution then enter all shares and click "FOR" / "AGAINST" as the case may be. You are not required to cast all your votes in the same manner.
6. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
7. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.
8. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail: suhindraksfcs@gmail.com
9. Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.
10. **The Portal will remain open for voting from: 10.00 A.M. on Thursday, 24th Sept. 2015 to 5.00 P.M. on Sunday, 27th Sept. 2015 (both days inclusive).**
11. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com> or contact Mr. Rajendra Prasad, Karvy Computershare Pvt. Ltd. at 040-67161500 or at 1800 345 4001 (toll free).
12. The results of e-voting will be announced by the Company in its website and also informed to the stock exchanges.

Kindly note that once you have cast your vote you cannot modify or vote on poll at the Annual General Meeting. However, you can attend the meeting and participate in the discussions, if any.

By order of the Board
For NITESH ESTATES LIMITED

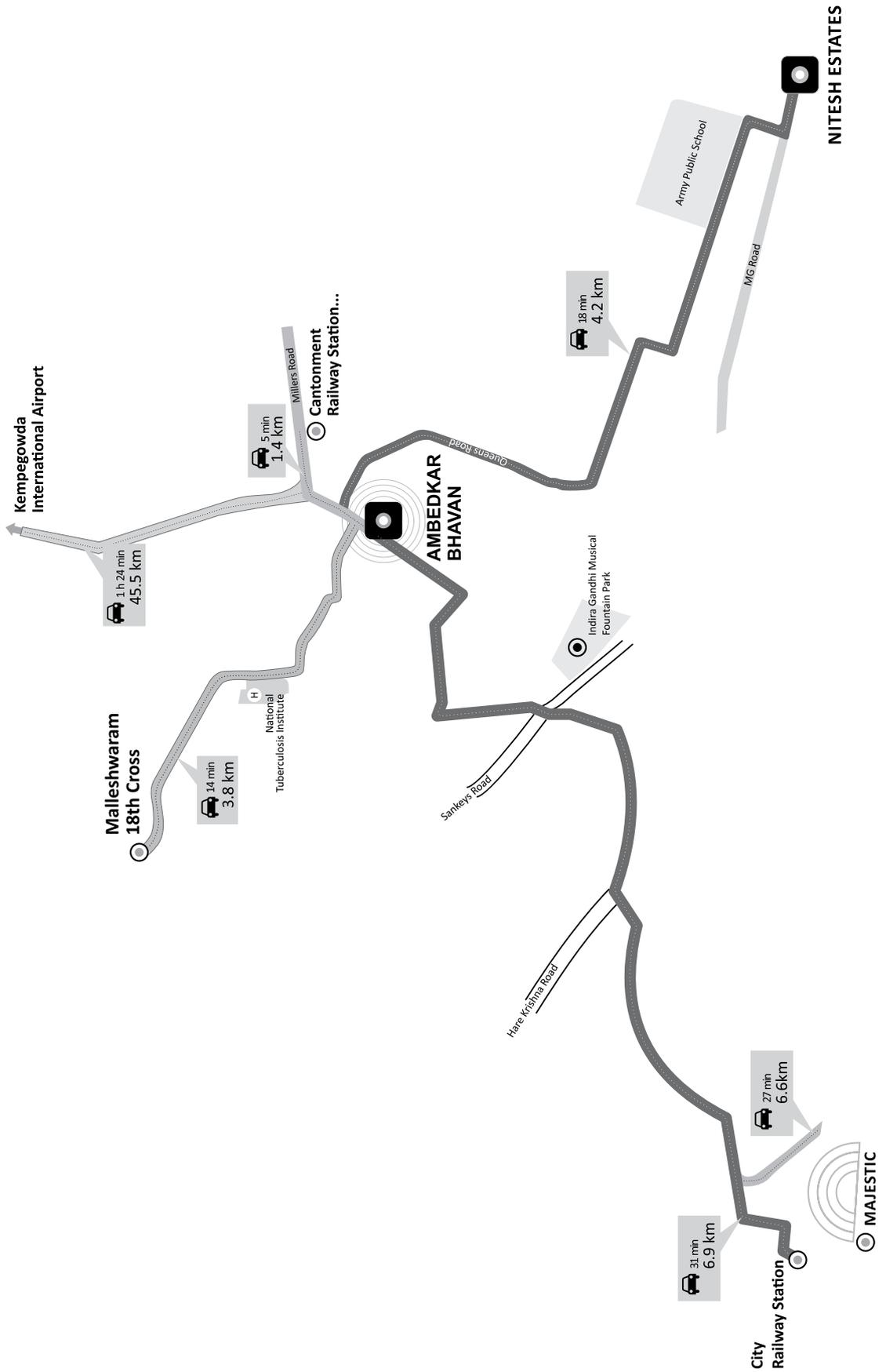
Registered Office:

Level 7, Nitesh Timesquare,
8, M G Road, Bangalore – 560 001.

Place: Bangalore
Date: August 11, 2015

D. SRINIVASAN
Company Secretary & Chief Compliance Officer

LOCATION MAP TO THE AMBEDKAR BHAVAN (The 11th Annual General Meeting Venue)



Nitesh Estates Limited

CIN : L07010KA2004PLC033412

Regd. Office: Level 7, Nitesh Timesquare, # 8, M. G. Road, Bangalore-560 001, India

Ph. +91-80-4017 4000 Fax: +91-80-2555 0825,

Website: www.niteshestates.com, e-mail : investor@niteshestates.com

Annexure I to the Notice

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

The following explanatory statements sets out all the material facts relating to the businesses mentioned in the accompanying Notice of Annual General Meeting dated 11th August, 2015 that requires explanatory statement and shall be taken as forming part of the said Notice.

Item No. 3:

The Company has received a certificate pursuant to Section 141 of the Companies Act, 2013 and the rules made thereunder from M/s. Ray & Ray, Chartered Accountants, the Statutory Auditors of the Company, having Firm Registration No. 101248W/W-100022 allotted by the Institute of Chartered Accountants of India (ICAI), who were appointed for a term of 5 years as required under Section 139 of the Companies Act, 2013 and the rules made thereunder, at the Annual General Meeting held on September 26, 2014 and are eligible for re-appointment as Statutory Auditors of the Company.

As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by members at every AGM. Accordingly, ratification of the members is being sought for the proposal contained in the Resolution set out at item no. 3 of the Notice.

The Board recommends the Resolution at Item No. 3 for approval by the Members.

None of the Directors, Key Managerial Personnel and their relatives is in any way interested or concerned, in this resolution.

Item No. 4:

Mrs. Dipali Khanna was appointed as an additional director at the Board meeting held on May 28, 2015 under Section 161 of the Companies Act, 2013 and the Rules made thereunder and her appointment is valid upto the date this Annual General Meeting. Notice in writing under Section 160 of the Companies Act, 2013 along with the requisite deposit amount has been received from a member signifying his intention to propose Mrs. Dipali Khanna as a candidate for the office of Director of the Company and to move the resolutions set out in Item no. 4 of this Notice.

The appointment of Mrs. Dipali Khanna, will be as an Independent Director of the Company, for an initial term of 5 consecutive years, in terms of Sections 149 of the Companies Act, 2013 and the Rules made thereunder.

In terms of Section 160 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges, a brief profile of Mrs. Dipali Khanna, nature of her expertise in specific functional areas, her other directorships and committee memberships and her shareholdings are appended to this Notice in **Annexure-II**.

The Nomination and Remuneration committee of the Board after detailed review of the profile have recommended the appointment of Mrs. Dipali Khanna, as fit and proper person and fulfills the requirement as specified in the Companies Act, 2013 for appointment as an Independent Director. The Board recommends the Resolution at Item No. 4 for approval by the Members.

None of the Directors, Key Managerial Personnel and their relatives is in any way interested or concerned, in this resolution other than the appointee.

Annexure II to the Notice

Profiles of Directors being reappointed / appointed as required under Section 160 of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

Name of Director	Mr. Sudhakar Rao (DIN: 00267211)
Age	66
Qualification	M.A. (Economics), Master of Public Administration, Kennedy School of Government, Harvard University, USA

Date of Appointment	September 27, 2013
Expertise in specific Functional areas	<p>Mr. Sudhakar Rao was formerly a member of Public Enterprises Selection Board (PESB), the Government of India during 2009-10, he was Chief Secretary to the Government of Karnataka during the year 2008-09.</p> <p>He had served as Development Commissioner of the Government of Karnataka during Sept. 2007 to Feb. 2008. He was the Principal Secretary to the Chief Minister of Karnataka, Home Department, and Finance Department of Government of Karnataka. He was a Chairman of Bangalore Development Authority. He was a Principal Secretary to the Government & Resident Commissioner of Karnataka in New Delhi. He was the Chairman & Managing Director of Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC), Bangalore during the year 2001.</p> <p>He was the Minister (Economic Affairs), Embassy of India, Washington. He was the Joint Secretary to the Ministry of Power, the Government of India, he had also served as Director to the Prime Minister's Office, Government of India and was involved with policy making for social development in the country for several specific sectors such as Health, Education, Agriculture and Women and Child Development.</p> <p>He was also Deputy Secretary, Department of Economic Affairs, Ministry of Finance, the Government of India. He was Deputy Commissioner of Shimoga District. He was Under Secretary of Ministry of Energy, Government of India.</p>
Other Directorships held	<ol style="list-style-type: none"> 1. BSE Institute Limited 2. BSE Limited 3. Nitstone Waste Management Private Limited 4. L&T Infrastructure Development Projects Limited 5. CMC Limited 6. GMR Varalakshmi Foundation 7. BFSI Sector Skill Council of India 8. Common Purpose India 9. United Spirits Limited 10. Deccan Heritage Foundation India 11. Healthcare Global Enterprises Limited 12. IFFCO-TOKIO General Insurance Company Limited
Membership of Committees	<p>Audit Committee, member in:</p> <ol style="list-style-type: none"> 1. BSE Institute Limited 2. BSE Limited 3. CMC Limited – Chairman 4. L&T Infrastructure Development Projects Limited – Chairman 5. United Spirits Limited 6. Nitesh Estates Limited <p>Stakeholders Relationship Committee, member in:</p> <ol style="list-style-type: none"> 1. BSE Limited 2. CMC Limited – Chairman 3. United Spirits Limited <p>Nomination and Remuneration Committee, member in :</p> <ol style="list-style-type: none"> 1. United Spirits Limited 2. Nitesh Estates Limited
No. of shares held in the Company	Nil

Name of Director	Mrs. Dipali Khanna (DIN: 03395440)
Age	63
Date of Appointment	May 28, 2015
Expertise in specific Functional areas	<p>Mrs. Depali Khanna Started her career with the Indian Railway Accounts Service in 1976. She retired as Member Secretary, Indira Gandhi National Centre for arts (IGNCA), which is a CEO position in the rank of Secretary to Government of India in March 2015. Prior to that she spent two years as Additional Member (Finance) in the Railway Board, three years as Additional Secretary and Financial Advisor for various Ministries, Including Information & Broadcasting, Culture/Tourism and Law & Justice, three years each as Executive Director (Budget) with the Railway Board and as Financial Advisor with national Disaster management Authority (NDMA), over 10 years with Ministry of Defence and Ministry of Power in senior roles. In the first 14 years of her career, Mrs. Khanna gained crucial Operational experience working in various divisions of the Indian Railways.</p> <p>She has served actively on the Boards of four large Public Sector Units, under the ministry of Defence, two under the Ministry of Power, One under the Ministry of Tourism and one under the Ministry of Information & Broadcasting. She has chaired various board Committees of these boards and was actively involved in review and approval of organization-level strategic initiatives, effective management information systems, internal controls, transparency in procedures, business planning, capital allocation and fund raising, joint ventures .etc.</p>
Other Directorships held	India Power Corporation Limited
Membership of Committees	Nil
No. of shares held in the Company	Nil

By order of the Board
For NITESH ESTATES LIMITED

Registered Office:

Level 7, Nitesh Timesquare,
8, M G Road, Bangalore – 560 001.

Place : Bangalore
Date : August 11, 2015

D. SRINIVASAN
Company Secretary & Chief Compliance Officer

Directors' Report

Your Directors present their Eleventh Annual Report and the Audited Accounts of the Company for the year ended March 31, 2015.

1. FINANCIAL RESULTS:

Rupees in Lakh

Particulars	STANDALONE		CONSOLIDATED	
	2014-15	2013-14	2014-15	2013-14
Income :				
Income from operations	12501	11205	28760	29757
Other Income	41	274	298	339
Total Income	12542	11479	29058	30096
Profit/(Loss) before depreciation	2614	1039	4029	3107
Less : Depreciation	117	158	133	171
Profit/(Loss) before tax	2497	881	3896	2936
Less : Income tax	474	111	803	581
Profit / (Loss) after tax	2023	770	3093	2355
Less: Minority interest & share of profit/ (loss) in Associate	0	0	(2857)	(1830)
Net Profit/(Loss)	2023	770	236	525

2. DIVIDEND:

The Directors could not recommend dividend to conserve the funds for the projects growth and sound financial position of the Company.

3. State of Company's Affairs:

a. Standalone:

During the year under review the Company could achieve a turnover of Rs. 12,501 Lakh as against Rs. 11,205 Lakh in the previous year and other income of Rs.41 Lakh as compared to Rs.274 Lakh in the previous year. The operations had resulted in a profit after tax of Rs. 2,023 Lakh as against Rs. 770 Lakh in the last year.

b. Consolidated:

In compliance with the applicable Clauses of the Listing Agreement with the Stock Exchanges, the Company has prepared Consolidated Financial Statements as per the Accounting Standards on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.

The Audited Consolidated Financial Statements along with the Auditors' Report have been annexed to this Annual Report. The total consolidated revenue for the year ended 31st March 2015 amounted to Rs. 29,058 Lakh including other income of Rs. 298 Lakh, as compared to Rs. 30,096 Lakh in the previous year. The Company has achieved a profit after tax of Rs.3,093 Lakh as compared to previous year's profit of Rs. 2,355 Lakh and a Net profit of Rs.236 Lakh for the year (Previous year Net profit of Rs. 525 Lakh), after adjusting the minority interest in subsidiary companies and share of Profit/(Loss) from associate company amounting to Rs. (2,857) Lakh (Previous year loss Rs. 1,830 Lakh).

The audited consolidated Balance Sheet as at 31st March, 2015, consolidated Profit and Loss account for the year ended as on that date, Cash flow Statement together with the Notes and Reports of Auditors thereon form part of this Annual Report. The financial figures have been regrouped in line with the new Schedule VI disclosure requirements.

c. Material changes and commitment if any affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of the report:

Nitesh Indiranagar Retail Private Limited (NIRPL), a wholly owned subsidiary of the Company acquired Anuttam Developers Private Limited (ADPL), the owner of a retail commercial mall located at Pune on 22nd May, 2015. Upon the said acquisition ADPL became the wholly owned subsidiary of NIRPL, consequent to which ADPL became the second layer subsidiary of the Company.

In terms of the Secured, Listed Non convertible Debentures (NCDs) aggregating to Rs. 235 Crores issued by Anuttam Developers Private Limited, the Company is required and has provided the corporate guarantee to the trustees of Debentures to ensure the due repayment and servicing of the NCDs. The Company is also required to fund the short fall if any in the operations of the second layer subsidiary.

d. Significant or material orders passed by the regulators/ courts:

During the year under review, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

4. The Board of Directors and the Committees thereof

I. Composition of the Board of Directors

The Board of Directors of the Company comprises of ten directors of which five are Independent Directors. The Composition of the Board of Directors is in compliance with Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement .

II. Declarations pursuant to Section 149 (6) of the Companies Act, 2013

The Company has received necessary declarations from the Independent Directors stating that they meet the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013.

III. Change in the Board

During the year under review the Company appointed Mrs. Dipali Khanna (DIN: 03395440) as an Additional Independent Director for an initial term of 5 consecutive years with effect from 28th May, 2015.

Mrs. Shobha Patil (DIN: 07144385) who was appointed as an Additional Director (Independent) on the Board of the Company on 31st March, 2015, has resigned on 28th May, 2015, due to increasing work in her professional carrier.

IV. Meetings

During the year under review, the Board of Directors of the Company met 10 times on the following dates,

April 4, 2014	September 26, 2014
May 22, 2014	November 11, 2014
May 28, 2014	December 10, 2014
June 18, 2014	February 11, 2015
August 6, 2014	March 31, 2015

V. Appointment of Directors

Pursuant to the applicable provisions of the Companies Act, 2013 and rules made thereunder, Mrs. Dipali Khanna (DIN:03395440) was appointed as an Additional Director in the capacity of an Independent Director, who will vacate office at the ensuing Annual General Meeting.

The Board has recommended her appointment as an Independent Director for an initial term of 5 consecutive years.

VI. Re-appointment of Director Retiring by Rotation

In terms of Section 152 of the Companies Act, 2013, Mr. Sudhakar Rao (DIN: 00267211) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors has recommended the re-appointment of Mr. Sudhakar Rao, as Director retiring by rotation.

VII. Annual Evaluation of the Board, its Committees and Individual Directors

The Independent Directors of the Company at their meeting pursuant to Section 149 read with Schedule V of the Companies Act, 2013 had carried out an annual evaluation of Board's performance, board committees and individual directors as required under the Companies Act, 2013 and the Listing Agreement. The performance of the Board was evaluated after seeking inputs from the Independent Directors on the basis of criteria such as Board composition, structure, board processes and their effectiveness, information given to the board etc.

The Board and the Nomination and Remuneration Committee (NRC) reviewed the performance of the individual directors on the basis of criteria such as their participation, contribution at the meetings, their preparedness on the issues to be discussed etc. Additionally the Chairman was also evaluated on key aspects of his role.

VIII. Familiarization programme for Independent Directors:

The Company proactively keeps its Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

The Company also keeps the Board updated on the applicable laws, regulations, enactments etc. and any changes, amendments thereon from time to time.

5. Directors' Responsibility Statement:

In terms of the requirements of Section 134(5) of the Companies Act, 2013, we, on behalf of the Board of Directors, hereby state that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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 at the end of the financial year and of the profit of the Company for that period;
- c) 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;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
- f) 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.

6. Remuneration Policy

The Nomination and Remuneration Committee (NRC) has formulated a policy relating to the remuneration for the directors, key managerial personnel and Senior Management personnel.

The remuneration policy has been prepared pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. While formulating the Nomination and Remuneration policy, the NRC has considered the factors laid down in the foregoing provisions.

Non-executive directors are remunerated by way of sitting fees for attending the meetings of the board and committees of the board. During the year, the board approved the increase in the sitting fees for the Audit Committee and the Board to Rs. 50,000/- respectively, Nomination and Remuneration Committee Rs. 25,000/- and Stakeholders Relationship Committee and other committees to Rs. 20,000/- respectively.

The extract of the Nomination & Remuneration Policy is reproduced in **Annexure A** to this report.

Remuneration Details of Directors and Employees

[Pursuant to Section 134 of the Companies Act, 2013 and the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014].

- i. Ratio of remuneration of each director to the median remuneration of the employees and percentage increase in the remuneration :

Sl. No.	Name of the Directors	Designation	Ratio of remuneration to median remuneration of the Company*	% increase in the remuneration of the Directors
1	Mr. Nitesh Shetty	Chairman & Managing Director	24	15.00**
2	Mr. L. S. Vaidyanathan	Executive Director	20	9.40
3	Mr. Ashwini Kumar	Executive Director & Chief Operating Officer	14	Nil
4	Mr. G. N. Bajpai	Independent Director	NA	NA
5	Mr. Jagdish Capoor	Independent Director	NA	NA
6	Mr. M. D. Mallya	Independent Director	NA	NA
7	Mrs. Shobha Patil	Independent Director	NA	NA
8	Mr. Ashok T. Aram	Independent Director	NA	NA
9	Mr. Sudhakar Rao	Non-Independent Director	NA	NA
10	Mr. Mahesh Bhupathi	Non-Independent Director	NA	NA

* The median remuneration of employees during the financial year was Rs.6,57,257/- (Rupees Six Lakh Fifty Seven Thousand Two hundred and Fifty Seven only)

** The remuneration was increased as per the Central Government approval for the part of the financial year i.e. with effect from 15th Dec. 2014.

Note : Mrs. Dipali Khanna, was inducted to the Board on 28th May, 2015 as Additional Director (Independent) and no remuneration was paid to her.

- ii. The percentage increase in the remuneration for the year ended 31st March, 2015 to the Key Managerial Personnel other than Directors : for Company Secretary & Chief Compliance Officer 12% and Chief Financial Officer -NA
- iii. The percentage increase in the median remuneration of employees in the financial year 2014-15 was 11%.
- iv. The number of permanent employees on the rolls of the Company as on 31st March, 2015 was 84 (the group has 552 employees).
- v. Though the turnover of the Company has increased by 11% in comparison with the last year and there is a modest increase in the profitability, taking the market scenario and competition in industry practice, and to compensate the inflation increase, the Management has granted an increase in the remuneration to the employees on an average of 10%.
- vi. Though the turnover of the Company has increased by 11% in comparison with the last year and there is a modest increase in the profitability, taking the market scenario and competition in industry practice, and to compensate the inflation increase, the Nomination & Remuneration Committee has granted an increase in the remuneration to the Key Managerial Personnel on an average of 12%.
- vii. During the financial year 2014-15 the aggregate remuneration of Key Managerial Personnel increased by 12% on an average.
- viii. The last and only Initial public offer was made in May, 2010 and the price was Rs.54/- per equity share. The percentage increase over decrease in the market quotations of the shares of the Company in comparison with the last Initial Public Offer is (72.63%).

The variations in the market capitalization of the Company, price earning ratio as at the closing date of the current financial year and previous financial year is (on standalone basis), as follows:

Particulars		2013-14	2014-15	Variation
Share Prices	BSE	11.40	14.71	22.52%
	NSE	11.60	14.85	21.89%
Market Capitalization (in full) (Rs. in Lakhs)		16770.69	21553.98	22.19%
Market Capitalization (Free Float) (Rs. in Lakhs)		9021.31	11528.22	21.75%
Price earning ration (based on audited results)		21.58	10.58	(103.97)
EPS (in Rs.)		0.53	1.39	61.87%

- ix. Average percentile increase in the salaries of employees other than the managerial personnel during 2014-15 was 11%. The percentile increase in the managerial remuneration during the same period was 11%. The percentage increase in the managerial remuneration was on account of the variable component of remuneration payable to the managerial personnel as per the terms and conditions of their appointment.

7. Vigil Mechanism / Whistle Blower Policy

The Company has a vigil mechanism policy for its directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct/business ethics that provides for adequate safeguards against victimization of the director(s) and employee(s) who avail of the mechanism. No director/employee has been denied access to the Chairman of the Audit Committee of the Company.

8. Corporate Social Responsibility

In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 the Company has constituted the Corporate Social Responsibility Committee.

There are no adequate profits as reckoned under the rules, requiring the Company to make contributions to the Corporate Social Responsibility activities during the year. However, the Company and its subsidiaries contributed to couple of NGOs to the benefit of development of under privileged women and female children.

9. Internal Financial Controls

The Company has adequate system of Internal Controls which are detailed in the Management Discussion and Analysis Report.

10. Statutory Auditors

At the 10th Annual General Meeting of the Company held on 26th September, 2014, appointed M/s Ray & Ray (Firm's Regn.301072E) as the Statutory Auditors of the Company for an initial term of 5 consecutive years which is subject to annual ratification by the members of the Company in terms of Section 139 of the Companies Act, 2013 read with the rules made thereunder.

There are no qualifications or adverse remarks in the Statutory Auditors' Report which require any explanation from the Board of Directors of the Company.

11. Secretarial Auditor

M/s. Kedarnath & Associates, the Practicing Company Secretaries were appointed as the Secretarial Auditors of the Company for the financial year 2014-15 by the Board of Directors of the Company.

The Secretarial Audit Report for the year ended 31st March, 2015 issued by the Secretarial Auditors in accordance with the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder is annexed to this report separately as **Annexure - B**.

There are no qualifications or adverse remarks in the Secretarial Audit Report which requires any explanation from the Board of Directors of the Company.

12. Cost Auditor

In term of Section 148 of the Companies Act, 2013, subject to ratification by shareholders for the remuneration payable. M/s. G. S. & Associates, Practising Cost Accountants, having Firm Registration No. 000301, allotted by The Institute of Cost Accountants of India, were appointed as Cost Auditors of the Company on a remuneration of Rs. 1 Lakh per annum excluding the reimbursement of out of pocket expenses for the Financial Year 2014-15 and 2015-16 respectively.

13. Particulars of employees

The details of remuneration to directors, key managerial personnel and the statement of employees in receipt of remuneration exceeding the limits prescribed under Section 134 of the Companies Act, 2013 read with rules made thereunder has been provided in **Annexure C** to this report.

14. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

In terms of Section 134 of the Companies Act, 2013 read with rules made thereunder, the particulars of conservation of energy, technology absorption, and foreign exchange earnings and outgo are set out in **Annexure D** to this report.

15. Corporate Governance

The report on Corporate Governance and a certificate from M/s. S. Kedarnath & Associates, Practicing Company Secretaries affirming the compliance with the various provisions of the Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

16. Management Discussion and Analysis Report

Pursuant to the terms of Listing Agreement the Management Discussion and Analysis Report is annexed in a separate section to this Annual Report.

17. Code of Conduct

In terms of Clause 49 of the Listing Agreement, a declaration signed by Mr. Nitesh Shetty, the Chairman & Managing Director of the Company affirming the compliance with the Code of Conduct of the Company for the financial year 2014-15 forms part of the Corporate Governance Report.

18. The Extract of the Annual Report

Pursuant to Section 134 of the Companies Act, 2013 and the rules made thereunder the extract of the Annual report in the prescribed format of MGT-9 for the financial year 2014-15 is provided in a separate section as an annexure to this Report as **Annexure -E**.

19. Particulars of Loans, Guarantees and Investments

Pursuant to the provisions of Section 134 of the Companies Act, 2013 the particulars of the loans, guarantees and investments made by the Company under Section 186 of the Companies Act, 2013 and the rules made thereunder is detailed in the Notes to Accounts section of the Financial Statements.

20. Related Party Transactions

During the year under review, the Company has not entered into any contract/ arrangement/ transaction with a related party which can be considered as material in terms of the policy adopted by the Company in terms of Section 188 of the Companies Act, 2013 and the Listing Agreement on the Related Party transactions.

The related party transactions undertaken during the financial year 2014-15 are detailed in the Notes to Accounts section of the Financial Statements.

21. Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

22. Review of Subsidiaries and Associates

Pursuant to Section 129 of the Companies Act, 2013, the consolidated financial statements of the Company and its subsidiaries and associates, prepared in accordance with the relevant Accounting Standards specified under Section 133 of the Companies Act, 2013 read with the rules made thereunder, forms part of this Annual Report.

Pursuant to the provisions of the said section, a statement containing the salient features of the financial statements of the Company's subsidiaries and associates in **Form AOC-1**, that forms part of the Consolidated Financial Statements.

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of the Company, consolidated financial statements along with the relevant documents and separate accounts in respect of subsidiaries are available on the website of the Company.

There have been no material changes in the nature of the business of the subsidiaries (including associates) during the financial year 2014-15.

In terms of the Clause 49 of the Listing Agreement the Company has adopted a policy for determining material subsidiaries. The Policy as approved may be accessed on the Company's website at the link: [http://www.niteshstates.com/Investor relations/ Policies & Other Related Matters/Material Subsidiary Policy](http://www.niteshstates.com/Investor%20relations/Policies%20&%20Other%20Related%20Matters/Material%20Subsidiary%20Policy)

Performance highlights of key operating Subsidiaries and Associates:

A. Nitesh Housing Developers Private Limited (NHDPL):

The Company holds 89.9% of equity share capital of this subsidiary.

The financial highlights are as below:

Figures in Rs.

Particulars	2014-15	2013-14
Paid up Capital	91,500,000	91,500,000
Reserves & Surplus	267,341,866	142,454,665
Revenue from operations	1,308,099,478	1,131,194,625
Other Income	2,970,968	2,767,216
Profit/(Loss) Before Tax	153,153,531	155,582,025
Profit/(Loss) After Tax	124,887,202	123,383,026

B. Nitesh Urban Development Private Limited (NUDPL):

NUDPL is a 100% subsidiary of the Company.

The financial highlights are as below:

Figures in Rs.

Particulars	2014-15	2013-14
Paid up Capital	65,820,000	65,820,000
Reserves & Surplus	109,095,226	97,883,249
Income from property development	249,316,545	642,289,832
Other Income	19,567,214	3,953,010
Profit/(Loss) Before Tax	13,529,622	61,177,390
Profit/(Loss) After Tax	11,211,977	49,037,390

C. NITESH INDIRANAGAR RETAIL PRIVATE LIMITED (NIRPL):

NIRPL is a 100% wholly owned subsidiary of Nitesh Estates Limited.

The financial highlights are as below:

Figures in Rs.

Particulars	2014-15	2013-14
Paid up Capital	699,100,000	1,324,800,000
Reserves & Surplus	1,087,760,676	1,118,587,660
Other Income	171,880	3,794
Profit/(Loss) Before Tax	(30,826,984)	(21,878,445)
Profit/(Loss) After Tax	(30,826,984)	(21,878,445)

NIRPL acquired Anuttam Developers Private Limited (ADPL), owner of a retail commercial mall located at Pune on 22nd May, 2015. ADPL became the wholly owned subsidiary of NIRPL consequent to which ADPL became the second layer subsidiary of the Company.

D. NITESH PROPERTY MANAGEMENT PRIVATE LIMITED (NPMPL):

NPMPL is a 100% wholly owned subsidiary of the Company. It has entered into Maintenance Contracts with the owners of completed apartments developed by the Company.

The financial highlights are:

Figures in Rs.

Particulars	2014 -15	2013-14
Paid up Capital	3,000,000	100,000
Reserves & Surplus	4,620,171	(177,840)
Current Liabilities	28,850,329	23,257,327
Income from operations	62,993,823	49,117,379
Other Income	2,845,005	8,160,100
Profit/(Loss) Before Tax	7,030,553	5,763,837
Profit/(Loss) After Tax	4,798,010	5,665,141

E. KAKANAD ENTERPRISES PRIVATE LIMITED ('KEPL'):

This Subsidiary has not commenced its commercial operations. KEPL is a 100% subsidiary of the Company.

The status of the Subsidiary:

Figures in Rs.

Particulars	2014 -15	2013-14
Paid up Capital	500,000	100,000
Reserves & Surplus	(571,355)	(473,107)
Income from operations	NIL	NIL
Profit/(Loss) Before Tax	(98,248)	(114,984)
Profit/(Loss) After Tax	(98,248)	(114,984)

23. Acknowledgement:

Your Directors are pleased to place on record their sincere appreciation of the valuable assistance and co-operation extended to the Company by its Customers, Bankers, Financial Institutions, State and Central Government authorities, Service Providers, Contractors and the Shareholders for their valued support to the Company's operations.

Your Directors also place on record their appreciation of the significant contribution made, and support extended, by the employees of the Company at all levels during the year.

For and on behalf of the Board of Directors

Place: Bangalore
Date : May 28, 2015

NITESH SHETTY
Chairman & Managing Director

Nomination & Remuneration Policy

1. PREAMBLE

The Board of Directors (the "Board") of the Company has adopted this policy and procedures with regard to Nomination and remuneration of the Board Members, Key managerial personnel and the Senior Management in the Company. The Board reserves the right to review and amend this policy from time to time based on the recommendation(s) received from the Nomination & Remuneration Committee and/or amendments or modifications in the applicable laws.

This policy is intended to regulate and evaluate the nomination and the remuneration payable to the Board Members and Senior Management in the Company based on the applicable laws and regulations.

2. DEFINITIONS

"Act" shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, amendments, clarifications or re-enactment thereof.

"Nomination & Remuneration Committee or Committee" means Committee of Board of Directors of the Company constituted under provisions of Listing Agreement and section 178 of the Companies Act, 2013.

"Board" or "Director" shall mean Board of Directors of the Company

"Company" means Nitesh Estates Limited

"Key Managerial Personnel (KMP)" means Key Managerial Personnel as defined under section 2 (51) read with Section 203 of the Companies Act, 2013.

"Policy" means the Nomination & Remuneration Policy of the Company.

"Senior management" means personnel of the Company who are members of its core management team excluding Board, comprising all members of management one level below the executive directors, including the functional heads.

3. APPLICABILITY AND EFFECTIVE DATE

This Policy will be applicable to the Company with effect from 1st October, 2014.

4. PURPOSE

This policy is framed as per the requirements of Clause 49 of the Listing Agreement executed by the Company with the Stock Exchanges and as per the provisions of Companies Act, 2013.

5. COMPOSITION

- i. The Committee shall consist of minimum three (03) members, and all of whom shall be Non-Executive Directors.
- ii. Majority should be Independent Directors.
- iii. Chairman should be an Independent Director. Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
- iv. Minimum two (2) members shall constitute quorum for the Committee meetings.

6. MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. OBJECTIVE

The Committee will assist the Board of Directors of the Company to:-

- i. Determine, review and propose compensation principles/ policies for the Company
- ii. Setting the compensation of the Company's Directors, KMPs (as defined under Companies Act, 2013) and Senior Management.
- iii. Approve payments to the managerial personnel as per the policy laid down by the committee

- iv. Assess and review compensation policy and plans recommended by the management
- v. Recommend names to the Board of Directors for appointment of both Executive and Non-Executive including Independent Directors on the Board etc.
- vi. Devising a policy on Board diversity.

8. RESPONSIBILITIES AND DUTIES:

The responsibilities and duties of the Committee can be categorized into:-

A. Nomination Policy:

- a) Lay down the principles and policy for the selection, criteria for evaluation and retirement of Independent and Non-Executive Directors.
- b) Identify persons who are qualified to become directors-Independent, Non-Executive & Executive and also persons who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.
- c) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy, relating to the remuneration for the directors, key managerial personnel and Senior Management.

B. Remuneration Policy:

- a) Submission of the Remuneration Policy to the Board for their approval
- b) The Committee will provide compensation plans and practices on the basis of remuneration principles
- c) Describe main roles, responsibilities and competencies involved in the Remuneration process
- d) Provide specific guidelines for the setting of Board of Directors and Executive Board members' remuneration
- e) The Committee would also review the company's Remuneration principles
- f) The Committee will specify the sitting fees payable to Non- Executive / Independent Director for attending meetings of Board or Committee thereof provided the same shall not exceed the prescribed limits under the Act.
- g) The Committee would periodically review the implementation of the Remuneration Policy
- h) The Committee may look into the Company's Internal Audit function limited to performing periodic reviews on the remuneration to ensure the applicable rules and standards are complied with.
- i) The Committee would set working standards for determining the Remuneration of the members of the Senior Management of the Company and recommend to the Board for their approval.
- j) The Committee would review and recommend the bonus/ performance pay to the Executive Directors to the Board.
- k) Review and recommend to the Board of Director for approval of any Mandatory Disclosures of the Management Compensation
- l) The Committee shall ensure, that:
 - i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

9. PERFORMANCE REVIEW:

- a) The Committee would review competitor's market data, trend analysis, Performance and the methodology for determining annual Remuneration pools with the management.
- b) The Committee would assess individual performance evaluations of the Executive Board members including their performance inclusive of managing risk, compliance to the code of conduct etc.
- c) The Committee would get the inputs from the Company's internal control function, Code of Conduct for reviewing the performance.

10. REPORTING TO THE BOARD OF DIRECTOR:

- a) The Committee would provide a periodical report to the Board of Directors on its activities, implementation of the Remuneration Policy and adhering to the applicable standards and rules and Remuneration paid to the Executive Board members.

- b) The Committee would review and approve the annual Remuneration report prior to the Board of Directors approval, and ensure that the same will satisfy the Remuneration principles, policy, plans for the year.
- c) The Committee would review the compensation setting process on annual basis.

11. DISCLOSURES

- a) The Company is required to disclose the remuneration policy and evaluation criteria in the Annual Report.
- b) The Company is also required to disclose pecuniary relationship or transaction of the non-executive directors vis-à-vis the Company and to make all other disclosures as required under Clause 49 of the Listing Agreement with the Stock exchange in the Annual Report of the Company.

12. GENERAL

This Policy and any amendments or replacements thereof will be communicated to the Board members, Key Managerial Personnel, the Senior management and other concerned persons. Nothing in this Policy shall override any provisions of law made in respect of any matter stated herein.

EVALUATION OF PERFORMANCE OF DIRECTORS (PROFORMA)

Sl. No.	Name of the Director	
	Criteria	Views of the Evaluators
1	Attendance	
2	Preparedness for the Board Meeting	
3	Contribution in the Board room using expertise & knowledge and experience & wisdom	
4	Independence of views and judgment	
5	Interpersonal relationship	
6	Safeguarding minority shareholders' interest	
7	Facilitating best Corporate Governance practices	
8	Ownership of value building	

Process

Objective (narrative assessment) by all the Directors except himself

SUMMARY OF PERFORMANCE ASSESSMENT PROCESS OF BOARD COMMITTEES

	Audit Committee
1	General
2	Deliverance of allocated responsibilities
3	Qualitative Assessment
4	Summation : Overall Evaluation

	Compliance Committee
1	General
2	Deliverance of allocated responsibilities
3	Qualitative Assessment
4	Summation : Overall Evaluation

	Nomination & Remuneration Committee
1	General
2	Deliverance of allocated responsibilities
3	Qualitative Assessment
4	Summation : Overall Evaluation

Board Effectiveness Evaluation	
1	Composition
2	Board Meetings
3	Board Agenda
4	Allocation of Board's time
5	Minutes
6	Superintendence of Board Committees
7	Input Management
8	Board Culture
9	Monitoring of Governance processes
10	Substance of effectiveness

SECRETARIAL AUDIT REPORT

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]
(FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015)

To,
The Members,
Nitesh Estates Limited,
CIN: L07010KA2004PLC033412

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Nitesh Estates Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided to us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion there on.

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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 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 the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 (SCRA) and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
- (v) The following Regulations and Guidelines as 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; We report that the Company has not issued any shares during the year under review hence the compliance of provisions under the above mentioned regulation is not applicable.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

We report that the Company has not issued any securities under ESOP/ESPS during the year under review hence the compliance of provisions under the above mentioned regulation is not applicable.

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

We report that the Company has issued debt securities during the year under review. However the debt securities were not listed on any stock exchange hence the compliance of provisions under the above mentioned regulation is not applicable.
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

The Company has not applied for delisting of Equity Shares in any stock exchanges during the year under review and hence Compliance of provisions as mentioned above does arise.
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) The Company has not brought back any securities during the year under review and compliance provisions as mentioned under the said Act are not applicable.

We further report that based on the guidelines issued by the Institute of Company Secretaries of India ('the ICSI') on the applicability of industry specific laws as applicable to the Company and based on the information received and records maintained, the Company has, in our opinion, generally complied with the provisions of the industry specific laws which are applicable to it.

- (a) The Urban Land (Ceiling & Regulation) Act, 1976 ("Urban Land Ceiling Act") and the rules made there under.
- (b) Transfer of Property Act, 1882 ("T.P. Act") and the rules made there under.
- (c) Registration Act, 1908 ("Registration Act") and the rules made there under.

- (d) The Indian Stamp Act, 1899 ("Stamp Act") and the rules made there under.
- (e) Easements Act, 1882 ("Easements Act") and the rules made there under.
- (f) The Land Acquisition Act, 1894 and the rules made there under.
- (g) Karnataka Land Revenue Act, 1964 ("KLR Act") and the rules made there under.
- (h) Karnataka Apartment Ownership Act, 1972 ("KAO Act") and the rules made there under.
- (i) Karnataka Ownership Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1972 and the rules made there under.
- (j) Karnataka Rent Control Act, 1999 ("Rent Act") and the rules made there under.
- (k) Karnataka Stamp Act, 1957 ("KSA") and the rules made there under.
- (l) Bangalore Water Supply and Sewage Act, 1964 and the rules made there under.
- (m) Karnataka Town and Country Planning Act, 1961 ("KTCP Act") and the rules made there under.
- (n) Karnataka Municipal Corporation Act, 1976 ("KMC Act") and the rules made there under.
- (o) Bangalore Mahanagara Palike Building Bye Laws - 2003 ("BMP Bye Laws") and the Rules made there under.
- (p) Bangalore Development Authority Act, 1976 ("BDA Act") and the rules made there under.
- (q) Bangalore Metropolitan Region Development Authority Act, 1985 ("BMRDA Act") and the rules made there under.
- (r) The Building and Other Constructions Workers (Regulation of Employment and Condition of Service) Act, 1996 ("Constructions Workers") and the rules made there under.

We have also examined compliance with the applicable clauses of:

- a) The listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited, Stock Exchanges as applicable to the Company.
- b) The Secretarial Standards issued by the Institute of Company Secretaries of India have **not yet been notified** by the Central Government and hence we are unable to comment on the same

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. We state that since the provisions relating to Audit of Accounts and the related financial records including Central Excise, Sales Tax, Customs Law have not been dealt with in any manner in our Secretarial Audit.

However, during the year under review there were two cases of delay in statutory filings attracting fine from the Bombay Stock Exchange Limited, they are :

- (i) a day's delay in submission of Annual Report for the financial year 2013-14.
- (ii) improper filing resulting in delayed proper filing of Clause 49 of the listing agreement.

We further report that:

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

Majority decisions are carried through meetings and minutes of meetings are self explanatory with respect to recording dissenting member's views if any.

We 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.

We further report that during the audit period, the Company has issued and allotted 1,250 (One Thousand Two Hundred Fifty) 18.5% Secured Redeemable Non-Convertible Unlisted Debentures of Rs. 10,00,000/- (Rupees Ten Lakhs) each aggregating to Rs. 1,25,00,00,000/- (Rupees One Hundred and Twenty Five Crores) as Tranch 1 in favour of IDFC Real Estate Yield Fund (IDFC) with the Debenture Trustee as IDBI Trusteeship Services Limited for the said issue.

For S Kedarnath & Associates
Company Secretaries

S. Kedarnath
Company Secretary
C P No 4422

Date: 28.05.2015
Place: Bengaluru

Note: This report is to be read with our letter of even date which is annexed as Schedule-1 and forms an integral part of this report.

To,

The Members,
Nitesh Estates Limited,
CIN: L07010KA2004PLC033412

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 secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the 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 including the records pertaining to Sales Tax, Excise and other related enactments applicable to the Company.
4. Wherever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc as applicable from time to time. The compliance under the industry specific laws were examined based on the list of applicable laws provided by the company.
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.

**For S Kedarnath & Associates
Company Secretaries**

**S. Kedarnath
Company Secretary
C P No 4422**

Date: 28.05.2015
Place: Bengaluru

Statement pursuant to Section 134 of the Companies Act, 2013 and Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name	Age	Designation	Nature of Employment	Gross Remuneration (per Annum)	Qualification	Experience (in years)	Date of commencement of employment	Previous employment held
(A) Employed throughout the financial year									
1	Mr. Ashwini Kumar	56	Executive Director & Chief Operating Officer	Permanent employee	95,58,850	B.E., PGDBM	32	2 Nov.2009	Managing Director-Lineage Power Indian Pvt. Ltd.
2	Mr. Nitesh Shetty	38	Chairman & Managing Director	Permanent employee	1,31,08,969	B.Com	14	20 Feb.2004	-
3	Mr. L. S. Vaidyanathan	53	Executive Director	Permanent employee	1,41,10,722	B. Sc., FCA	30	6 Jan. 2005	Practicing Chartered Accountant
4	Mr. M. A. Venkateshan	59	Chief Financial Officer	Permanent employee	68,45,748	B Com; CA; LLB; CS; ICWA	33	9 Oct. 2010	Sr.Vp (Fin.) JSW Steel Ltd.
(B) Employed for part of the financial year									
5	Mr. Sanjoy Kumar Das	58	President - Projects	Permanent employee	31,61,707	B Tech (Mech), PGDM	36	24 Nov. 2014	COO, MAN Industries Ltd.

Note:

- i. Gross remuneration comprises of salary, allowances, company's contribution to the provident fund and taxable value of perquisites.
- ii. None of the employees mentioned above are relative of any Director of the Company.
- iii. All the employees referred above are permanent employees of the Company and there is no other employee who is in receipt of remuneration in terms of the provisions of Section 134 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For and on behalf of the Board of Directors

Date: 28th May, 2015
Place: Bangalore

Nitesh Shetty
Chairman & Managing Director

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

I. CONSERVATION OF ENERGY

a) Energy conservation measure taken:

The Company has taken energy savings measures, viz.,

- Installation of solar water heaters to reduce the EB power consumption
- The buildings are ergonomically designed to consume less power, and to include more natural light and ventilation.
- The flats are positioned north-south directions, so that the direct sun light entering to the flats are reduced, thereby reducing the power consumption.
- Use of materials in construction which are certified by IGBC (Indian Green Building Council)
- Implementing rain water harvesting system in the projects. By this, the ground water table is recharged and rain water is utilized for domestic purposes, thereby reducing the dependency on municipal water supply.

b) Additional investment and proposal:

The company as a matter of policy has regular programme for investments in energy saving devices. Investments are being done for the procurement of lifts which are more efficient and based on variable drive.

c) Impact of measure taken:

The impact and the energy conservation by the system adopted in (a) and (b) above will be known in the long run. These cannot be quantified.

II. TECHNOLOGY ABSORPTION

a. Company works on a mechanized process to reduce cost and increase the efficiency of the operations.

- I. ERP system using SAP implemented successfully and the Company is benefitting from the same.
- II. By appointing overseas architects, consultants technology upgradation has been brought to the projects.
- III. Use of light weight blocks for construction of walls in the projects – The new technology available from Germany has been adopted in the projects. This has considerably saved the construction cost and time.
- IV. Certifying the projects with LEED Ratings, so that the IGBC guidelines are met and the buildings are more efficient.
- V. The Sewage Treatment Plant (STP) – latest technology has been adopted, which is more efficient and energy savings.

b. Benefits derived as a result of the above efforts:

The benefits can be listed as follows:

- i. The functions and efficiency has improved with more transparency in the system.
- ii. The designs brought into our projects have been praised by the customer.
- iii. Savings in construction cost and time
- iv. The new technology in STP saves space and energy.

c. No remarkable technology has been imported.

III. RESEARCH AND DEVELOPMENT

a. Specific area in which R & D carried out by the Company:

The Company has introduced more robust quality checking norms for the building materials and workmanship, so that the quality product is delivered. Safety norms of the Company have been rolled out. The quality and safety work shop are conducted regularly at all the project sites, so that the end user is aware of the standards.

b. Benefits derived as a result of the above R & D

The benefits are in the long run by delivering the quality product to the customer.

c. Future Plan of Action

The continuous improvement in the above fields, identifying new products, identifying new technology in the construction industry, attending seminars, training the staff, etc.

d. Expenditure on R & D

It forms part of the project cost and cannot be quantified separately.

IV. FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange inflow and outflow during the year are as follows:

Expenditure in foreign currency (on accrual basis)

Amount in Rupees

Particulars	Year ended 31.03.15	Year ended 31.03.14
Architect & other related fees	44,32,287	2,16,08,235

There is no foreign exchange earnings / inflow during the year.

For and on behalf of the Board of Directors

Place: Bangalore
Date : May 28, 2015

NITESH SHETTY
Chairman & Managing Director

Form No. MGT-9**Extract of Annual Return as on the Financial Year ended on 31st March, 2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L07010KA2004PLC033412
ii.	Registration Date	20 th February, 2004
iii.	Name of the Company	Nitesh Estates Limited
iv.	Category Sub-Category of the Company	Company limited by shares Indian Non-Government Company
v.	Address of the Registered office and contact details	Level 7, Nitesh Timesquare, # 8, M.G. Road, Bangalore-560 001 Ph. No. : 080-40174000 Fax.: 080-25550825 www.niteshestates.com e-mail : investor@niteshestates.com
vi.	Whether listed company	Yes, listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Pvt. Ltd. Karvy Selenium, Tower B, Plot No.31 & 32, Gochibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 038. Tel.: 040-67161500

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Development and construction of properties	410-Construction of buildings	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SL. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
i.	Nitesh Housing Developers Private Limited 7 th Floor, Nitesh Timesquare, No.8, M.G. Road, Bangalore-560 001	U45201KA2007PTC044553	Subsidiary	89.9%	2 (87)
ii.	Nitesh Urban Development Private Limited 7 th Floor, Nitesh Timesquare, No.8, M.G. Road, Bangalore-560 001	U45201KA2007PTC044561	Subsidiary	100%	2 (87)
iii.	Nitesh Indiranagar Retail Private Limited 7 th Floor, Nitesh Timesquare, No.8, M.G. Road, Bangalore-560 001	U45201KA2007PTC042660	Subsidiary	100%	2 (87)
iv.	Nitesh Property Management Private Limited 7 th Floor, Nitesh Timesquare, No.8, M.G. Road, Bangalore-560 001	U70102KA2010PTC056128	Subsidiary	100%	2 (87)
v.	Kakanad Enterprises Private Limited No. CC 49/2796, 2 nd Floor, North Square, Paramara Road, Kochi, Kerala-682018	U70200KL2007PTC020808	Subsidiary	100%	2 (87)
vi.	Nitesh Residency Hotels Private Limited 25A, 2 nd Floor Imperial Court, Cunnigham Road, Bangalore-560052	U55101KA2006PTC041203	Associate	22.22%	2 (6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)i) **Category-wise Shareholding**

Sl. No.	CATEGORY OF SHAREHOLDER	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	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	43104485	0	43104485	29.56	43144485	0	43144485	29.59	(0.03)
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	24281370	0	24281370	16.65	24688780	0	24688780	16.93	(0.28)
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	67385855	0	67385855	46.21	67833265	0	67833265	46.51	(0.31)
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	0	0	0	0.00	0	0	0	0.00	0.00
	Total A=A(1)+A(2)	67385855	0	67385855	46.21	67833265	0	67833265	46.51	(0.31)

Sl. No.	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 31/03/2014				NO. OF SHARES HELD AT THE END OF THE YEAR 31/03/2015				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	2091069	0	2091069	1.43	0	0	0	0.00	1.43
(b)	Financial Institutions /Banks	10941294	0	10941294	7.50	10921663	0	10921663	7.49	0.01
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	27455880	0	27455880	18.83	25703485	0	25703485	17.63	1.20
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	40488243	0	40488243	27.76	36625148	0	36625148	25.11	2.65
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate- Break up required									
	i Indian	15457877	0	15457877	10.60	12961791	0	12961791	8.89	1.71
	ii Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	9901790	1007	9902797	6.79	12491068	1007	12492075	8.57	(1.78)
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	11167075	0	11167075	7.66	14506557	0	14506557	9.95	(2.29)
(c)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2)	37956994	1008	37958002	26.03	41372679	1008	41373687	28.37	(2.34)
	Total B=B(1)+B(2)	78445237	1008	78446245	53.79	77997827	1008	77998835	53.49	0.31
	Total (A+B)	145831092	1008	145832100	100.00	145831092	1008	145832100	100.00	0.00
	GRAND TOTAL (A+B+C)	145831092	1008	145832100	100.00	145831092	1008	145832100	100.00	

(ii) **Shareholding of Promoters**

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year			Shareholding at the end of the year			Change in Shareholding	% Change in Shareholding During the Year
		No. of Shares	% of total Shares of the company	Pledged Shares	No. of Shares	% of total Shares of the company	Pledged Shares		
1	NITESH SHETTY	42933685	29.44	3634999	42973685	29.47	0	40000	0.03
2	NITESH INDUSTRIES PVT LTD	15188134	10.41	0	15472634	10.61	0	284500	0.2
3	NITESH LAND HOLDINGS PRIVATE LIMITED	6802460	4.66	6802460	6802460	4.66	6802460	0	0
4	HAMPTON INVESTMENTS PRIVATE LIMITED	2290776	1.57	0	2413686	1.66	0	122910	0.09
5	LALGUDI SAPTHARISHI VAIDYANATHAN	139501	0.10	0	139501	0.10	0	0	0
6	SUJATA K SHETTY	26300	0.02	0	26300	0.02	0	0	0
7	PUSHPALATHA V SHETTY	5000	0.00	0	5000	0.00	0	0	0
	Total	67385855	46.21	10437459	67833265	46.51	6802460	447410	

(iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in the shareholding due to market purchase			Cumulative Shareholding during the year	
		No. of Shares held	% of total shares of the company	Date	Bought	Sold	No. of Shares held as on 31/03/2015	% of total shares of the company
1	NITESH SHETTY	42933685	29.44	11-Apr-14	30000	0	42973685	29.47
				20-Jun-14	5000	0		
				30-Jun-14	5000	0		
2	NITESH INDUSTRIES PVT LTD	15188134	10.41	18-Apr-14	65000	0	15472634	10.61
				30-Jun-14	45000	0		
				31-Oct-14	10000	0		
				13-Mar-15	164500	0		
3	NITESH LAND HOLDINGS PRIVATE LIMITED	6802460	4.66	-	-	-	6802460	4.66
4	HAMPTON INVESTMENTS PRIVATE LIMITED	2290776	1.57	11-Apr-14	20885	0	2413686	1.66
				18-Apr-14	5000	0		
				6-Jun-14	5000	0		
				20-Jun-14	15000	0		
				17-Oct-14	5000	0		
				24-Oct-14	5325	0		
				20-Feb-15	20000	0		
31-Mar-15	46700	0						
5	LALGUDI SAPTHARISHI VAIDYANATHAN	139501	0.10	-	-	-	139501	0.10
6	SUJATA K SHETTY	26300	0.02	-	-	-	26300	0.02
7	PUSHPALATHA V SHETTY	5000	0.00	-	-	-	5000	0.00
	Total		46.21					46.52

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

Sl. No	Name of the Shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in shareholding due to market action			Cumulative Shareholding during the year		Reason	Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	Date	Bought	Sold	No. of Shares	% of total shares of the company		No. of Shares	% of total shares of the company
1	NOMURA INDIA INVESTMENT FUND MOTHER FUND	12971738	8.89	31-Mar-14	0	0	12971738	8.89	Market action	12971738	8.89
				31-Mar-15	0	0	12971738	8.89			
2	HSBC BANK (MAURITIUS) LIMITED	11666062	8.00	31-Mar-14	0	0	11666062	8.00	Market action	10723667	7.35

Sl. No	Name of the Shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in shareholding due to market action			Cumulative Shareholding during the year		Reason	Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	Date	Bought	Sold	No. of Shares	% of total shares of the company		No. of Shares	% of total shares of the company
				23-May-14	0	86189	11579873	7.94			
				30-May-14	0	304263	11275610	7.73			
				6-Jun-14	0	301839	10973771	7.52			
				13-Mar-15	0	250104	10723667	7.35			
				31-Mar-15	0	0	10723667	7.35			
3	LIFE INSURANCE CORPORATION OF INDIA	6208422	4.26	31-Mar-14	0	0	6208422	4.26	Market action	6208422	4.26
				31-Mar-15	0	0	6208422	4.26			
4	JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED	4933600	3.38	31-Mar-14	0	0	4933600	3.38	Market action	0	0.00
				27-Mar-15	0	4933600	0	0.00			
				31-Mar-15	0	0	0	0.00			
5	BANK OF BARODA	4048241	2.78	31-Mar-14	0	0	4048241	2.78	Market action	4048241	2.78
				31-Mar-15	0	0	4048241	2.78			
6	IBC KNOWLEDGE PARK PRIVATE LIMITED	2406083	1.65	31-Mar-14	0	0	2406083	1.65	Market action	165553	0.11
				6-Jun-14	0	454897	1951186	1.34			
				13-Jun-14	0	1298233	652953	0.45			
				20-Jun-14	0	67400	585553	0.40			
				30-Jun-14	0	210000	375553	0.26			
				4-Jul-14	0	210000	165553	0.11			
				31-Mar-15	0	0	165553	0.11			
7	SILVER STALLION LIMITED	1968080	1.35	31-Mar-14	0	0	1968080	1.35	Market action	1968080	1.35
				31-Mar-15	0	0	1968080	1.35			
8	JM FINANCIAL MUTUAL FUND-JM BASIC FUND	1391069	0.95	31-Mar-14	0	0	1391069	0.95	Market action	0	0.00
				13-Jun-14	0	40000	1351069	0.93			
				8-Aug-14	0	190384	1160685	0.80			
				15-Aug-14	0	25000	1135685	0.78			
				22-Aug-14	0	63984	1071701	0.73			
				29-Aug-14	0	1601	1070100	0.73			
				12-Sep-14	0	70000	1000100	0.69			
				14-Nov-14	0	75450	924650	0.63			
				21-Nov-14	0	150000	774650	0.53			
				28-Nov-14	0	300000	474650	0.33			
				12-Dec-14	0	334695	139955	0.10			
				19-Dec-14	0	139955	0	0.00			
				31-Mar-15	0	0	0	0.00			
9	MOTILAL OSWAL FINANCIAL SERVICES LIMITED	1225039	0.84	31-Mar-14	0	0	1225039	0.84	Market action	843000	0.58
				11-Apr-14	0	500	1224539	0.84			
				9-May-14	0	3000	1221539	0.84			
				23-May-14	0	22000	1199539	0.82			
				30-May-14	0	87539	1112000	0.76			
				13-Jun-14	0	13294	1098706	0.75			
				30-Jun-14	0	6706	1092000	0.75			
				4-Jul-14	0	150000	942000	0.65			
				11-Jul-14	0	142000	800000	0.55			
				25-Jul-14	0	88104	711896	0.49			
				1-Aug-14	1000	0	712896	0.49			
				15-Aug-14	98104	0	811000	0.56			
				22-Aug-14	0	11000	800000	0.55			
				29-Aug-14	3865	0	803865	0.55			
				5-Sep-14	78370	0	882235	0.60			
				12-Sep-14	0	228071	654164	0.45			
				19-Sep-14	90603	0	744767	0.51			
				30-Sep-14	56233	0	801000	0.55			

Sl. No	Name of the Shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in shareholding due to market action			Cumulative Shareholding during the year		Reason	Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	Date	Bought	Sold	No. of Shares	% of total shares of the company		No. of Shares	% of total shares of the company
				10-Oct-14	6706	0	807706	0.55			
				17-Oct-14	0	229781	577925	0.40			
				24-Oct-14	89455	0	667380	0.46			
				31-Oct-14	0	181478	485902	0.33			
				7-Nov-14	0	131269	354633	0.24			
				14-Nov-14	0	97490	257143	0.18			
				21-Nov-14	0	97055	160088	0.11			
				28-Nov-14	240376	0	400464	0.27			
				5-Dec-14	0	56430	344034	0.24			
				19-Dec-14	0	243034	101000	0.07			
				31-Dec-14	0	1000	100000	0.07			
				9-Jan-15	1000	0	101000	0.07			
				16-Jan-15	0	1000	100000	0.07			
				23-Jan-15	2006	0	102006	0.07			
				30-Jan-15	743936	0	845942	0.58			
				6-Feb-15	96058	0	942000	0.65			
				13-Mar-15	0	99201	842799	0.58			
				20-Mar-15	201	0	843000	0.58			
				31-Mar-15	0	0	843000	0.58			
10	BRAND EQUITY TREATIES LIMITED	1049000	0.72	31-Mar-14	0	0	1049000	0.72	Market action	0	0.00
				23-May-14	0	52450	996550	0.68			
				22-Aug-14	0	996550	0	0.00			
				31-Mar-15	0	0	0	0.00			
	Total	47867334	32.82							36928701	25.32

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name of the Shareholders	Shareholding at the beginning of the year		Date wise Increase / Decrease in shareholding due to market action			Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	Date	Bought	Sold	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Mr. Nitesh Shetty	42933685	29.44	31-Mar-14	0	0	42933685	29.44	42933685	29.44
				11-Apr-14	30000	0	42963685	29.46		
				20-Jun-14	5000	0	42968685	29.46		
				30-Jun-14	5000	0	42973685	29.47		
				31-Mar-15	0	0	42973685	29.47		
2	Mr. L. S. Vaidyanathan	139501	0.10	-	-	-	139501	0.10	139501	0.10
3	Mr. Ashwini Kumar	138818	0.10	-	-	-	138818	0.10	138818	0.10
4	Mr. Ghyanendra Nath Bajpai	100000	0.07	-	-	-	100000	0.07	100000	0.07
5	Mr. Jagdish Capoor	0	0.00	0	0	0	0	0.00	0	0.00
6	Mr. Ashok Tunihoo Aram	0	0.00	0	0	0	0	0.00	0	0.00
7	Mr. M D Mallya	0	0.00	0	0	0	0	0.00	0	0.00
8	Mr. Sudhakar Rao	0	0.00	0	0	0	0	0.00	0	0.00
9	Mr. Mahesh Bhupathi	196410	0.13	0	0	0	196410	0.13	196410	0.13
10	Mr. D. Srinivasan	0	0.00	0	0	0	0	0.00	0	0.00
11	Mrs. Shobha Patil	0	0.00	0	0	0	0	0.00	0	0.00
12	Mr. M. A. Venkateshan	0	0.00	0	0	0	0	0.00	0	0.00
	Total	43508414	29.84						43508414	29.83

(VI) Indebtedness of the Company including interest outstanding/accrued but not due for payment:**(Amount in Rs.)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,184,026,693	-	-	1,184,026,693
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,184,026,693	-	-	1,184,026,693
Change in Indebtedness during the financial year				
• Addition	1,682,532,578	-	-	1,682,532,578
• Reduction	910,282,491	-	-	910,282,491
Net Change	772,250,087	-	-	772,250,087
Indebtedness at the end of the financial year				
i) Principal Amount	1,956,271,961	-	-	1,956,271,961
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,956,271,961	-	-	1,956,271,961

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:****(Amount in Rs.)**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Nitesh Shetty Chairman & Managing Director	Mr. L. S. Vaidyanathan Executive Director	Mr. Ashwini Kumar Executive Director & Chief Operating Officer	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,30,87,369	1,33,25,012	89,40,640	3,53,53,021
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	7,60,652	2,70,132	2,34,210	12,64,994
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others, please specify, (i) Variable pay	-	32,85,000	9,00,000	41,85,000
	Total (A)	1,57,60,652	1,31,40,132	92,24,850	3,81,25,634
	Ceiling as per the Act	10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 and the rules made thereunder. However the Company has obtained the approval of the Central Government for the aforesaid remuneration.			

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of the Directors					Total Amount
		Mr. Jagdish Capoor	Mr. G. N. Bajpai	Mr. M. D. Mallya	Mr. Ashok T. Aram	Mrs. Shobha Patil	
1.	3. Independent Directors						
	• Fee for attending board and committee meetings	5,95,000	5,15,000	5,35,000	50,000	-	16,95,000
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (1)	5,95,000	5,15,000	5,35,000	50,000	-	16,95,000
		Mr. Sudhakar Rao	Mr. Mahesh Bhupathi				
2.	4. Other Non-Executive Directors						
	• Fee for attending board and/or committee meetings	4,65,000	70,000	-	-	-	5,35,000
	• Commission	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-
	Total (2)	4,65,000	70,000	-	-	-	5,35,000
	Total (B)=(1+2)	10,60,000	5,85,000	5,35,000	50,000	-	22,30,000
	Total Managerial Remuneration (A)	-	-	-	-	-	3,81,25,634
	Overall Ceiling as per the Act	The Independent Directors and Non-Executive Directors are paid only the sitting fee within the limits as prescribed under the Companies Act, 2013 and no other remuneration is being paid to them.					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. D. Srinivasan, Company Secretary & Chief Compliance Officer	Mr. M. A. Venkateshan, Chief Financial Officer	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	28,79,568	68,24,136	97,03,704
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,00,045	3,47,767	4,47,812
	(c) 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 (i) Variable pay	5,09,811	10,00,000	15,09,811
	Total	34,89,424	81,71,903	1,16,61,327

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment		Nil			
Compounding					
B. DIRECTORS					
Penalty					
Punishment		Nil			
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment		Nil			
Compounding					

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Code of Governance

Your Company believes that Corporate Governance is a key element in improving efficiency and growth as well as enhancing investor confidence.

The Company's philosophy on Corporate Governance is sustained growth, increase in stakeholders' value, total transparency, accounting fidelity and service quality; all with a view to achieve business excellence. The Company places high emphasis on business ethics. The Company follows the Code of Conduct.

The Corporate Governance framework of your Company is based on an effective Board with majority being independent Directors, separating of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The operations of the Company are conducted under the supervision and directions of the Board within the framework set by the Companies Act, 2013, and the Rules made there under, its Articles of Association, SEBI Guidelines, and the Listing Agreements with the stock exchanges.

1. Board of Directors

a) Composition

The Board has an optimum combination of Executive and Non-Executive Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreements with the stock exchanges on which the Company's Shares are listed.

The Board of Directors of the Company consisted of 10 Directors, which includes the Managing Director and 2 WholeTime Director / Executive Director who are not liable to retire by rotation. The remaining 7 are Non-Executive Directors, of which 5 are Independent Directors.

The composition of the Board is as under:

Category of Directors	Name of Directors
Executive Non- Independent	Mr. Nitesh Shetty – Chairman & Managing Director
Whole time/ Executive Non-Independent	Mr. L S Vaidyanathan – Executive Director Business Development Mr. Ashwini Kumar – Executive Director & Chief Operating Officer
Non-Executive -Non-Independent	Mr. Mahesh Bhupathi Mr. Sudhakar Rao
Non-Executive – Independent	Mr. G. N. Bajpai Mr. Jagdish Capoor Mr. Ashok T. Aram Mr. M. D. Mallya Ms. Shobha Patil *

* Mrs. Shobha Patil was inducted to the Board on 31st March, 2015 as Non-Executive Independent Director and resigned from the Board of Directors with effect from 28th May, 2015.

** Mrs. Dipali Khanna was inducted to the Board on 28th May, 2015 and designated as Non-Executive Independent Director.

b) Number of Board meetings held during the year and attendance thereof of each Director and at last Annual General Meeting

The Board met 10 times on the following dates during the financial year 2014-15

April 4, 2014	May 22, 2014	May 28, 2014	June 18, 2014	August 6, 2014
September 26, 2014	November 11, 2014	December 10, 2014	February 11, 2015	March 31, 2015

All the directors have disclosed their interest in other companies, directorship and membership of Committees and other positions held by them. The offices held by the directors are in compliance with the Companies Act, 2013 and Listing Agreement.

Name	Category	Board meetings held during the year	Board meetings Attended during the year	Whether attended last AGM	Other Directorships held in Public Companies as at March 31, 2015*		Number of Chairmanship/ Committee membership as at March 31, 2015**	
					Chairman	Director	Chairman	Member
Mr. Nitesh Shetty	Chairman & Managing Director	10	9	Yes	-	-	-	-
Mr. L. S. Vaidyanathan	Executive Director- Business Development	10	10	Yes	-	-	-	2
Mr. Ashwini Kumar	Executive Director & Chief Operating Officer	10	9	Yes	-	-	-	-
Mr. G. N. Bajpai	Independent Director	10	8	Yes	-	8	1	8
Mr. Jagdish Capoor	Independent Director	10	8	Yes	-	8	2	7
Mr. M. D. Mallya	Independent Director	10	9	Yes	-	4	1	1
Mr. Ashok T. Aram	Independent Director	10	1	No	-	-	-	-
Mrs. Shobha Patil #	Independent Director	10	-	NA	-	-	-	-
Mr. Sudhakar Rao	Non Executive Non Independent Director	10	6	No	-	7	3	6
Mr. Mahesh Bhupathi	Non Executive Non Independent Director	10	2	Yes	-	-	-	-

Note:

*a. Alternate directorships and Directorships in Private Limited Companies, Foreign Companies, Associations and Government Bodies are excluded. Only Audit Committee and Shareholders'/Investors' Grievance Committee have been considered for the committee positions.

**b. None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as per Clause 49).

#c. Mrs. Shobha Patil was inducted to the Board on 31st March, 2015 and designated as Non-Executive Independent Director and resigned from the Board of Directors with effect from 28th May, 2015.

d. Details of the Directors seeking appointment/reappointment at the Annual General Meeting, together with the information required to be provided pursuant to Clause 49 of the Listing Agreement have been given along with the Notice of Annual General Meeting.

Note: Mrs. Dipali Khanna was appointed as an Additional Director (Independent) on 28th May, 2015.

Scheduling of Meeting of Board

The meetings of the Board is pre-fixed at the beginning of the financial year by circulating the suggested dates and finalized in consultation with the Directors. The agenda for the meeting has structured pattern as Items for noting, Items for discussion and items for approval. The Business agenda is drawn with the consultation with all department and the requisite material is submitted to the Board for their considered decision and advise.

Post meeting the decisions and action items are discussed by the management team and they are reported back to the Board as Action Taken Report and reviewed by the Board/ Committees.

Code of Conduct

The Company had adopted the Code of Conduct for all the employees including Senior Management and the Directors. The Code of Conduct was further amended as required by the SEBI vide its circular of 1st Oct 2014 to include the express duties of Independent Directors as laid down under the Companies Act 2013 and adopted in the Board. This has been posted on the Company's website under the link www.nitshestates.com/investorrelation/policiesandotherrelatedmatter/codeofconduct. Further, all the Board members and senior management personnel (as per Clause 49 of the Listing Agreement) have affirmed their compliance with the Code of Conduct. A declaration to this effect signed by the Chairman & Managing Director forms part of this Report

2. Audit Committee

The Audit Committee is responsible for overseeing the Company's financial reporting process, reviewing the quarterly/half-yearly/annual financial results / statements, reviewing with the management on the financial results / statements and adequacy of internal audit function, recommending the appointment/ reappointment of statutory auditors and fixation of audit fees, reviewing the significant internal audit findings/related party transactions, reviewing the Management Discussion and Analysis of financial condition and result of operations. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

The Terms of reference of the Audit Committee cover all areas prescribed by Clause 49 of the Listing Agreement and in compliance with the provisions of Sec 177 of the Companies Act, 2013 and the Rules made there under, mutatis mutandis, as amended from time to time.

Powers & Role of Audit Committee :

The Powers of Audit Committee has been based on the terms of reference made by the Board from time to time and as applicable under the listing agreement and as prescribed by the SEBI. Some of the powers enumerated below apart from the other prescribed under the Listing Agreement and the Companies Act, 2013 :

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Powers

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee met SEVEN times during the year:

April 4, 2014	November 11, 2014
May 28, 2014	December 10, 2014
July 24, 2014	February 11, 2014
August 6, 2014	

Composition, number of meetings of the Audit Committee held during the year and Attendance of Directors thereat:

Name	Category	Meetings held during the year	Attendance
Mr. Jagdish Capoor Independent Director	Chairman	7	6
Mr. G.N. Bajpai Independent Director	Member	7	6
Mr. M.D. Mallya* Independent Director	Member	7	6
Mr. L. S. Vaidyanathan Executive Director	Member	7	7
Mr. Sudhakar Rao Non-Executive Non- Independent Director	Member	7	6

* Mr. M D Mallya, was appointed by the Board as Member of Audit Committee w.e.f. 24th July 2014

3. Stakeholders' Relationship Committee:

Stakeholders' Relationship Committee has met 3 times during the year on Aug 6, 2014, Nov 11, 2014 and Feb 11, 2014.

Stakeholders' Relationship Committee comprises the following members:

Name	Category	Meetings held during the year	Attendance
Mr. Jagdish Capoor Independent Director	Chairman	3	3
Mr. L. S. Vaidyanathan Executive Director	Member	3	3

Details of complaints received and resolved during the year are as under:

Particulars	Nos.	Nature of Complaints
Complaints received during the year ended March 31, 2015		Non receipt of Annual Report
a) For quarter ended June, 2014	1	
b) For quarter ended September, 2014	11	
c) For quarter ended December, 2014	1	
d) For quarter ended March, 2015	Nil	
Complaints resolved during the year ended March 31, 2015	13	
Number of complaints remaining unresolved	0	

4. Nomination and Remuneration Committee**a) The terms to the reference of the Nomination and Remuneration Committee are as follows:**

The role of the committee shall, inter-alia, include the following:

- To Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. To determine the remuneration packages for executive directors including pension rights and any compensation payments. To determine the remuneration to executive directors as required under of the Companies Act, 2013 and the Rules made there under.
- To Formulate a criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- To Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- The Nomination and Remuneration Committee shall also function as Compensation Committee to look after the Compensation & Benefits of employees. The same committee shall also consider the benefit and administration of the ESOP or any other similar scheme under the Securities Exchange Board of India Guidelines as and when the same is considered by the Board.
- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

b) Composition:

The members of the committee are as follows:

Name	Category	Meetings held during the year	Attendance
Mr. G. N. Bajpai Independent Director	Chairman	2	1
Mr. Jagdish Capoor Independent Director	Member	2	2
Mr. Sudhakar Rao Non- Executive Non-Independent Director	Member	2	2
Mr. Nitesh Shetty Chairman & Managing Director	Member	2	2
Mr. M D Mallya* Independent Director	Member	2	2

* On 28th May, 2014 the Board nominated Mr. M D Mallya as an additional member of the Committee.

Nomination and Remuneration Committee has met two times during the year on: Aug 6, 2014 and Feb 11, 2015.

c) Remuneration Policy:

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Executive / Non-Executive Directors. Their remuneration is governed by the external competitive environment, track record, potential, individual performance and performance of the Company as well as industry standards. The remuneration payable to the Managing Director and Executive Director is subject to the approval of the Board of Directors, the Members and Central Government.

The detailed policy is stated as part of the Directors' Report.

Remuneration paid to Executive Directors for the year ended March 31, 2015

Name of Director	Total Remuneration paid (Rs.)
* Mr. Nitesh Shetty Chairman & Managing Director	1,30,87,369
** Mr. L.S. Vaidyanathan Executive Director - Business Development	1,33,25,012
*** Mr. Ashwini Kumar Executive Director & COO	89,40,640

The Company has obtained the approval from the Central Government, the Ministry of Corporate Affairs, for payment of remuneration to,

- * Mr. Nitesh Shetty vide approval letter dt. 19th May, 2015 for the period 15.12.2014 to 14.12.2017.
- ** Mr. L. S. Vaidyanathan vide approval letter dt. 26th Nov, 2014 for the period 01.04.2014 to 31.03.2017.
- *** Mr. Ashwini Kumar vide approval letter dt. 5th Sept, 2013 for the period 19.04.2012 to 18.04.2015. He has been re-appointed as Executive Director & Chief Operating Officer on 11th Feb 2015, for which necessary steps are being taken for seeking the Central Government approval.

Non-Executive Directors

Non-Executive Directors are remunerated by way of sitting fees for attending the meetings of the Board and the Committees of the Board. During the year, the Board approved the increase in sitting fee for Audit Committee and Board to Rs. 50,000, respectively. Nomination & Remuneration Committee to Rs 25,000 and Stakeholders Relationship Committee and other Committees to Rs 20,000, respectively.

Details of sitting fees paid to the Non-Executive Directors are as under:

Name of Director	Sitting Fees (Rs.)
Mr. G. N.Bajpai	515,000
Mr. Sudhakar Rao	465,000
Mr. Jagdish Capoor	595,000
Mr. M D Mallya	535,000
Mr. Mahesh Bhupathi	70,000

Other than the above Sitting fees no remuneration is paid to the Non-Executive Directors of the Company.

d) Meeting of the Independent Directors

Pursuant to the provisions of the Companies Act, 2013 read with the Rules made thereunder and the Listing Agreement, the Independent Directors of the Company are required to meet atleast once a year without the presence of the executive directors or management personnel. Such a meeting is conducted to enable the independent directors to discuss the matters pertaining to the company's affairs and put forth their views to the Chairman of the Board. The Chairman takes appropriate steps to present their views to the Chairman of the Board. Accordingly the Independent directors met on 31st March, 2015.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its committees. The evaluation includes the composition of Board, adequacy of independent directors, process of holding the meeting and its committees, culture and execution and performance of the obligations and Governance of the Board as well.

Corporate Social Responsibility Committee

Pursuant to Sec 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee, however the Company is not required to make any contribution or spend any amount as per the conditions stated in the Act and Rules made thereunder for the period under review.

Risk Management

The Company has formulated a comprehensive risk management policy as provided under the Clause 49 of the Listing Agreement.

5. General Meetings

a) Date, time and location of the last three Annual General Meetings:

Year	Date	Time	Location
2014	September 26, 2014	2.00 PM	Chowdiah Memorial Hall, G. D. Park Extension, Vyalikaval, Bangalore – 560 003
2013	September 27, 2013	2.00 PM	Chowdiah Memorial Hall, G. D. Park Extension, Vyalikaval, Bangalore – 560 003
2012	September 26, 2012	2.00 PM	Chowdiah Memorial Hall, G. D. Park Extension, Vyalikaval, Bangalore – 560 003

Whether any special resolutions were passed in the previous three Annual General Meetings (AGM):

Day, Date & Time of AGM	No. of Special Resolutions Passed	Special Resolution passed
Friday September 26, 2014 at 2.00 PM	1	To approve the appointment and the remuneration payable to Mr. Nitesh Shetty, Chairman & Managing Director
Friday September 27, 2013 at 2.00 PM	Nil	Not Applicable
Wednesday September 26, 2012 at 2.00 PM	Nil	Not Applicable

b) Extraordinary General Meeting (EGM):

Pursuant to provisions of Sec 100 of the Companies Act, 2013, and the Rules made there under an Extra Ordinary General Meeting (EGM) of the Company was convened on Wednesday, the 18th June 2014, at 10.00 AM at Taj West End, Race Course Road, Bangalore 560 001 seeking approval of the members of the Company by way of Special Resolution for the businesses as stated here under:

Results

On the basis of the Scrutinizer' Combined report submitted by them in Form MGT 13, the results of the e-voting and poll were announced on Stock Exchanges and also on the website of the Company as all the Special Resolutions were duly passed with requisite majority.

Sl. No.	Subject matter of the resolution
1.	Borrowing limits of the Company : Approval of borrowing powers of Board of Director (including committee thereof) as per Sec 180 (1) (c) of the Companies Act, 2013, ratifying the earlier approval of Rs. 500 Cr as per Companies Act, 1956, and increase the limit to Rs. 1000 Cr.
2	Creation of Charges on the assets of the Company: As per Sec 180 (1) (a) of the Companies Act, 2013, according consent to the Board of Directors (including committee thereof) to create mortgage, charge, hypothecations, etc., on the assets of the company including any rights on any property both present and future in favour of the lenders, Financial institutions, banks, and other body corporate, etc. to secure the amount of loan granted to the company up to the value of not exceeding Rs. 1000 Cr.
3	Private placement of Non-Convertible Debentures: Pursuant to Sec 42 and 71 of the Companies Act, 2013, and the rules made there under according consent to the Board of Directors (including the Committee thereof, to make offer(s) or issue invitation(s) to subscribe for Non-Convertible Debenture(s) on Private Placement basis for a period of one year from the date of passing this resolution.

c) Postal Ballot conducted during the financial year 2014-15:

During the year, pursuant to Section 110 of the Companies Act, 2013 and the Rules made there under, one Postal Ballot dated 4th April, 2014, was conducted for obtaining:

- Approval by way of Special Resolution under Section 186 of the Companies Act, 2013 for making investments, up to and not exceeding Rs. 40 Crore in Nitesh Residency Hotels Private Limited, in addition to Rs. 160 Crore already approved i.e. total aggregating to Rs. 200 Crore
- Approval by way of Special Resolution under Section 196, 197 read with Schedule V of the Companies Act, 2013 for re-appointment of and remuneration payable to Mr. L S Vaidyanathan as Whole-time Director designated as Executive Director – Business Development of the Company
- Approval by way of Ordinary Resolution under Section 181 of the Companies Act, 2013 for making contribution to bona fide charitable and other funds up to Rs. 25 Lakh in a financial year in excess of the limit laid down therein
- Approval by way of Special Resolution under Section 186 of the Companies Act, 2013 for providing Company's Project Nitesh Key Biscayne as an additional security in favour of HDFC Limited for the loan facility sanctioned to Nitesh Housing Developers Private Ltd, Subsidiary Company.

Details of the outcome of the Postal Ballot conducted are as follows:

Resolution No. 1 - Approval by way of Special Resolution under Section 186 of the Companies Act, 2013 for making investments, up to and not exceeding Rs 40 Crore in Nitesh Residency Hotels Private Limited, in addition to Rs 160 Crore already approved i.e. total aggregating to Rs. 200 Crore.

Particulars	No. of Equity Shares of Rs.10 each (No. of Votes)	Percentage of Vote received
Total postal ballot forms received (includes where votes were cast both for and against)	27288671	-
Less: Invalid postal ballot votes	145361	-

Particulars	No. of Equity Shares of Rs.10 each (No. of Votes)	Percentage of Vote received
Net valid postal ballot votes	27143310	100
Postal ballot forms with assent for Resolution No. 1 as a percentage of net valid shares polled.	26818445	98.80
Postal ballot forms with dissent for Resolution No. 1 as a percentage of net valid shares polled	318834	1.17
Votes not fully exercised	6031	-

Result:

The votes cast in favour of the Special Resolution are 98.80% of the total votes received and consequently, the Special Resolution mentioned in the Item No. 1 of the Notice dated April 4, 2014 has been declared as passed by the requisite majority.

Resolution No. 2 - Approval by way of Special Resolution under Section 196, 197 read with Schedule V of the Companies Act, 2013 for re-appointment of and remuneration payable to Mr. L S Vaidyanathan as Whole-time Director designated as Executive Director – Business Development of the Company

Particulars	No. of Equity Shares of Rs.10 each (No. of Votes)	Percentage of Vote received
Total postal ballot forms received (includes where votes were cast both for and against)	27288671	-
Less: Invalid postal ballot votes	158830	-
Net valid postal ballot votes	27129841	100
Postal ballot forms with assent for Resolution No. 2 as a percentage of net valid shares polled.	27049938	99.70
Postal ballot forms with dissent for Resolution No. 2 as a percentage of net valid shares polled	74426	0.27
Votes not fully exercised	5477	-

Result:

The votes cast in favour of the Special Resolution are 99.70% of the total votes received and consequently, the Special Resolution mentioned in the Item No. 2 of the Notice dated April 4, 2014 has been declared as passed by the requisite majority.

Resolution No. 3 - Approval by way of Ordinary Resolution under Section 181 of the Companies Act, 2013 for making contribution to bona fide charitable and other funds up to Rs. 25 Lakh in a financial year in excess of the limit laid down therein.

Particulars	No. of Equity Shares of Rs.10 each (No. of Votes)	Percentage of Vote received
Total postal ballot forms received (includes where votes were cast both for and against)	27288671	-
Less: Invalid postal ballot votes	160637	-
Net valid postal ballot votes	27128034	100
Postal ballot forms with assent for Resolution No. 3 as a percentage of net valid shares polled.	26957251	99.37
Postal ballot forms with dissent for Resolution No. 3 as a percentage of net valid shares polled	166514	0.61
Votes not fully exercised	4269	-

Result:

The votes cast in favour of the Ordinary Resolution are 99.37% of the total votes received and consequently, the Ordinary Resolution mentioned in the Item No. 3 of the Notice dated April 4, 2014 has been declared as passed by the requisite majority.

Resolution No. 4 - Approval by way of Special Resolution under Section 186 of the Companies Act, 2013 for providing Company's Project Nitesh Key Biscayne as an additional security in favour of HDFC Limited for the loan facility sanctioned to Nitesh Housing Developers Private Ltd, Subsidiary Company.

Particulars	No. of Equity Shares of Rs.10 each (No. of Votes)	Percentage of Vote received
Total postal ballot forms received (includes where votes were cast both for and against)	27288671	-
Less: Invalid postal ballot votes	160080	-
Net valid postal ballot votes	27128591	100
Postal ballot forms with assent for Resolution No. 3 as a percentage of net valid shares polled.	26876343	99.07
Postal ballot forms with dissent for Resolution No. 3 as a percentage of net valid shares polled	246831	0.90
Votes not fully exercised	5417	

Result:

The votes cast in favour of the Special Resolution are 99.07% of the total votes received and consequently, the Special Resolution mentioned in the Item No. 4 of the Notice dated April 4, 2014 has been declared as passed by the requisite majority.

Procedure adopted for Postal Ballot

- i) The Board at its meeting held on April 4, 2014 approved the items of business to be passed through postal ballot and authorized Mr. L. S. Vaidyanathan, Executive Director and Mr. D Srinivasan, Company Secretary to be responsible for the entire process of postal ballot.
- ii) Mr. S.Kedarnath, Practicing Company Secretary (C.P. No. 4422), S.Kedarnath & Associates, Bangalore and who is not in employment with the Company was appointed as the Scrutinizer for the poll process.
- iii) Notice of postal ballot along with the ballot papers were sent to the shareholders on April 16, 2014 along with a self-addressed Business Reply envelope addressed to the Scrutinizer.
- iv) An advertisement was published in newspapers, in English in Financial Express and in Kannada in Hosadigantha on 21st May, 2014, about the dispatch of ballot papers and notice of postal ballot.
- v) The duly completed postal ballot papers were received by the Scrutinizer.
- vi) Scrutinizer gave his report to Mr. L .S. Vaidyanathan, Whole-time Director, on May19, 2014.
- vii) Mr. L .S. Vaidyanathan, Whole-time Director, announced the results on May 19, 2014.

Result:

The results of the Postal Ballot were announced by Mr. L .S. Vaidyanathan, Whole-time Director, on May 19, 2014 at the Company's Registered Office. The votes cast in favor of the Special Resolution set out in the Notice sent with the Postal Ballot were 98.80% for resolution No. 1 and 99.70% for Resolution No. 2 and 99.37% for Resolution No. 3 and 99.07% for Resolution No. 4 of the total votes received. Consequently, the Special Resolutions mentioned in the Item No. 1, 2, 3 and 4 of the Notice were declared as having been passed with the requisite majority.

The above result was intimated to the Stock Exchanges, and published in the newspapers in English in Financial Express and in Kannada in HosaDigantha. The result was also put up on the Company's Website.

6. Subsidiary Companies

The Company has following unlisted subsidiary companies as on March 31, 2015.

- i. Nitesh Housing Developers Private Limited
- ii. Nitesh Indiranagar Retail Private Limited
- iii. Nitesh Urban Development Private Limited
- iv. Nitesh Property Management Private Limited
- v. Kakanad Enterprises Private Limited

Out of the aforesaid subsidiaries, Nitesh Housing Developers Private Limited and Nitesh Indiranagar Retail Private Limited are material non-listed subsidiaries of the Company.

On 22nd May 2015, Nitesh Indiranagar Retail Private Limited has acquired 100% equity of Anuttam Developers Private Limited, (ADPL), Pune, thereby becoming a Wholly owned Subsidiary. As per the provisions of Companies Act 2013, ADPL will be a Second layer subsidiary (WOS) of the Company. ADPL has listed its Non Convertible Debentures in Whole Sale Debt Market of Bombay Stock Exchange Ltd.

The company has a policy for determining 'Material Subsidiary' which is disclosed on the company's website at <http://www.niteshestates.com/investorrelations/policiesandotherrelatedmatters/materialsubsidiarypolicy>.

The Audit Committee of the Company reviews the financial statements and the investments made by these unlisted subsidiary companies. The minutes of the Board meetings of all the unlisted subsidiary companies including non-material unlisted subsidiary companies are placed at the Board meeting of the Company. The management also periodically brings to the attention of the Board of Directors, a statement of all significant transactions and arrangements entered, if any, by all the unlisted subsidiary companies.

7. Disclosures

A. Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company.

In terms of Clause 49 of the Listing Agreement, the Board of Directors has formulated a Policy on Related Party Transactions which can be accessed from the website of the Company at <http://www.niteshestates.com/investorrelations/policiesandotherrelatedmatters/relatedpartytransactionsolicy>.

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and do not attract the provisions of Sec 188 of the Companies Act, 2013. The transaction for which the approval of the Central Government was obtained under earlier Companies Act, 1956, are reviewed and recorded by the Committee and board. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company.

All Related Party Transactions are placed before the Audit Committee and also before the Board for approval. The disclosure of related party transactions is part of the Notes to Accounts section of the financial statements.

B. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

During the year under review, the Company paid a fine of Rs. 1,000/- for one day delayed filing of the Annual Report for 2013-14 and a fine of Rs. 26,000/- for inadvertent improper filing of Clause 49 report for the quarter ended 30th Sept 2014.

Apart from the aforesaid delay, the Company has complied with the requirements of the Listing Agreements of the Stock Exchanges as well as regulations and guidelines of SEBI and other Statutory Authority on all matters relating to capital markets.

C. CEO/CFO Certification

The Chairman & Managing Director and the Chief Financial Officer have certified to the Board in accordance with the Listing Agreement on the financials for the year ended March 31, 2015 a copy of which is attached to this Report.

D. Whistle Blower Policy

The Company has adopted a Whistle Blower Policy. The employees of the Company have direct access to the Chairman of the Audit Committee to report their concerns about unethical or inappropriate behavior or violation of the Company's Code of Conduct. No personnel of the Company has been denied access to the Audit Committee.

E. Non-mandatory Recommendation under Clause 49 of the Listing Agreement:

Clause 49 of the Listing Agreement states that non-mandatory requirements may be implemented as per the Company's discretion. The Company has adopted the following non-mandatory requirements of Clause 49 of the Listing Agreement, The status of compliance of the non-mandatory requirements is as follows:

The Board: The Chairman of the Board of Directors is the Managing Director of the Company

Shareholders Rights: The half-yearly declaration of financial performance together with the summary of significant events is not individually disseminated to the shareholders. However, the information on financial and business performance is updated in the 'Investor Relations' 'Financial Information' section of the Company's website, www.niteshestates.com, on a quarterly basis.

Audit Qualifications: The audited financial statements of the Company for the financial year 2014-15 do not contain any qualifications and the Audit Report does not contain any adverse remarks.

Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee of the Board of Directors of the Company. The Audit Committee is empowered to hold separate meetings and discussions with the Internal Auditor.

Compliance Certificate

The Certificate from S. Kedarnath & Associates, Practicing Company Secretary, Bangalore confirming the compliance with the conditions of Corporate Governance under CI 49 of the Listing Agreement is forming part of this Annual Report.

The Secretarial Audit Report submitted by the Secretarial Auditor, attached to this Annual report is part of the Directors' Report.

8. Means of Communication

- I. The quarterly results and Audited final accounts, in the prescribed format were published in the following Newspapers within 48 hours of the approval of the Board and also been provided to the Stock Exchanges:
 - i. Financial Express (English Daily) and
 - ii. HosaDigantha (Kannada Daily)
- II. The financial results are displayed on www.niteshestates.com
- III. Management Discussion and Analysis forms part of the Directors' Report.
- IV. The official news releases are posted on the Company's website.

General Shareholder Information

I. Annual General Meeting

Date : Monday, September 28, 2015

Time : 2.00 P. M.

Venue : "Dr. B. R. Ambedkar Memorial Trust" (Ambedkar Bhavana), Miller's Road, Vasanthnagar, Bangalore – 560 052

II. Financial Calendar

Financial Year : April 1 to March 31

III. Date of Book Closure

The Companies Register of Members, Register of Security Holders and Securities Transfer Books will remain closed from Tuesday, 22nd September, 2015 to Monday, the 28th September, 2015 (both days inclusive) for the purpose of AGM.

IV. Listing Information

The Company's shares are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited with effect from May 13, 2010.

Name of the Stock Exchanges	Stock Code
Bombay Stock Exchange Limited	533202
National Stock Exchange of India Limited	NITESHES, Series-EQ

The ISIN Number of the Company's Equity share is **INE639K01016**.

V. Stock Data

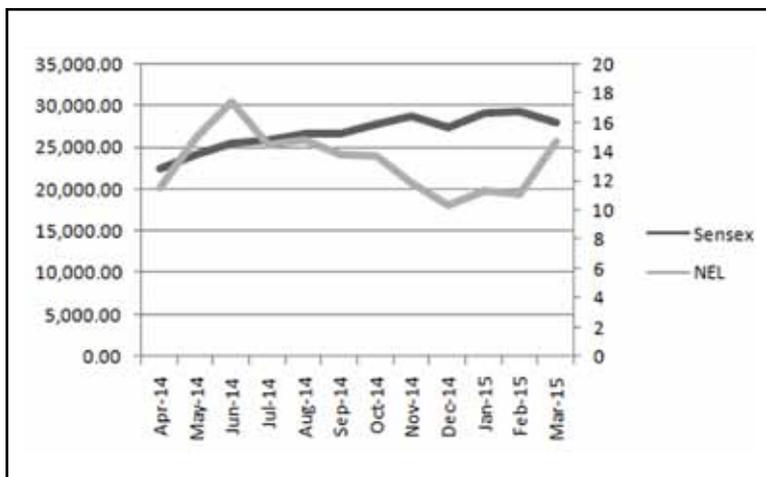
a. Monthly High & Low prices at BSE & NSE during the Financial Year 2014-15

Month	National Stock Exchange of India Limited (in Rupees)		Bombay Stock Exchange Limited (in Rupees)	
	High	Low	High	Low
Apr-14	13.95	11.00	13.80	11.20
May-14	17.25	11.10	17.25	11.12
Jun-14	18.65	14.90	18.70	15.05
Jul-14	17.80	14.20	17.80	14.30
Aug-14	15.15	12.80	15.30	12.51
Sep-14	16.75	11.05	16.80	12.46
Oct-14	14.75	12.75	14.44	12.65
Nov-14	14.95	11.75	14.98	11.82
Dec-14	12.55	9.00	12.70	9.30
Jan-15	12.00	9.30	11.90	10.26
Feb-15	12.65	10.00	12.75	10.01
Mar-15	18.35	10.30	18.28	10.40

b. The Company's share performance compared to BSE Sensex

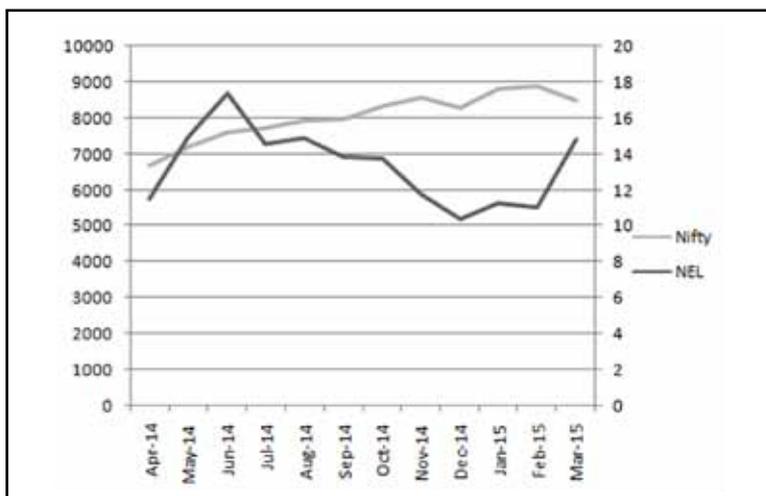
- Compared to BSE SENSEX

Stock Performance



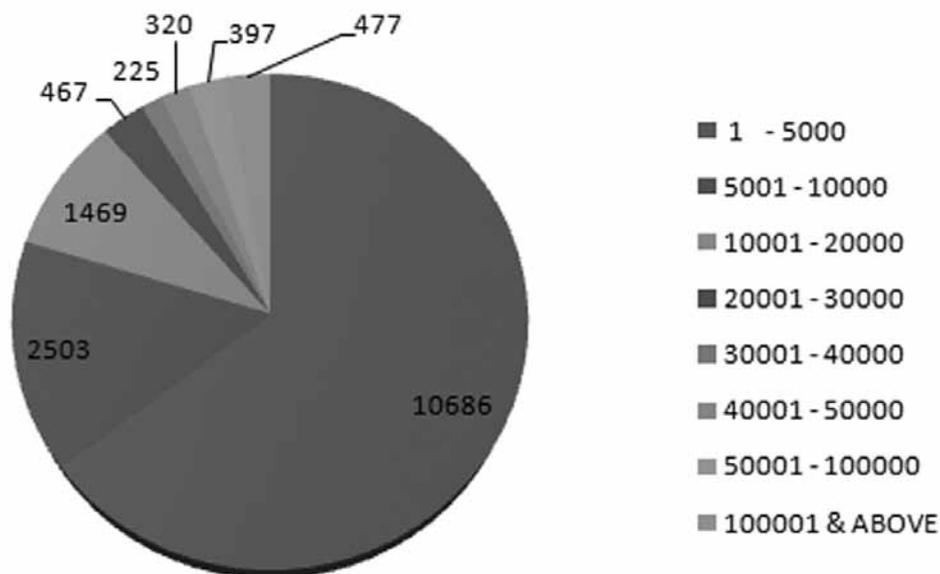
- Compared to NSE NIFTY

Stock Performance



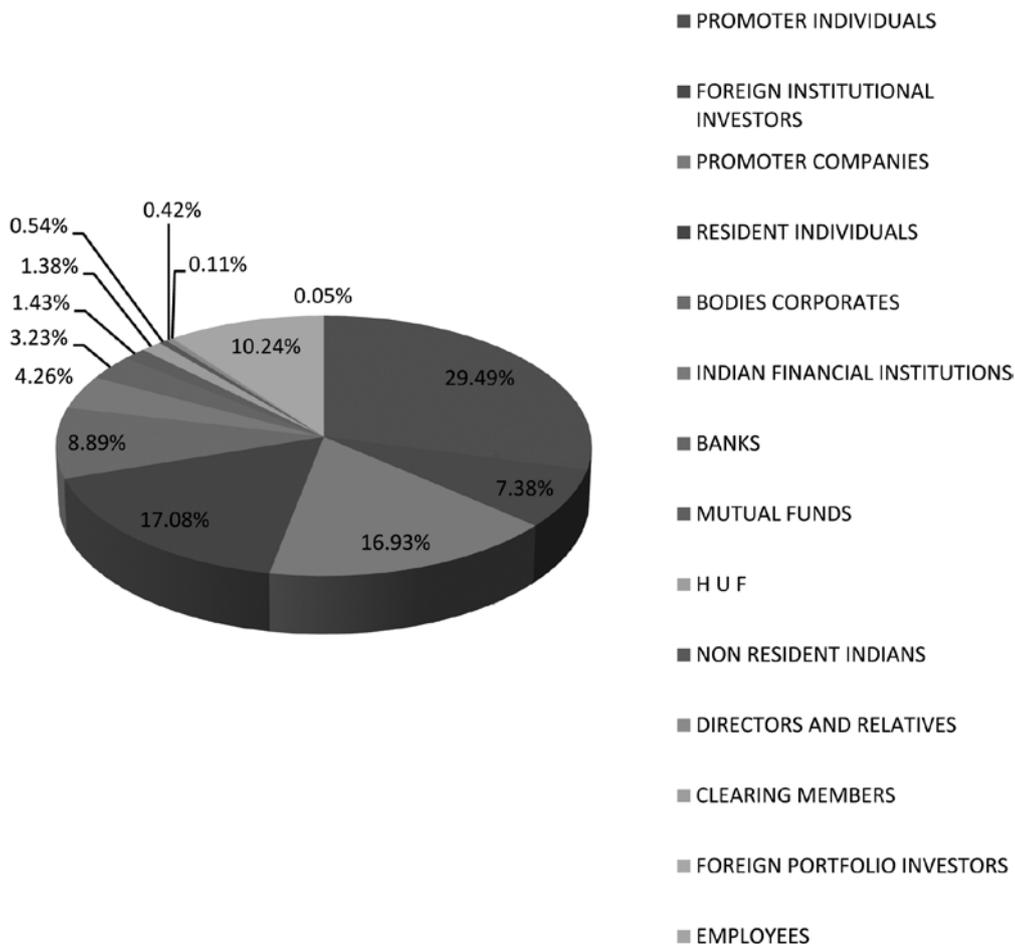
c. Distribution of shareholding as on March 31, 2015

Category	No. of Shareholders	% of Shareholders	Amount	% Amount
1 - 5000	10686	64.59	22190470.00	1.52
5001 - 10000	2503	15.13	22103760.00	1.52
10001 - 20000	1469	8.88	23872670.00	1.64
20001 - 30000	467	2.82	12334880.00	0.85
30001 - 40000	225	1.36	8294960.00	0.57
40001 - 50000	320	1.93	15525620.00	1.06
50001 - 100000	397	2.40	31267160.00	2.14
100001 & ABOVE	477	2.89	1322731480.00	90.70
Total	16544	100.00	1458321000	100.00



d. Shareholding pattern as on March 31, 2015

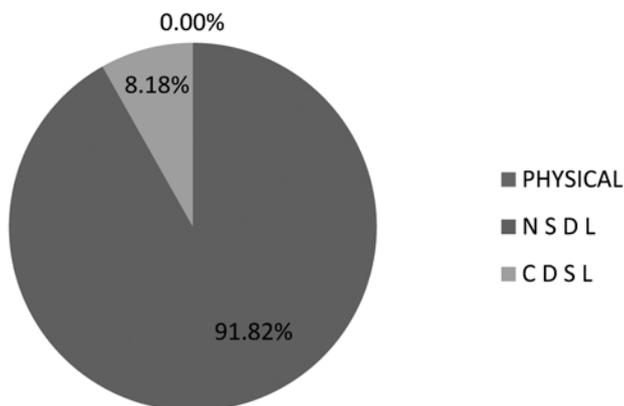
Category	No. of Shareholders	Total Shares	% Shareholding
Banks	2	4713241	3.23
Clearing members	65	155335	0.11
Directors and their relatives	7	609729	0.42
Employees	19	70450	0.05
Foreign Institutional Investor	2	10763667	7.38
Foreign Portfolio Investors	2	14939818	10.24
H U F	450	2013495	1.38
Indian Financial Institutions	1	6208422	4.26
Bodies Corporates	417	12961791	8.89
Non Resident Indians	167	787700	0.54
Promoter Companies	3	24688780	16.93
Promoter Individuals	3	43004985	29.49
Resident Individuals	15406	24914687	17.08
Total:	16544	145832100	100.00



e. Shares held in physical and dematerialized form as on March 31, 2015

Description	No. of Holders	No. of Shares	% to Equity
PHYSICAL	5	1008	0.00%
NSDL	10838	134129193	91.82%
CDSL	5701	11701899	8.18%
TOTAL	16544	145832100	100.00

Shares in Electronic and Physical form



f. Share Transfer

The Company has appointed Karvy Computer Share Private Ltd., as Registrars and Share Transfer Agents. Karvy's SEBI Registration No. INR000000221. Share transfers are normally effected within the maximum period of 30 days from the date of receipt, if all the required documentation is submitted.

g. Registrar and Transfer Agents:

Karvy Computershare Private Limited,
Plot Nos. 17 to 24 Vittalrao Nagar,
Madhapur, Hyderabad – 500 081
Telephone No. : 040 23420818 ,Fax No.: 040 23421551
Email: mailmanager@karvy.com

h. Compliance Officer:

Mr. D. Srinivasan
Company Secretary & Chief Compliance Officer
Nitesh Timesquare, 7th Floor, No. 8 M G Road,
Bangalore 560 001
Tel: +91 80 4017 4000
Fax: +91 80 2555 0825
Email: investor@niteshestates.com

CONFIRMATION OF CODE OF CONDUCT BY THE CHAIRMAN & MANAGING DIRECTOR

This is to confirm that the Company has adopted a code of conduct for its Board of Directors and the Senior Management Personnel and the same is made available on the Company's website.

I confirm that the Company has in respect of the financial year ended 31st March, 2015 has received the declarations from the members of the Board of Directors and the Senior Management Personnel of the Company, in confirmation of the compliance with the Code of Conduct as applicable to them.

Place : Bangalore
Date : May 28, 2015

Nitesh Shetty
Chairman & Managing Director

CEO/CFO CERTIFICATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To

The Board of Directors
Nitesh Estates Limited
Bangalore 560 001

Dear Sir,

We, Nitesh Shetty, Chairman and Managing Director and Venkateshan M.A., Chief Financial Officer certify to the Board that:

- a. We have reviewed financial statements and the Cash Flow statement for the year ended 31st March 2015 and that to the best of our knowledge and belief :
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in Accounting Policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. There is no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Nitesh Shetty
Chairman & Managing Director

Venkateshan M.A.
Chief Financial Officer

Place : Bangalore
Date : May 28, 2015

REPORT ON CORPORATE GOVERNANCE BY COMPANY SECRETARY IN PRACTICE

To

**The Shareholders of
Nitesh Estates Limited**

We have examined the compliance of conditions of Corporate Governance by Nitesh Estates Limited for the year ended 31st March, 2015 as stipulated by Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of provisions relating to Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations of the Management, we certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month except where disputed or sub-judice, as per the records the Company, Registrar and Transfer Agents and reviewed by the Board/Committee of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

For **S Kedarnath & Associates**
Company Secretaries

Mr. S Kedarnath,
Practicing Company Secretary
C.P. No. 4422

Place : Bangalore
Date : May 28, 2015

Management Discussion and Analysis

Socio Economic Environment

There is a sense of optimism about the Indian economy in the long term but in the immediate term the various economic indicators have not yet shown clear signs of a recovery. The global recovery has remained uncertain, with each geographical region having its own specific challenge. The devaluation of currency of trading partners and the weak global demand has resulted in contraction of exports. However, the impact on the current account deficit has been mitigated by the significant fall in commodity prices, particularly crude oil.

The overall domestic demand remains subdued although there are sectoral variances. The monsoon has been characterized by delays and significant variance over the period. The current view is that it will be near normal and this augurs well for the rural demand.

As per the Economic Survey report, GDP growth rate at constant (2011-12 base year) market prices in FY2013 was 5.1%, which increased to 6.9% in FY2014 and is estimated to further rise to 7.4% in FY2015. For the first time India's GDP is estimated to cross the US\$2 trillion mark to reach US\$ 2.1 trillion in FY2015. The current account deficit has shriveled from a peak of 6.7% of GDP in Q3 FY2013 to an estimated 1.0% in FY2016.

Inflation has declined by over 6 percentage points since late 2013, with Wholesale Price Index (WPI) declining by 2.3% in March 2015 and is the deepest decline since November 1976. With the easing of inflationary conditions, the RBI has been cutting policy repo rates since January 2015. But, the current expectation is that inflation will harden in the coming period.

RBI's Current Situation Index and the Future Expectation Index (FEI) of consumer confidence have increased by 10.1% and 7.6%, respectively since June 2014 quarter. After remaining at around 118 levels during the last three rounds of survey, the FEI increased to about 127. This is due to an improvement in positive perceptions on the future economic conditions and future spending. The overall Employment Index increased from 151 in March 2014 to 178 in March 2015.

Real Estate Market

Indian Real Estate Market

There have been some key policy changes announced by the Government of India which augur well for the real estate sector but the benefits arising out of these changes are going to be realized only in the future. Real Estate Investment Trusts will allow the funding of real estate assets at an attractive rate. This is a positive for the industry but the issues of taxation and the current low rental yield are inhibitors for the initiative to fructify. The initiative of "housing for all by 2022" has again a major potential for the real estate sector but the true impact will become known when more details emerge. The creation of 100 smart cities is yet another major initiative where the actual activity on the ground is still some time away.

The Real Estate (Regulation and Development) Bill and the Land Acquisition Rehabilitation and Resettlement Bill are two other aspects which will alter the processes of development management in the future.

The residential segment of the industry has seen slow absorption rates across markets resulting in an increase in the inventory overhang and stagnation in price. The demand in the mid-income segment remains better than the other segments and there is a shift of demand with units of smaller size and correspondingly lower value.

The office building segment has seen a significant increase in the occupancy ratio and the outlook remains positive. Supply has lagged behind and as businesses expand in the coming periods, there will be growth in demand for space.

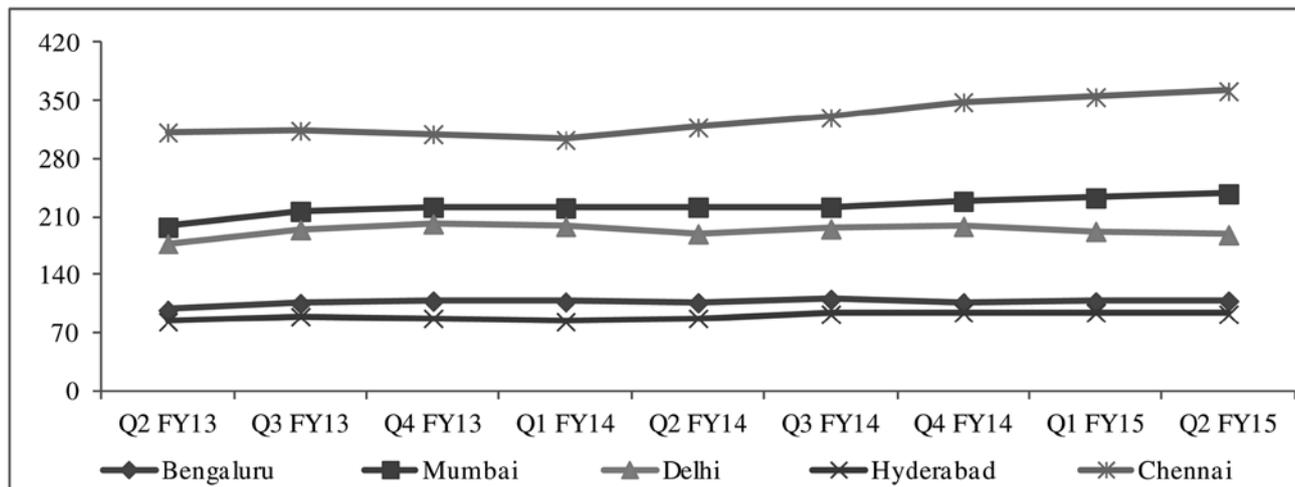
The retail shopping mall segment also has witnessed reduced supply in the recent past. While there has been significant advertising and discount frenzy by e-tailers and consequent growth of demand from consumers for online way of shopping, the conventional mode will co-exist and there will be growth in demand particularly for spaces which are situated in good location and are designed well.

The hotel & hospitality segment tracks the growth of the larger economy. The sector has witnessed a subdued demand for a significant period of time and the expected growth in economic activity will turn the outlook to positive.

Bangalore Real Estate Market

The Bengaluru Real estate market has been the best performer when compared across other Indian cities, across all segments. But absorption levels in the residential segment have not increased and consequently the price points have also remained unchanged. There has been a rise in the inventory levels but this situation is easing as the new projects launched are also seeing a decline. Under these situations the choice of location of a project, sizing it right and offering it to the right segment becomes critical.

NHB Residex Index



Source: National Housing Board

The Company

Company Overview and Market Positioning

Incorporated in 2004, Nitesh Estates Limited ("Nitesh Estates" or "Company") is an integrated property developer and one of India's most recognized luxury real estate brands with presence in multiple asset classes. The Company made its initial public offering in May 2010 and was listed on the Bombay Stock Exchange and the National Stock Exchange. Within a span of 11 years, the Company has brought over 2.06 million sq. m. of area under development and has built a strong reputation for high quality.

Nitesh Estates operates through the Joint Development Agreement (JDA) model, which is asset-light leading to low capital requirements and is easily scalable. It has a sound pipeline of ongoing and upcoming projects covering 1.72 million sq. m. of area across multiple cities and operating segments. Over the years, the Company has received investments from large institutional investors such as HDFC, Goldman Sachs and Apollo Management Group.

Over the years, the Company has completed 13 projects across residential, commercial and hospitality segments covering a developable area of 242,475 sq. m. The current project portfolio of the Company has 19 high and mid-income residential projects and a mall. The residential projects have a total revenue potential of Rs. 4,600 Crores. Nitesh Estates acquired a shopping mall in Pune in May 2015 in line with its strategy to diversify into different asset classes. Strategically located, the Pune mall is expected to generate a rental income of Rs. 45 Crores per annum. The Company is also developing a shopping mall in Indiranagar, Bengaluru, one of the major shopping centers in the city. In addition to the aforesaid projects, the Company is continuously scouting for land arrangements for future joint development. The arrangements in hand are suitable for development of 366,035 sq. m. of developable area.

The Ritz-Carlton, one of the world's finest brands for luxury hospitality, partnered with the Company to bring India's first Ritz Carlton Hotel in Bengaluru. The Company believes in partnering with leading global firms and The Ritz-Carlton partnership is a testament to our development capabilities.

Nitesh Estates has a comprehensive corporate governance framework with an eminent Board and strong management team with significant experience across industries. In line with best in class corporate governance practices, the Company has a high proportion of independent directors with 5 out of the 10 directors being independent.

Operational Performance

During the year, the Company sold a total of 551 residential units having 85,470 sq. m. of area. The corresponding Sales Value was Rs. 468 Crore and this represents a sales growth of 23.5% over FY2014. The average realization for the year was Rs. 59,643 per sq. m., which is one of the best in the Bengaluru real estate industry. The collections were at Rs. 281 Crore, compared with Rs. 330 Crore in FY2014. The cumulative collections were at Rs. 894 Crore at the end of the year and represented 66% of the cumulative sales booked. Unrecognized Income from the ongoing projects, as on March 31, 2015, was at Rs. 598 Crore.

In FY2015, six residential projects were launched, namely Nitesh Virgin Island, Nitesh Rio, Nitesh Chelsea, Nitesh Melbourne Park, Nitesh Hunter Valley and Nitesh Knightsbridge. These projects have a sales potential of Rs. 1,400 Crore. Another 13 projects are currently under design and approval stages and are expected to be launched in the coming year. The sales potential of these projects is about Rs. 3,200 Crore.

The Ritz-Carlton hotel which commenced commercial operations in October 2013 is now experiencing increased occupancy. Spread over an area of 46,451 sq. m., the hotel features a multitude of lavish facilities and amenities. It has a convenient downtown location with richly-appointed guest rooms & suites and multiple dining options.

The construction of the shopping mall being developed in Indiranagar, Bengaluru will commence during FY2016 and is expected to be completed in 3 years. The mall is spread over 0.1 million sq. m. and has revenue potential of Rs. 60 Crore per annum for Nitesh Estates. It is designed by Callison, a globally renowned architectural firm and construction is to be done by L&T, the largest infrastructure company in India. Anchor tenants already on board include leading retail brands like PVR and Hypercity.

Financial Performance

Nitesh Estates generated revenue of Rs. 290.6 Crore, compared to Rs 300.1 cr in FY2014. The Earnings before interest, tax, depreciation and amortization (EBITDA) was Rs. 68.7 Crore at 23.6% margin, as compared to Rs. 60.8 Crore in the previous year. The Profit after Tax (PAT) during the year was Rs. 30.9 Crore at a margin of 10.6% and Net Profit was Rs. 2.4 Crore in comparison to Rs. 23.6 Crore and Rs. 5.3 Crore respectively in FY2014. The Basic Earnings per Share (EPS) was Rs. 0.16.

The robust financial performance of the Company may be attributed to increased revenue recognition from projects. There were 7 projects under income recognition during the year with Unrecognized Income of Rs. 598 Crore. The Company expects increased revenue going forward to various projects getting to advanced stages of construction.

Revenue Breakup

Rs. Crore	FY2015	% share	FY2014	% share
Property Development	264.4	92.0%	263.6	88.9%
Contractual Activities	16.9	5.9%	29.0	9.7%
Maintenance Income	6.2	2.1%	4.9	1.6%
Total	287.5		297.5	

Financial Condition

(Rupees in Crore)

Particulars	March 31, 2015	March 31, 2014
Sources of funds		
a. Shareholders' funds	327.82	326.16
b. Minority Interest	-	-
c. Loan funds	417.55	336.21
Total	745.37	662.37
Application of funds		
a. Fixed assets (net)	76.60	63.42
b. Investments	112.15	125.53
c. Net current assets	555.65	473.69
d. Deferred tax/ miscellaneous expense, among others	0.97	0.03
Total	745.37	662.37

(Rupees in Crore)

Particulars	12 months ended March 31, 2015	12 months ended March 31, 2014
Profit before tax	38.96	29.35
Add: Adjustments	27.59	30.76
Add: Net working capital	(102.59)	(12.26)
Less: Income Tax paid	(1.35)	(1.76)
Net cash flow from operating activities	(37.39)	46.09
Net cash flow from investing activities	(25.12)	(61.20)
Cash flow from financing activities	53.91	7.50
Net cash inflow / (outflow)	(8.6)	(7.61)

Liquidity

Nitesh Estates has suitable commercial arrangements with its creditors, healthy cash flows and sufficient standby credit lines with banks and financial institutions to meet its working capital requirement. It deploys a robust cash management system to ensure timely servicing of its liquidity obligations. The Company has also been able to arrange for adequate liquidity at an optimized cost to meet its business requirements.

As of March 31, 2015, the Company had cash and cash equivalents of Rs. 28.0 Crore, total debt of Rs. 417.6 Crore and resulting net debt of Rs. 389.7 Crore. The Company's net debt to equity ratio is 1.19.

Business Strategy

Joint Development Model

Nitesh Estates follows the Joint Development (JDA) model wherein it does not need to create a "land bank" and develops properties jointly with the land owners. Under this model, an agreement is executed with the land owner which entitles the Company irrevocably to plan the project, obtain approvals and sanctions from the relevant authorities, construct the project and have the right over a share of the developed property.

The Company is also entitled to name and market the project. A power of attorney is executed by the owners in favour of the Company which entitles it to enter into sale or lease agreements and have the right to transfer the Company's share of the developed area. It can also raise finance against mortgage of the property as it is also entitled to the custody of title deeds. The owners of the land are entitled to payment of monies as deposit, which may be partly non-refundable, besides a share of the developed area. The owner indemnifies the Company from any claims against the title of the property.

This model requires very limited land acquisition cost and provides the rights over land to the Company. It also mitigates the risk related with the title of land and the fluctuation in land value due to a shift in consumer preferences. The Company, therefore, can effectively deploy the capital towards project development rather than developing a land bank. The JDA model is asset light and enables a higher internal rate of return to the Company.

Resource Deployment and Delivery Model

Nitesh Estates deploys its own employees for managing relations and transactions with land owners, sales and marketing, coordination of design and architecture, planning and monitoring of projects, contracts and procurement and quality management.

Depending on the project type and the end consumer segment, the Company also partners with external firms for design & architecture. It has associations with leading international firms such as KPF, WATG, Callison and L&T as well as local firms such as RK Associates and CnT Design and Construction Services. For some of its projects, Nitesh Estates also deploys specialist firms for project management and quantity survey for high and sustainable growth of business.

Business Structure – subsidiaries and associate companies

Nitesh Estates follows the strategy of creating special purpose vehicles so as to enable investments by investors in specific segments or projects of the Company. The subsidiaries of the Company, Nitesh Housing Developers Pvt Ltd, Nitesh Urban Development Pvt Ltd, Nitesh Indiranagar Retail Pvt Ltd, Nitesh Pune Mall Pvt Ltd and Kakanad Enterprises Private Ltd. were created in line with this strategy.

The Company has also created a wholly owned subsidiary – Nitesh Property Management Pvt. Ltd., to engage in the business of facility management. Further, Nitesh Estates has two joint ventures namely Nitesh Estates Whitefield and Courtyard Construction Pvt Ltd and an associate company called Nitesh Residency Hotels Pvt Ltd.

Geographical Footprint

The Company believes that deep insights into the community and clientele and a thorough understanding of the policies, priorities and processes of the local Government are essential factors that drive success. In line with this belief, Nitesh Estates has chosen to operate in the South Indian market. Majority of the ongoing and upcoming projects are located in Bengaluru, where the Company has strong experience of executing several projects since its incorporation. Furthermore, Bangalore is considered to be one of the best real estate markets in India. Nitesh Estates is also selectively pursuing opportunities in other southern cities such as Chennai, Kochi and Goa.

Market Segments

The Company aims to diversify its business by operating in various real estate segments. Towards this objective, Nitesh Estates operates in four business segments namely residential, hotels, office buildings and shopping malls. These segments have different characteristics and therefore varying risk and return profiles. The residential segment is a “build and sell” business where the payback period is low while the other three segments are “build and earn” capital intensive businesses where the payback period is high. During FY2014, Nitesh Estates brought The Ritz-Carlton hotel under operations. The Company targets to maintain the right balance between these segments so as to diversify its business risk. Currently, there are 20 projects in the construction stage, 19 of which are in the residential segment and 1 in the shopping mall segment.

In May 2015, Nitesh Estates acquired the Plaza Central shopping mall in Pune. Spread over 6 acres of land, with a built up area of 92,902 sq. m., the mall is located in Koregaon, an upmarket prime location in Pune. Further, in line with the strategy of diversifying annuity revenue stream, Nitesh Estates signed a partnership platform agreement (MOU) with Goldman Sachs, a global financial institution in May 2015. Under this platform arrangement Goldman Sachs will make investments through Nitesh Estates SPVs, Associates, Subsidiaries and JVs. These investments will be made in income generating grade A office buildings, shopping malls and luxury hotels across Tier I cities in India. Nitesh Estates will own upto 24.99% in the SPVs, Associates, Subsidiaries and JVs. Total assets/ investments under the partnership will be upto \$250 million. This partnership will increase the asset base of the Company in the next 3-5 years.

Opportunities and Threats

Bengaluru which was once known as a ‘Pensioners Paradise’ has emerged as one of the Asia’s fastest growing city marked by strong industrial growth mainly in IT/ITES and the Biotechnology sector. Bengaluru contributes to about a third of the total Indian IT exports and houses approximately half of the total biotechnology firms in India. More than half of the demand in Bengaluru’s organized real estate comes from the 0.85 million IT/ITES professionals based in the city. Bengaluru is the third-largest hub for high net worth individuals in India, contributing maximum to the luxury real estate in Bengaluru.

The market dynamics of the Bengaluru real estate market remains strong, backed by employment opportunities, IT/ITES industry growth, affordability, favourable demographics and urbanization. With inflation no more a problem, borrowing in the housing market is expected to increase, thereby encouraging real estate development. The ongoing and proposed infrastructure development in Bengaluru along with active promotion of Special Economic Zones by the government will provide a conducive market environment for real estate development.

Furthermore, the Planning Commission estimates that by 2030, about 600 million people will live in cities. Affordable housing, therefore will create significant demand and the industry has a large gap to meet, with shortage seen among the low income groups. All the aforesaid aspects result in opportunities in all segments of real estate.

The key threats to real estate business emanate from the cyclicity of the business owing to the tide and ebb in consumer and business confidence. Going forward, with the e-commerce market in India making itself look attractive, can pose a serious threat to the retail real estate. Other immediate challenges to the business are from:

- environmental risks such as depletion of water table
- potential impact of global slowdown on the Bengaluru IT/ITES industry
- increase in cost of commodities and building materials
- increase in interest rates which could result in depressed demand from customers and at the same time increase our interest burden

- shortage of labour and skilled technical manpower and the consequent upward pressure on cost of human resources
- regulatory and policy changes results in higher costs and delays in approvals related with projects

Risk management

The Company has defined the enterprise risk management framework which has been approved by the board of the Company. The framework defines the roles and responsibilities of the various stakeholders, the risk identification process, the classification and analysis of risks, the review mechanism and defines the communication channels related with risk management. A risk register has been put in place and the assigned owners manage the risk within their purview. The risk management gets reviewed by the risk management committee which in turn reports to the Audit Committee.

There are several areas of risk related with:

- the title of land and joint development partners
- the information technology systems and disaster recovery
- the project management resulting in deviation from planned time, quality, cost and safety
- the availability and cost of building materials
- the changes in statutes and processes in decision making by the Government
- the availability of finance and the cost of financing
- the human resources – their availability, costs and compliance with the code of ethics of the Company
- the vendors and business partners
- the assets of the Company
- the customers and the competitors

Control Systems

Nitesh Estates deploys a strong internal control system to ensure timely and accurate compilation of financial and operational information, compliance with various regulatory and statutory guidelines, and protect investor's interest by following highest level of corporate governance. The Company has a strong IT policy to ensure data is secure and protected.

The Company has appointed Deloitte Haskins & Sells LLP as their internal auditor. They carry out periodic audits as per an agreed internal audit programme. They bring to the notice of management, issues which require attention and also highlight the severity of the issue. Corrective actions are then set in place. The internal auditors report is reviewed by the Audit Committee and placed before the Board of Directors for their consideration. The Company strives to continuously strengthen the internal control systems by adopting standard operating procedures and by delegating roles & responsibilities to various Department heads for effective implementation of the same. This is to ensure that the Company conducts its business with highest standards of statutory, legal and regulatory compliance.

OUTLOOK

The Indian real estate industry witnessed subdued growth in FY2015. However the long term outlook still remains favourable: employment opportunities, affordability, favourable demographics, urbanization, and preference of Bangalore as a location by NRIs, expats and IT/ITES professionals. Further, income tax benefits, interest subvention scheme and availability of financing options support the growing demand. Management would adopt a cautious approach and observe the developments closely while making decisions. The key focus for us in the following year would be:

- Focus on execution and revenue recognition: There are 16 projects currently in execution having a developable area of 1.15 million sq. m. There are another 10 projects having a developable area of 0.82 million sq m which are in various stages of design and approval and are targeted for launch during the coming quarters. This represents a huge growth in the intensity of the business and correspondingly on the revenue and profits of the Company. We are now focused on staying ahead on the cash collection cycle and accelerate execution. The consumers are highly discerning and the market is competitive. For success in the market place timeliness and quality of delivery are the differentiators.
- Design and Innovation: The Company has always focused on building a strong brand recall and differentiating itself from the competitors by continuous investments in new design and innovation for projects. Our association with leading firms like KPF, WATG, Callison, RK Associates and Cnt help us develop projects which provide our customers a unique living experience.
- Cash-flow Management – Tight control on accounts receivables and accounts payables with the objective of reducing the interest burden.

- Customer Relationship – Enhance customer experience at each of their touch points starting with the stage at which we interact with them to assist in selection of a home till the time it is handed over and thereafter when we provide maintenance services.

Human Resources Development

Our registered and corporate office is located in Bengaluru. This houses employees who oversee our financial, administrative, design and planning and other reporting functions. We have not experienced any material strikes, work stoppages, labour disputes. As part of our strategy to improve operational efficiency, we regularly organise in-house and external training programs for our employees. We also follow a transparent appraisal system for our employees.

Our work-force consists of our permanent employees, consultants and labour work force that work at projects through sub-contractors. We currently have 552 employees compared to 591 in the previous year. The function-wise break-up of our employees is as below.

Function	FY2015	% share	FY2014	% share
Construction Management	78	14.13%	99	16.75%
Sales & Marketing	51	9.24%	40	6.77%
Administration & Secretarial	40	7.25%	38	6.43%
Internal Support (HR, IT and F&A)	31	5.62%	30	5.08%
Facility Management	31	5.62%	28	4.74%
Pre-Construction	9	1.63%	11	1.86%
Quality Management	10	1.81%	11	1.86%
Contracts & Procurement	9	1.63%	10	1.69%
MD & COO's Office	9	1.63%	8	1.35%
Business Development	6	1.09%	12	2.03%
Legal	4	0.72%	4	0.68%
Ritz Carlton Operations	274	49.64%	300	50.76%
Total	552		591	

For the development of some of our projects, we also engage third party consultant engineers, architects, interior designers and landscape designers. In addition to our employees, we also engage the services of contractual workers which include tradesmen, car drivers, housekeeping personnel and other skilled, unskilled and semi-skilled workers. Our consultants, contractors and sub-contractors who work on our projects also employ a significant labour force.

For and on behalf of the Board of Directors

Place : Bangalore
Date : May 28, 2015

NITESH SHETTY
Chairman & Managing Director

Standalone Accounts

Independent Auditor's Report

To
The Members of
Nitesh Estates Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Nitesh Estates Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the 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 on a going concern basis 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 consistent application of appropriate accounting policies and making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that operate 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 standalone 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 there under.

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.

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 accounting policies used and the reasonableness of the accounting estimates made by 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 financial statements.

Opinion

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 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 31st March, 2015 , and its profit and its 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 Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required under provisions of 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 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 Balance Sheet, the aforesaid financial statements comply with the Accounting Standards referred to in 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 31st March, 2015 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 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's observations on the impact of pending litigations on its financial position in its financial statements mentioned in Note No 25 which as per their representation will have no material impact.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for RAY & RAY
Chartered Accountants
(Firm's registration number: 301072E)

Mrinal Kanti Bandyopadhyay
Partner
Membership No. 051572

Place: Bangalore
Date: 28 May 2015

**Annexure to the Independent Auditor's Report
(Referred to in paragraph 1 of our report of even date)**

- (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 fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (ii) The company is in the business of real estate development and related services and holds inventories in the form of land, properties under development and constructed properties. In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the procedures of physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (iii) The Company has not granted any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of real estate and development activities and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for any other product of the Company.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities

There are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues and other material statutory dues in arrears as at 31 March, 2015 for a period of more than six months from the date they became payable.

Annexure to the Independent Auditor's Report (Contd.)

- (b) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, or Duty of Customs or Duty of Excise or Value Added Tax or Cess which have not been deposited as on 31 March, 2015 on account of disputes are given below:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which amount Pertains	Forum where Disputes is Pending
Income Tax Act	Income Tax	22.50	AY 2011-12	Asst Commissioner of Income Tax Appeals
Finance Act, 1994	Service Tax	311.56	AY 2007-08	CESTAT

- (c) In our opinion and according to the information and explanations given to us, there are no amounts which are required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- (viii) The accumulated losses of the Company at the end of the financial year are not more than fifty per cent of its net worth and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not has defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (x) In our opinion and according to the information and explanations given to us, the Company had not given guarantees for loans taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than temporary deployment pending application.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

for RAY & RAY
Chartered Accountants
(Firm's registration number: 301072E)

Mrinal Kanti Bandyopadhyay
Partner
Membership No. 051572

Place: Bangalore
Date: 28 May 2015

Balance Sheet

	Note	As at 31 March 2015 Rs.	As at 31 March 2014 Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,458,321,000	1,458,321,000
Reserves and surplus	3	3,083,663,911	2,886,930,089
		4,541,984,911	4,345,251,089
Non-current liabilities			
Long-term borrowings	4	-	382,843
Long-term provisions	5	11,523,974	4,683,685
		11,523,974	5,066,528
Current liabilities			
Short-term borrowings	6	1,956,271,961	1,182,929,120
Trade payables	7	869,002,346	627,913,865
Other current liabilities	8	1,064,728,068	1,692,110,848
Short-term provisions	9	3,367,808	10,697,963
		3,893,370,183	3,513,651,796
		8,446,879,069	7,863,969,413
ASSETS			
Non-current assets			
Fixed assets	10		
- Tangible assets		13,043,515	23,764,008
- Intangible assets		13,475,868	19,033,833
- Capital work in progress		-	-
		26,519,383	42,797,840
Non-current investments	11	4,819,519,735	4,023,207,169
Deferred tax assets, net	12	4,890,223	-
Long-term loans and advances	13	145,014,172	451,561,066
Other non-current assets	14	7,000,000	16,250,000
		4,976,424,130	4,491,018,235
Current assets			
Inventories	15	1,187,944,514	1,298,469,952
Trade receivables	16	331,548,056	395,944,378
Cash and bank balances	17	27,803,006	51,021,872
Short-term loans and advances	18	1,411,275,830	1,227,699,724
Other current assets	19	485,364,150	357,017,412
		3,443,935,556	3,330,153,337
		8,446,879,069	7,863,969,413
Significant accounting policies	1		
Notes to financial statements	2 to 40		
The notes referred to above form an integral part of the balance sheet			

As per our report of even date attached

for **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

Mrinal Kanti Bandyopadhyay
Partner
Membership No. 051472
Place: Bangalore
Date: 28 May 2015

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

Nitesh Shetty
Managing Director

L.S. Vaidyanathan
Executive Director

Ashwini Kumar
Executive Director

Venkateshan M. A.
Chief Financial Officer
Place: Bangalore
Date: 28 May 2015

D. Srinivasan
Company Secretary

Statement of Profit and Loss

	Note	For the year ended 31 March 2015 Rs.	For the year ended 31 March 2014 Rs.
Income			
Revenue from operations	20	1,250,144,430	1,120,458,855
Other income	21	4,142,471	27,488,924
		1,254,286,901	1,147,947,779
Expenses			
Cost of inventories sold		683,389,672	698,519,392
Employee benefits	22	68,115,103	92,625,815
Finance costs	23	129,409,617	79,218,948
Depreciation		11,757,810	15,833,745
Other expenses	24	111,863,052	173,615,061
		1,004,535,254	1,059,812,961
Profit / (Loss) before tax		249,751,647	88,134,818
Tax expense:			
- current tax		52,349,194	11,100,000
- deferred tax (credit)/ charge		(4,890,223)	-
Profit / (Loss) for the year		202,292,676	77,034,818
Earning/ (loss) per share (equity shares, par value of Rs 10 each)			
- Basic and diluted		1.39	0.53

Significant accounting policies

1

Notes to financial statements

2 to 40

The notes referred to above form an integral part of the statement of profit and loss

As per our report of even date attached

for **Ray & Ray**

Chartered Accountants

Firm registration number: 301072E

Mrinal Kanti Bandyopadhyay

Partner

Membership No. 051472

Place: Bangalore

Date: 28 May 2015

For and on behalf of the Board of Directors of

Nitesh Estates Limited**Nitesh Shetty**

Managing Director

L.S. Vaidyanathan

Executive Director

Ashwini Kumar

Executive Director

Venkateshan M. A.

Chief Financial Officer

Place: Bangalore

Date: 28 May 2015

D. Srinivasan

Company Secretary

Cash Flow Statement

	For the year ended 31 March 2015	For the year ended 31 March 2014
	Rs.	Rs.
Cash flow from operating activities		
Profit/(loss) before tax	249,751,647	88,134,818
Adjustments:		
Depreciation	11,757,810	15,833,745
Interest	116,169,760	77,184,598
Deferred tax	-	-
Interest income	(834,545)	(6,815,210)
Creditors no longer required, written back	(5,572,944)	(8,321,522)
Operating profit before working capital changes	371,271,727	166,016,429
Decrease/ (increase) in inventories	110,525,436	65,588,666
Decrease/ (increase) in trade receivables	64,396,322	(95,343,342)
Decrease/ (increase) in other assets	(176,640,302)	(217,354,077)
Decrease/ (increase) in loans and advances	(287,255,785)	178,534,829
(Decrease)/ increase in liabilities	(385,579,569)	369,769,284
(Decrease)/ increase in provisions	(489,866)	(509,406)
Cash generated from / (used in) operations	(303,772,038)	466,702,384
Income taxes paid	(5,066,676)	(5,016,569)
Net cash generated from / (used in) operating activities	(308,838,714)	461,685,815
Cash flow from investing activities		
Purchase of fixed assets	(1,038,198)	(2,125,922)
Sale/ (purchase) of investments, in subsidiaries and associates, net (including share application money pending allotment)	(379,642,566)	(633,233,150)
Loans and inter corporate deposits (given)/ received, net	(6,443,428)	93,437,016
Decrease/ (increase) in fixed deposits accounts	39,575,602	(27,572,388)
Interest received	1,845,588	5,952,999
Creditors no longer required, written back	5,572,944	8,321,522
Net cash generated from / (used in) investing activities	(340,130,059)	(555,219,923)
Cash flow from financing activities		
Secured loans from banks and financial institutions availed/ (repaid)	82,245,268	137,870,416
Proceeds from issue of debentures/ (Repayment) of debentures	690,000,000	(40,000,000)
Decrease/ (increase) in fixed deposits accounts kept as escrow/ lien	9,250,000	1,672,188
Interest paid	(116,169,760)	(77,184,598)
Dividend paid, including tax on dividends	-	-
Net cash provided by/(used in) financing activities	665,325,508	22,358,006

Cash Flow Statement (Contd.)

	For the year ended 31 March 2015	For the year ended 31 March 2014
	Rs.	Rs.
Net increase / (decrease) in cash and cash equivalents	16,356,736	(71,176,102)
Cash and cash equivalents at the beginning of the year	11,254,062	82,430,164
Cash and cash equivalents at the end of the year	27,610,798	11,254,062
	As at 31 March 2015	As at 31 March 2014
Cash and cash equivalents comprise of:		
Cash and bank balance (refer note 17)	27,610,798	11,254,062
	27,610,798	11,254,062

As per our report of even date attached
for **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

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

Mrinal Kanti Bandyopadhyay
Partner
Membership No. 051472

Nitesh Shetty
Managing Director

L.S. Vaidyanathan
Executive Director

Ashwini Kumar
Executive Director

Place: Bangalore
Date: 28 May 2015

Venkateshan M. A.
Chief Financial Officer

D. Srinivasan
Company Secretary

Place: Bangalore
Date: 28 May 2015

Schedules to the accounts

1. Company overview

Nitesh Estates Limited (the Company or 'NEL') was incorporated on 20 February 2004. NEL is a real estate developer engaged in the business development, sale, management and operation of residential buildings, retail and hotel projects, commercial premises and other related activities.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.1 Basis of preparation of financial statements

These financial statements have been prepared and presented on accrual basis of accounting and comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

2.2 Going concern

These financial statements have been prepared on a going concern basis notwithstanding accumulated losses as at the balance sheet date and a negative net current assets situation.

These financial statements therefore do not include any adjustments relating to recoverability and classification of asset amounts or to classification of liabilities that may be necessary if the Company is unable to continue as a going concern.

2.3 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of income and expenditure during the year reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.4 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from operations is net of sales tax/value added tax and net of adjustments on account of cancellation/returns.

a) Recognition of revenue from contractual projects

If the outcome of the contractual contract can be reliably measured, revenue associated with the construction contract is recognized by reference to the stage of completion of the contract activity at year end. (Percentage of Completion method).

b) Recognition of revenue from property development

For projects commenced and revenue recognition started before 1 April 2012

Revenue from real estate development is recognised upon transfer of all significant risks and rewards of ownership of such real estate/property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards. In such cases, the revenue is recognised on percentage of completion method. Revenue is recognised in proportion that the contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. Land costs are not included for the purpose of computing the percentage of completion.

Schedules to the accounts (Contd.)

For projects commenced on or after 1 April 2012 and also to projects which have already commenced but where revenue is being recognised for the first time on or after 1 April 2012

Revenue from real estate development is recognised upon transfer of all significant risks and rewards of ownership of such real estate/property, as per the terms of contract entered into with the buyers, which generally coincides with the firming of the sales contracts/agreements. Where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue in such cases is recognised by applying the percentage of completion method only if the following thresholds have been met:

- a) all critical approval necessary for the commencement of the project has been obtained
- b) the stage of completion of the project has reached a reasonable level of development, i.e., 25% or more of the construction and development cost related to project has been incurred,
- c) atleast 25% of the saleable project area is secured by sales contracts/agreements with buyers,
- d) atleast 10% of the revenue as per each sales contracts/agreements with buyers are realized at the balance sheet date

When the outcome of a real estate project can be estimated reliably and the conditions above are satisfied project revenue and project costs associated with the real estate project are recognised as revenue and expenses by reference to the stage of completion of the project activity at the reporting date arrived at with reference to the entire project costs incurred (including land costs).

Contract costs include the estimated cost of construction, development and other directly attributable costs of the projects under construction. In cases where the total project cost is estimated to exceed the total estimated revenue from a project, the loss is recognised immediately.

The estimates for saleable area and contract costs are reviewed by the management periodically and the cumulative effect of changes in these estimates are recognised in the period in which these changes may be reliably measured.

Unbilled Receivables & Billed Receivables in excess of revenue

Unbilled receivables represents revenue recognized based on Percentage of Completion Method over and above the amount due as per the payment plans agreed with the customers.

Billing in excess of revenue represents the amount due as per the payment plans agreed with the customers over and above the revenue recognized based on Percentage of Completion Method.

c) Share in profits/(loss) from investments in Association of Person ('AOP')

The Company's share in profits from AOP where the Company is a member, is recognized on the basis of such AOP's audited accounts, as per terms of the agreement.

d) Income from Sale of Land & Plots

Sale of Land and plots (including development rights) is recognized in the financial year in which the agreement to sell is executed. Where the Company has any remaining substantial obligations as per the agreements, revenue is recognized on the percentage of completion method of accounting.

e) Interest income

Interest income is recognized using the time-proportion method, based on the amount outstanding and the rate applicable.

2.5 Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried 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, if any, is made to recognize a decline other than temporary in the value of the investments.

Schedules to the accounts (Contd.)

2.6 Fixed assets and depreciation

Tangible fixed assets

Fixed assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes freight, duties, taxes and other incidental expenses related to the acquisition or construction of the respective assets.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are expensed as incurred.

Depreciation

Depreciation on Tangible Fixed assets is provided on the useful life computed as per Schedule II of Companies Act 2013.

Pro-rata depreciation is provided on all fixed assets purchased or sold during the year.

Intangible Fixed Assets

Computer software is amortised using straight line method over a period of 5 years, which is estimated by the management to be the useful life of the asset.

2.7 Employee benefits

Defined benefit plan

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the profit and loss account. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Other long term benefit

Cost of long term benefits by way of accumulating compensated absences arising during the tenure of service is calculated taking into account the pattern of availment of leave. The present value of obligations towards availment under such long term benefit is determined based on actuarial valuation carried out by an independent actuary using Projected Unit Credit Method as at the year end. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the profit and loss account. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Defined contribution plan

Contributions to the recognized provident fund and approved superannuation schemes, which are defined contribution schemes, are charged to the profit and loss account.

2.8 Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower.

Schedules to the accounts (Contd.)

For operating leases, lease payments (excluding cost for services, such as insurance and maintenance) are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term. The lease term is the non- cancellable period for which the lessee has agreed to take on lease the asset together with any further periods for which the lessee has the option to continue the lease of the asset, with or without further payment, which option at the inception of the lease it is reasonably certain that the lessee will exercise.

2.9 Earnings/(loss) per share

The basic earnings/(loss) per share is computed by dividing the net profit/(loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings/(loss) per share comprises the weighted average shares considered for deriving basic earnings/(loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

2.10 Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of a past obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

2.11 Impairment of assets

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

2.12 Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets/liabilities are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

The Company offsets, the current tax assets and liabilities (on a year on year basis), where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Schedules to the accounts (Contd.)

2.13 Recognition and measurement of advances paid and received

Advances paid towards jointly developable properties

These advances represent monies paid to land owners and intermediaries, where the company proposes to jointly develop the property. Subsequent to a definitive agreement and on actual commencement of development activity, the Company acquires a right in the underlying land at which point, such advances are transferred to capital work in progress. Advances towards joint development rights are valued at cost. On transfer to capital work in progress, measurement is on the basis of cost, less impairment, if any, determined with reference to the discounted values of future anticipated cash flows.

Advance against property

These advances represent several intended purchases of parcels of land, which are in various stages of the acquisition process, which is typically long drawn and requires several regulatory compliances. The Company considers the purchase as complete only when all compliances are complete and the ownership right to the land is unfettered. Such advances, depending on the stage of the land acquisition process, are measured with reference to the value of the underlying, at the lower of cost or net realisable value, having regard to the protracted underlying process.

2.14 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes all applicable costs incurred in bringing the properties to their present location and condition. The method of determination of cost for various categories of inventories is as follows:

Land

Land is valued at cost of acquisition. Cost includes acquisition cost and related development charges. Finished stocks of constructed properties are valued at their cost of construction/acquisition.

Properties under development

Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Real estate work-in-progress is valued at lower of cost and net realizable value.

The net realisable value of work in progress is determined with reference to the selling prices of related constructed property. Raw materials and other supplies held for use in construction of property are not written below cost except in cases where material prices have declined and it is estimated that the cost of constructed property will exceed their net realisable value.

2.15 Land held under joint development arrangements

In case of joint development with the land owner on space sharing arrangement, land is initially recorded at the estimated cost of construction for the portion of the building to be transferred to the land owner on completion of construction. Changes in the estimate/actual cost of construction from the estimated cost are adjusted in the cost of land in the year of such change/occurrence.

2.16 Foreign exchange transactions

Foreign exchange transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange difference arising on foreign exchange transactions settled during the year are recognised in the profit and loss account for the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date; the resultant exchange differences are recognised in the profit and loss account.

Schedules to the accounts (Contd.)

2.17 Borrowing Cost

Borrowing cost attributable to the acquisition of qualifying assets (ie. The assets that necessarily takes substantial period of time to get ready for the intended use) are added to the cost upto the date when such assets are ready for their intended use. Other borrowing costs are recognized as expenses in the period in which these are incurred. Interest has been apportioned over various projects on the basis of loan amount utilize for each.

2.18 Segment reporting

The Company's operating businesses are organized and managed separately according to the nature of business and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs. General corporate income and expense items are not allocated to any business segment.

2.19 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

2.20 Cash flow statement

Cash flows are prepared using indirect method, whereby net profits/(losses) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals of accruals of past or future cash receipt or payments. The cash flows from regular operating, investing and financing activities of the Company are segregated.

Notes to the Financial Statements

2. Share capital

Particulars	Rs	
	As at 31 March 2015	As at 31 March 2014
Authorised		
150,000,000 (Previous year: 150,000,000) Equity shares of Rs 10 each	1,500,000,000	1,500,000,000
	1,500,000,000	1,500,000,000
Issued, subscribed and fully paid up		
145,832,100 (Previous year : 145,832,100) Equity shares of Rs.10 each	1,458,321,000	1,458,321,000
	1,458,321,000	1,458,321,000

Notes :

- (a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period is as given below :

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of shares	Amount	No. of shares	Amount
Number of equity shares at the beginning of the year	145,832,100	1,458,321,000	145,832,100	1,458,321,000
Add: Equity shares issued during the year	-	-	-	-
Number of equity shares outstanding at the end of the year	145,832,100	1,458,321,000	145,832,100	1,458,321,000

- (b) Equity shareholders holding more than 5% of equity shares along with the number of equity shares held at the beginning and at the end of the year is as given below :

Name of the share holder	As at 31 March 2015		As at 31 March 2014	
	No of shares	% holding	No of shares	% holding
Equity shares of Rs.10 each fully paid				
Nitesh Shetty, Managing Director	42,973,685	29%	42,933,685	29%
Nitesh Industries Private Limited	15,472,634	11%	15,188,134	10%
Nomura India Investment Fund Mother Fund	12,971,738	9%	12,971,738	9%
HSBC Bank (Mauritius) Limited	10,723,667	7%	11,666,062	8%

- (c) Rights, preferences and restrictions 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 31 March 2015, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (Previous year : Rs.Nil).

In 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.

- (d) There have been no buy back of shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet.

Notes to the Financial Statements (Contd.)**3. Reserves and surplus**

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Security premium		
Opening balance - Security Premium	3,125,854,554	3,125,854,554
Add: addition during the period	-	-
Closing balance	3,125,854,554	3,125,854,554
Surplus in statement of profit and loss		
Opening balance	(280,535,576)	(315,959,283)
Add: profit/(loss) for the period	202,292,676	77,034,818
Less: Appropriations		
Depreciation effect	5,558,854	-
Debentures Redemption Reserve	(41,611,111)	41,611,111
Closing balance	(42,190,643)	(280,535,576)
Debenture Redemption Reserve	-	41,611,111
	3,083,663,911	2,886,930,089

4. Long-term borrowings

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
<i>Secured:</i>		
- Vehicle loans from bank	-	382,843
	-	382,843

5. Long-term provisions

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Provision for gratuity (refer note 29)	3,343,793	4,683,685
Provision for compensated absences	8,180,181	-
	11,523,974	4,683,685

6. Short-term borrowings

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Other short term borrowings		
<i>Secured:</i>		
- from banks	75,000,000	75,000,000
- from financial institutions	378,163,135	298,162,442
- 18.5% Non convertible, redeemable debentures (refer note 39)	1,250,000,000	560,000,000
Cash credit	253,108,826	249,766,678
	1,956,271,961	1,182,929,120

Notes to the Financial Statements (Contd.)**Details of security and terms of loans and debentures****(i) Short-Term loans from banks are secured by:****Bank term loan amounting to: Rs 75,000,000 (previous year: Rs 75,000,000)**

- i. Equitable mortgage of vacant land situated at Mulavukkad Village, Kanaynnur Taluk district registered with Kakanad Enterprises Private Limited, a Subsidiary Company.
- ii. Developers share of 13,621 sq ft of commercial area on an undivided basis in the Project Nitesh Ceasers Palace situated at Bangalore South Taluk registered with the Company.
- iii. Simple and registered mortgage of a flat in the project Nitesh Camp David situated at Pulakeshi Nagar registered with the Company.
- iv. Personal Guarantee of Mr. Nitesh Shetty.
- v. Guarantee of Subsidiary Company - Kakanad Enterprises Private Limited.

Repayment terms	Interest rate
The amount is repayable in 42 monthly installments beginning 18 months from the date of first disbursement	4.10% above base rate

(ii) Short-Term loans from financial institutions are secured by:**a) Term Loan amounting to: Rs Nil (previous year: Rs 210,000,000)**

- i. Mortgage of the project Nitesh Logos to the extent of the developers share of units admeasuring 29,695 sq.ft (i.e. 6 apartments) along with the undivided share in land.
- ii. Mortgage of the project Nitesh Key Biscayne to the extent of the developers share 12 acres of land of Nitesh Key Biscayne project situated at Chikkasane village, Kasaba Hobli, Devanahalli taluk, Bangalore District.
- iii. Personal Guarantee of Mr. Nitesh Shetty.

Repayment and interest terms

Repayment terms	Interest rate
The amount is repayable in 12 monthly installments of Rs. 30 million beginning from the 19th month	Interest rate is based on the Corporate Prime Lending Rate (CPLR) plus/minus the spread that will be applicable from time to time on each disbursement. The banker's CPLR as on date of sanction was 17.50% per annum and the applicable rate for the said financial facility was 14.75% per annum.

b) Term Loan amounting to: Rs 30,560,662 (previous year: Rs Nil)

- i. Mortgage of two unsold units in Nitesh Central Park and three unsold units in Nitesh Flushing Meadows.
- ii. All future receivables of the project Nitesh Flushing Meadows.
- iii. Personal guarantee of Mr. Nitesh Shetty.

Repayment and interest terms

Repayment terms	Interest rate
Bullet repayment at the end of 6 months from the date of disbursement	Floating Reference Rate (FRR) plus 0.50%

c) Term Loan amounting to: Rs Nil (previous year: Rs 88,162,442)

- i. Mortgage of the project Nitesh Flushing Meadows to the extent of developers share of 19 apartments.
- ii. Escrow of receivables of the project Nitesh Flushing Meadows.
- iii. Personal guarantee of Mr. Nitesh Shetty.

Notes to the Financial Statements (Contd.)**Repayment and interest terms**

Repayment terms	Interest rate
The loan is repayable in 16 equal monthly installments starting from June 2013 and to be settled by August 2014	Floating Reference Rate (FRR) minus 2%

d) General purpose Working Capital Loan amounting to: Rs 347,602,473 (previous year: Rs Nil)

- i. First and exclusive charge by way of a mortgage by deposit of title deeds of Nitesh Park Avenue project and Hypothecation of future receivables of the project Nitesh Park Avenue.
- ii. First and exclusive charge by way of a mortgage by deposit of title deeds of Land situated at Kochin, Kakanad, registered in the name of the Company.

Repayment and interest terms

Repayment terms	Interest rate
The loan is repayable in 30 Equated Monthly Installment starting from March 15, 2015 to Aug 15, 2017	Rate of Interest for the facility is 16.25%

(iii) Debentures**a) 18.5% Non-Convertible, Redeemable debentures from financial institution amounting to Rs.Nil (previous year: 560,000,000) are secured by:**

- i. First and exclusive charge by way of a mortgage by deposit of title deeds over the Hunter Valley Property, Caesar's Palace Property, Long Island Mortgage Property, Nitesh Park Avenue.
- ii. Escrow account in respect of the receivables from the projects Nitesh Hunter Valley, Nitesh Caesar's Palace, Nitesh Long Island Project, Nitesh Park Avenue.
- iii. First and exclusive charge by way of hypothecation on the receivables in the projects Nitesh Hunter Valley, Nitesh Caesar's Palace, Nitesh Long Island and Nitesh Park Avenue.
- iv. Guarantee in favour of the Debenture Trustee.
- v. Creation of a fixed deposit for an amount equivalent to Rs. 9,250,000 required for maintaining the minimum debt service amount of one months interest with a lien marked in favour of the Debenture Trustee and Security Cheques in respect of the entire value of the Debentures.

Repayment and interest terms

Repayment terms	Interest rate
The amount is repayable in 13 unequal quarterly installments starting from February 2014 and to be settled by February 2017	18.5% per annum

a) 18.5% Non-Convertible, Redeemable debentures from financial institution amounting to Rs.1,250,000,000 (previous year: Nil) are secured by:

- i. First and exclusive charge by way of a mortgage by deposit of title deeds over the Caesar's Palace, Logos, Long Island, British Columbia, Virgin Island & Chelsea.
- ii. Escrow account in respect of the receivables from the projects Caesar's Palace, Logos, Long Island, British Columbia, Virgin Island & Chelsea. .
- iii. First and exclusive charge by way of hypothecation on the receivables in the projects Caesar's Palace, Logos, Long Island, British Columbia, Virgin Island & Chelsea. .
- iv. Personal Guarantee of Mr.Nitesh Shetty in favour of the Debenture Trustee.

Repayment and interest terms

Repayment terms	Interest rate
The amount is repayable in 21 equal monthly installments starting from July 15, 2016 to March 15, 2018	18.5% per annum

Notes to the Financial Statements (Contd.)**(iv) Cash credit from banks are secured by :****a) Cash credit amounting to: Rs 101,440,306 (previous year: Rs 99,949,218)**

- i. Lien on refundable deposits paid to land owners and which are not hypothecated to any Banks/Institutions in respect of projects which are under pipeline and for which approvals have not yet been received.
- ii. Hypothecation of Receivables/other current assets.
- iii. Personal Guarantee of Mr. Nitesh Shetty.

Repayment and interest terms

Repayment terms	Interest rate
Cash credit facility drawn on 23 July 2012 for a period of 12 months , extended for a period of 12 months from 28 December 2013	Base rate plus 3%

b) Cash credit amounting to: Rs 151,668,521 (previous year: Rs 149,817,460)

- i. Exclusive charge on the Property admeasuring 21,000 Sq ft situated at Sampangi Ramaswamy Temple Road registered with Courtyard Constructions Private Limited.
- ii. Personal Guarantee of Mr. Nitesh Shetty.
- iii. Corporate Guarantee of a Joint Venture with Courtyard Construction Private Limited (50% shareholding by Nitesh Urban Development Private Limited).

Repayment and interest terms

Repayment terms	Interest rate
Cash credit facility drawn on 25 October 2013 for a period of 12 months	Base rate plus 7%

7. Trade payables

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
- Dues to micro and small enterprises (refer note 32)	-	-
- Dues to other creditors	869,002,346	627,913,865
	869,002,346	627,913,865

8. Other current liabilities

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Current maturities of long-term debt	-	714,730
Advance received from related parties	-	5,768,215
Advance received from customers for sale of properties	734,105,741	898,096,934
Payable to land owners	185,206,070	315,741,603
Billings in excess of revenue	-	448,033,320
Accrued salaries and benefits	-	13,447,261
Other payables		
- withholding and other taxes and duties payable	145,416,256	10,308,785
	1,064,728,068	1,692,110,848

The Company has entered into a joint development agreement with the land owner whereby the Company, at its cost, will construct apartments/buildings on the land owned by the land owner, and the portion of building constructed will be exchanged for ownership in the land. Such portion of land to be acquired by the Company as per joint development agreement is initially recorded at the estimated cost of construction for the portion of the building to be transferred to the land owner on completion of construction. Changes in the estimate/actual cost of construction from the originally estimated cost are adjusted in the cost of land in the year of such change/occurrence.

9. Short-term provisions

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Provision for compensated absences	3,367,808	10,697,963
	3,367,808	10,697,963

Notes to the Financial Statements (Contd.)

10. Fixed assets

Asset category	Gross block				Depreciation			Net block		Rs.
	As at 1 April 2014	Additions during the year	Deletions during the year	As at 31 March 2015	As at 1 April 2014	Charge for the year	Deletions during the year	As at 31 March 2015	As at 31 March 2014	
Tangible assets										
Leasehold improvements	16,379,381	-	-	16,379,381	10,030,391	1,602,754	-	11,633,145	4,746,236	6,348,990
Office equipments	11,313,393	111,530	-	11,424,923	5,726,949	1,011,356	-	6,738,305	4,686,618	5,586,444
Computer equipments	21,850,899	78,070	-	21,928,969	18,374,901	1,046,120	-	19,421,021	2,507,948	3,475,998
Furniture and fixtures	9,700,619	24,915	-	9,725,534	5,771,537	703,796	-	6,475,333	3,250,201	3,929,082
Vehicles	18,847,051	1,047,134	3,348,015	16,546,170	14,423,557	1,420,362	1,745,214	13,134,805	3,411,365	4,423,494
	78,091,343	1,261,649	3,348,015	76,004,977	54,327,335	5,784,387	1,745,214	57,402,608	18,602,369	23,764,008
Intangible assets										
Computer software	46,563,646	415,456	-	46,979,102	27,529,813	5,973,421	-	33,503,234	13,475,868	19,033,833
	46,563,646	415,456	-	46,979,102	27,529,813	5,973,421	-	33,503,234	13,475,868	19,033,833
Asset fully charged				5,558,854					5,558,854	
Total	124,654,989	1,677,105	3,348,015	117,425,225	81,857,149	11,757,808	1,745,214	90,905,842	26,519,383	42,797,840
Previous year	122,529,067	2,125,922	-	124,654,989	66,023,404	15,833,744	-	81,857,148	42,797,841	

Notes to the Financial Statements (Contd.)**11. Non-current investments**

Particulars	Number of shares		Value (Rs)	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
At cost less provision for other than temporary diminution				
Trade investments				
Unquoted				
(i) Investments in equity instruments (fully paid up), unless otherwise stated				
Subsidiary companies				
Nitesh Indiranagar Retail Private Limited	80,260,000	23,598,000	1,890,520,000	1,323,900,000
Nitesh Housing Developers Private Limited	4,494,900	4,494,900	44,949,000	44,949,000
Kakanad Enterprises Private Limited	50,000	10,000	500,000	100,000
Nitesh Urban Development Private Limited	6,672,000	6,672,000	236,692,000	236,692,000
Nitesh Property Management Private Limited	300,000	10,000	3,000,000	100,000
Associate company				
Nitesh Residency Hotels Private Limited	129,935,579	117,340,579	1,702,425,790	1,472,405,790
(ii) Investments in preference shares (fully paid up)				
Subsidiary company				
Nitesh Housing Developers Private Limited	4,150,000	4,150,000	830,000,000	830,000,000
(iii) Investments in Association of Persons (AOP)				
Nitesh Estates -Whitefield (refer note iii below)			111,375,745	115,003,179
(iv) Others				
<i>Investment in Government and trust securities (unquoted)</i>				
National Savings Certificate			57,200	57,200
			4,819,519,735	4,023,207,169

Note :

- The Company has made further investments in its subsidiaries based on the independent valuation reports obtained by the Company and as approved by the Board. As at the balance sheet date, the subsidiary companies are in various stages of development/project set-up and hence, the management believes that there is no diminution other than temporary in the value of its investments.
- Non-cumulative redeemable preference shares (NCRPS) carries non-cumulative dividend of 9% p.a. 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. Each NCRPS holder is entitled to one vote per share only on resolutions placed before the Company which directly affects the rights attached to NCRPS. These shares may be redeemed, in whole or in part, at the option of the company at any time on or after 12 December 2012 subject to satisfaction of certain conditions, at the stipulated redemption amount. If not redeemed earlier, these shares will be redeemed on 11 December 2032.
- The particulars of partners of the AOP and the profit sharing ratio are as follows :

Partnership firm	Name of Partners	Share of Profit
Nitesh Estates -Whitefield	Nitesh Estates Limited	24%
	Mr. Showri Reddy	42%
	Mr. Joji Reddy	34%

Notes to the Financial Statements (Contd.)**12. Deferred tax assets (net)**

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Deferred tax liability		
Excess of depreciation allowable under the income tax laws over depreciation provided for in the books	-	2,883,844
	-	2,883,844
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis	4,890,223	2,883,844
	4,890,223	2,883,844
	4,890,223	-

13. Long-term loans and advances

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Unsecured, considered good		
Security deposits	145,014,172	22,609,659
Other loans and advances - Advance against property	-	428,951,407
	145,014,172	451,561,066

14. Other non current assets

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Fixed deposit accounts with banks (refer note below)	-	9,250,000
Minimum alternate tax credit entitlement	7,000,000	7,000,000
	7,000,000	16,250,000

Of the above, Rs Nil (previous year: Rs 9,250,000) has been provided as collateral security to 6,000, 18.5% Non-Convertible, Redeemable Debentures having a face value of Rs. 100,000 each amounting to Rs.600,000,000.

15. Inventories

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Land	368,069,104	384,592,471
Land held under joint development arrangements	285,257,661	435,519,868
Properties under development	534,617,749	478,357,613
	1,187,944,514	1,298,469,952

Notes to the Financial Statements (Contd.)**16. Trade receivables**

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
<i>Unsecured, considered good</i>		
Debts due for a period exceeding Nine months		
- considered good	-	-
- considered doubtful	-	173,344,429
	-	173,344,429
Other debts		
- considered good	331,548,056	222,599,949
- considered doubtful	-	-
	331,548,056	222,599,949
Less: provision for doubtful debts	-	-
	331,548,056	395,944,378

17. Cash and bank balances

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Cash and cash equivalents		
Cash on hand	296,368	537,255
Balances with banks		
- in current accounts	27,314,430	10,716,807
Other bank balances		
- in fixed deposits with bank	-	1,000,000
- in escrow accounts with banks	192,208	38,767,810
	27,803,006	51,021,872

18. Short-term loans and advances

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
<i>Unsecured, considered good</i>		
Security deposits	-	3,422,265
Advances paid towards jointly developable properties	848,458,472	414,117,065
Advance paid to related parties		
- loans and advances to subsidiaries and other related entities	39,235,212	32,791,784
Vendor advances	168,109,633	239,858,848
Advances for supply of goods and rendering of services	168,768,648	27,965,234
Share application money pending allotment	-	416,670,000
Balances with government authorities	159,274,767	-
Prepaid advances for advertisement expense	-	82,073,811
Prepaid expenses	27,047,720	-
Other advances	381,378	10,800,716
	1,411,275,830	1,227,699,723

Notes to the Financial Statements (Contd.)**19. Other current assets**

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Interest Receivable	-	1,011,043
Unbilled revenue	471,626,700	294,986,398
- Advance tax, net of provision for tax	13,737,450	61,019,971
	485,364,150	357,017,412

20. Revenue from operations

Particulars	Rs	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Income from property development	1,047,326,720	798,971,425
Income from contractual activities	202,817,710	321,487,430
	1,250,144,430	1,120,458,855

21. Other income

Particulars	Rs	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Interest		
- from banks	797,634	947,932
- from others	36,911	-
Provision no longer required	5,572,944	8,321,522
Share of profit from investment in AOP	(3,627,434)	8,573,150
Miscellaneous	1,362,416	9,646,320
	4,142,471	27,488,924

22. Employee benefits

Particulars	Rs	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Salaries, wages and benefits	32,078,133	57,935,444
Directors remuneration	33,801,475	32,993,720
Contribution to provident and other funds	1,254,098	1,118,246
Staff welfare	981,397	578,405
	68,115,103	92,625,815

23. Finance costs

Particulars	Rs	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Interest and other charges		
Interest expense	116,169,760	77,184,598
Processing fees and other bank charges	13,239,857	2,034,350
	129,409,617	79,218,948

Notes to the Financial Statements (Contd.)**24. Other expenses**

Particulars	Rs.	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Power and fuel	3,171,249	3,333,972
Rent	12,324,307	12,329,737
Repairs and maintenance	7,725,782	11,220,386
Office maintenance expenses	3,312,805	2,069,577
Audit Fees	2,400,000	3,860,000
Insurance charges	3,342,257	2,844,031
Interest on customer refund	1,937,590	923,014
Rates and taxes	7,084,691	775,649
Legal and professional expenses	14,795,049	14,586,545
Advertising and sales promotion	36,761,468	100,911,792
Travel and conveyance	7,565,967	5,864,817
Lease rent-vehicles	-	1,330,543
Communication expenses	1,842,818	4,989,913
Director's sitting fees	2,180,000	800,000
Exchange fluctuation	38,801	151,422
Miscellaneous expense	7,380,267	7,623,663
	111,863,052	173,615,061

25. Commitments and contingent liabilities

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Contingent liabilities		
Claims against the company not acknowledged as debts in respect of		
- Income-tax	27,185,945	18,040,389
- Service tax	31,156,450	31,156,450
Corporate guarantee for loans taken by group companies	-	3,400,000,000
Commitments		
Estimated amount of contracts remaining to be executed on projects (net of advances) and not provided for	575,905,220	1,631,001,600

Notes :

- During the previous year, Nitesh Urban Development Private Limited, a subsidiary Company, issued compulsorily convertible debentures to an investor amounting to Rs 350,000,000. Pursuant to this, the Company and the investor have entered into a share sale right agreement whereby the investor has a right (but not obligation) to sell all the debentures to the Company on or after the end of 48 months from the closing date and the Company will be obliged to purchase these debentures at Rs 787,500,000 if such option is exercised by the investor.
- The Company has entered into various joint development agreements wherein, on completion of all obligations of the land owner and possession of land to the Company, the Company is required to construct and develop the entire property and hand over an agreed proportion of the built up area to the land owner as a consideration for the undivided share in land transferred to the Company.
- The Company has provided support letters to subsidiary companies wherein it has accepted to provide the necessary level of financial support to enable the company to operate as a going concern and meet its obligations as and when they fall due.

Notes to the Financial Statements (Contd.)**d Commitment towards purchase of equity shares of a subsidiary company**

The Company has provided a put option to the investor of Nitesh Housing Developers Private Limited (subsidiary company) whereby the investor has the right to sell the shares held in the subsidiary company at a price which will yield a post-tax internal rate of return of 26% p.a. on their cost of investment, either to the principal promoter (Mr. Nitesh Shetty) or the Company in the following events :

- (a) In the event where the investor exercises the right to sell, the Principal Promoter shall have the obligation to purchase and/or buy-back the share put securities at the share put price, on a spot delivery basis.
- (b) However, in the event where the Principal Promoter does not perform his obligation and/or paying the amount to the investor of the Subsidiary Company, the Company shall have the obligation to perform and/or pay to the investor the amounts payable by the Principal Promoter as if it were the primary obligor.

26. Details of Construction contracts in progress

Particulars	Rs	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Contract revenue recognized during the year	1,250,144,430	1,120,458,855
Aggregate amount of contract costs incurred and recognized profits (less recognized losses) up to the year end	1,510,937,894	3,268,431,561
The amount of customer advances outstanding for contracts in progress as at the year end	734,105,741	898,096,934
The amount of retention due from customers for contracts in progress as at the year end	-	-

27. Auditors' remuneration (included in legal and professional charges)

Particulars	Rs.	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Statutory audit fees	3,540,000	3,860,000
Reimbursement of expenses	398,968	347,934
	3,938,968	4,207,934

28. Earnings/(Loss) per share

The following table sets forth the computation of basic and diluted earnings per share:

(Figures in rupees except number of shares)

Particulars	Rs.	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Net profit/(loss) for the year attributable to equity shareholders	202,292,676	77,034,818
Weighted average number of equity shares (face value of Rs 10 each) considered for calculation of basic earnings per share	145,832,100	145,832,100
Earnings/(Loss) per share, basic and diluted	1.39	0.53

The Company has no potentially dilutive equity shares.

Notes to the Financial Statements (Contd.)**29. Employee benefits**

The Company has a defined benefit gratuity plan. The gratuity plan entitles an employee, who has rendered atleast five years of continuous service, to receive one-half months' salary for each year of completed service at the time of retirement/exit. The Company provides the gratuity benefit through annual contributions to a fund managed by the insurer (Life Insurance Corporation of India). Under this plan, the settlement obligation remains with the Company, although the Employees Gratuity Trust administers the plan and determines the contribution premium required to be paid by the Company.

During the previous year, the scheme was unfunded and hence, the disclosures with respect to plan assets as per Accounting Standard - 15 (Revised) - Employee Benefits were not applicable to the Company.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for gratuity benefit.

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Obligations at beginning of the year	6,530,305	5,751,012
Service cost	1,038,041	1,088,554
Interest on defined benefit obligation	635,332	515,403
Benefits settled	(175,712)	(518,256)
Actuarial (gain)/loss	(2,846,936)	(306,408)
Liabilities settled on divestiture	-	-
Obligations at year end	5,181,030	6,530,305
Plan assets at year beginning, at fair value	1,846,620	-
Expected return on plan assets (estimated)	260,796	-
Actuarial gain/(loss)	(94,467)	69,709
Contributions	-	2,295,167
Benefits settled	(175,712)	(518,256)
Plan assets at year end, at fair value	1,837,237	1,846,620
Reconciliation of present value of the obligation and the fair value of the plan assets:		
Closing obligations	(5,181,030)	(6,530,305)
Closing fair value of plan assets	1,837,237	1,846,620
Liability recognised in the balance sheet	(3,343,793)	(4,683,685)
	For the year ended 31 March 2015	For the year ended 31 March 2014
Gratuity cost for the year		
Service cost	1,038,041	1,088,554
Interest cost	635,332	515,403
Expected return on plan assets	(260,796)	-
Actuarial (gain)/loss	(2,752,469)	(376,117)
Past service cost	-	-
Net gratuity cost	(1,339,892)	1,227,840
Assumptions		
Discount rate	7.90%	9.10%
Salary increase	6.00%	6.00%
Attrition rate		
- 21-44 years	2.00%	2.00%
- 45-60 years	1.00%	1.00%
Retirement age	60 years	60 years

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in employment market.

Notes to the Financial Statements (Contd.)**Information of plan assets, defined benefit obligation and experience adjustments:****Rs.**

Particulars	As at 31-Mar-15	As at 31-Mar-14	As at 31-Mar-13	As at 31-Mar-12	As at 31-Mar-11
Present value of the defined benefit obligations	5,181,030	6,530,305	5,751,012	4,163,524	4,622,036
Fair value of plan assets	1,837,237	1,846,620	-	-	-
Deficit	(3,343,793)	(4,683,685)	(5,751,012)	(4,163,524)	(4,622,036)
Experienced adjustments on plan liabilities	(3,285,085)	169,954	(2,625)	(2,967,790)	(197,656)
Experienced adjustments on plan assets	(94,467)	69,709	-	-	-

30. Related parties**(i) Names of related parties and description of relationship:****Enterprises where control exists**

Nitesh Indiranagar Retail Private Limited	Subsidiary company
Nitesh Housing Developers Private Limited	Subsidiary company
Nitesh Urban Development Private Limited	Subsidiary company
Kakanad Enterprises Private Limited	Subsidiary company
Nitesh Property Management Private Limited	Subsidiary company

Related parties where significant influence exists and with whom transactions have taken place during the year*Individuals, Associates and Companies under common control*

Associate company	Nitesh Residency Hotels Private Limited
Enterprises owned or significantly influenced by Key Managerial Person	Nisco Ventures Private Limited Southern Hills Developers Private Limited Serve & Volley Signages Private Limited Nitesh Infrastructure and Construction Serve & Volley Media Private Limited Serve & Volley Outdoor Advertising Private Limited Grass Outdoor Media Private Limited Nitesh Industries Private Limited Pushrock Environment Private Limited
Partnership firm in which the Company is a partner	Nitesh Estates – Whitefield
Key management personnel	Nitesh Shetty [Chairman and Managing Director] L.S.Vaidyanathan [Executive Director] Ashwini Kumar [Executive Director and Chief Operating Officer]

(ii) Related party transactions**Rs.**

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Loans and advances received/(repaid)		
Nitesh Indiranagar Retail Private Limited	181,730	16,637
Nitesh Urban Development Private Limited	5,997,015	(9,486,444)
Nitesh Housing Developers Private Limited	(5,802,442)	(35,436,099)
Southern Hills Developers Private Limited	-	90,000,000
Kakanad Enterprises Private Limited	201,281	-
Advances received from customers		
Pushrock Environment Private Limited (Formerly known as Nitstone Environment Private Limited)	44,600,000	3,400,000

Notes to the Financial Statements (Contd.)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Guarantees given		
Nitesh Indiranagar Retail Private Limited	-	3,000,000,000
Share Application money given/(refunded)		
Nitesh Residency Hotels Private Limited (refer note below)	198,720,000	570,400,000
Nitesh Indiranagar Retail Private Limited	181,350,000	54,160,000
Kakanad Enterprises Private Limited	500,000	100,000
Allotment of shares out of share application money - in equity shares		
Nitesh Residency Hotels Private Limited (refer note below)	230,020,000	671,600,000
Kakanad Enterprises Private Limited	400,000	-
Nitesh Indiranagar Retail Private Limited	566,620,000	-
Nitesh Property Management Private Limited	2,900,000	-
Managerial remuneration		
Nitesh Shetty	13,101,475	12,293,720
L.S.Vaidyanathan	11,700,000	11,700,000
Ashwini Kumar	9,000,000	9,000,000
Advertising and sales promotion expenses		
Serve & Volley Outdoor Advertising Private Limited	200,000	6,021,667
Rent paid		
Nitesh Infrastructure and Construction	7,449,924	7,460,803
Nitesh Property Management Private Limited	915,397	723,036
Nitesh Industries Private Limited	4,800,000	4,600,000
Nitesh Residency Hotels Private Limited	3,708,966	1,128,348
Share of profit from investment in association of persons (post-tax)		
Nitesh Estates – Whitefield	(3,627,434)	8,573,150
Income from contractual activities		
Nitesh Residency Hotels Private Limited	60,215,830	180,639,822
Nitesh Estates – Whitefield	140,199,843	132,706,459

(iii) Amount outstanding as at the balance sheet date**Rs.**

Particulars	As at 31 March 2015	As at 31 March 2014
Trade receivables		
Nitesh Estates – Whitefield	114,298,970	125,178,103
Nitesh Residency Hotels Private Limited	37,689,952	77,868,253
Nitesh Infrastructure and Constructions	5,030,000	5,030,000
Loans and advances to subsidiaries and other related entities		
Nitesh Housing Developers Private Limited	34,227	(5,768,214)

Notes to the Financial Statements (Contd.)

Particulars	As at 31 March 2015	As at 31 March 2014
Nitesh Urban Development Private Limited	8,237,136	2,240,123
Kakanad Enterprises Private Limited	26,560,020	26,358,739
Southern Hills Developers Private Limited	4,120,672	4,120,672
Nitesh Indiranagar Retail Private Limited	283,156	72,250
Advance against property		
Nisco Ventures Private Limited	10,762,955	10,762,955
Security Deposits		
Nitesh Infrastructure and Construction	17,690,475	17,690,475
Trade payables		
Nitesh Infrastructure and Construction	625,801	644,104
Nitesh Property Management Private Limited	74,032	199,485
Serve & Volley Outdoor Advertising Private Limited	224,720	-
Serve & Volley Media Private Limited	-	2,765,040
Nitesh Residency Hotels Private Limited	2,213,776	1,128,347
Trade Advances		
Serve & Volley Outdoor Advertising Private Limited	6,965,002	-
Lease deposit given /(received)		
Nitesh Indiranagar Retail Private Limited	118,700,000	-
Advance from customers		
Nitesh Residency Hotels Private Limited	40,000,000	40,000,000
Nitesh Shetty	274,597,694	274,597,694
Nitesh Property Management Private Limited	-	2,648,239
Pushrock Environment Pvt Ltd (Formerly known as Nitstone Environment Private Limited)	48,000,000	3,400,000
Guarantees given outstanding		
Nitesh Housing Developers Private Limited	-	-
Nitesh Urban Development Private Limited	-	400,000,000
Nitesh Indiranagar Retail Private Limited	-	3,000,000,000
Share application money pending allotment		
Nitesh Indiranagar Retail Private Limited	-	385,270,000
Nitesh Housing Developers Private Limited	-	100,000
Nitesh Residency Hotels Private Limited	-	31,300,000

Notes :

The Company has invested a sum of Rs. 1,627,425,790 (Previous year: Rs.1,472,405,790) towards 129,935,579 (Previous year: 117,340,579) Class A equity shares of Nitesh Residency Hotels Private Limited ('NRHPL'). The aforesaid investment has certain transfer restrictions (including consent of another investor) under the Shareholders' Agreement entered into with the other investors in NRHPL. As part of the loan arrangement entered into by NRHPL for funding the hotel project, the Company has provided an undertaking to lenders not to divest its shares in NRHPL. The aforesaid Class A shares have similar voting rights to the Class B shares held by another investor but have different dividend rights in terms of the shareholders agreement. Effective 30 October 2009, NRHPL became an associate of the Company.

Notes to the Financial Statements (Contd.)**31. Interest in Joint Venture**

The Company has a 24% share in the profits and losses of Nitesh Estates - Whitefield (Association of Persons), formed in India, a jointly controlled entity, which is engaged in real estate development. The Company's proportionate share of the assets, liabilities, income and expenses of the jointly controlled entity are as follows :

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Assets	178,486,061	146,631,572
Liabilities	95,016,146	59,534,223
Income	39,193,456	63,916,406
Expenses	42,634,838	52,603,876
Net Profit	(3,627,434)	8,573,150

Note: The capital expenditure and contingent liability as at and for the year ended 31 March 2015 is Rs. Nil (Previous year: Rs. Nil).

- 32.** The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). The Company has no dues to Micro and Small Enterprises as at 31 March 2015 and 31 March 2014 in the financial statements based on information received and available with the Company.

33. Expenditure in foreign currency (on accrual basis)

Particulars	Rs.	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Architect and other related fees included under cost of construction	4,432,287	21,608,235

34. Unhedged foreign currency exposure

Foreign currency exposures that have not been hedged by a derivative instrument or otherwise :

Particulars	As at 31 March 2015	
	Amount in foreign currency	Amount in INR
Trade Payables		
- in USD	USD 42,000	1,595,471
- in SGD	SGD 39,938	1,823,340
		3,418,811

There were no unhedged foreign currency exposure as at 31 March 2015.

- 35.** The Company primarily operates only in three business segments - Residential, Retail and Hospitality. All the operations are carried out in India and hence there is no geographical segment.

Accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments.

Assets, liabilities, revenues and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company, therefore, believes that it is not practicable to provide segment disclosures relating to such items, and accordingly such items are separately disclosed as unallocated.

Notes to the Financial Statements (Contd.)

Primary segment information:	Rs.	
Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Segment revenue		
Residential	1,250,144,340	1,129,032,005
Retail	-	-
Hospitality	-	-
Total	1,250,144,340	1,129,032,005
Less : inter segment revenue	-	-
Net income from operations	1,250,144,340	1,129,032,005
 Segment results		
Residential	375,018,793	149,361,006
Retail	-	-
Hospitality	-	-
Total	375,018,793	149,361,006
Other income	4,142,471	18,915,774
Interest	(129,409,617)	(80,141,962)
Profit/(Loss) before tax	249,751,647	88,134,818
 Segment assets		
Residential	4,379,626,161	4,540,275,811
Retail	1,944,130,316	1,709,170,000
Hospitality	2,075,865,759	1,503,705,790
Corporate – unallocated	47,256,833	110,817,811
	8,446,879,069	7,863,969,413
 Segment liabilities		
Residential	3,904,894,158	3,518,718,324
Retail	-	-
Hospitality	-	-
Corporate – unallocated	-	-
	3,904,894,158	3,518,718,324
 Depreciation		
Residential	-	-
Retail	-	-
Hospitality	-	-
Corporate – unallocated	11,757,810	15,833,745
	11,757,810	15,833,745
 Capital expenditure		
Residential	-	-
Retail	-	-
Hospitality	-	-
Corporate – unallocated	1,677,105	2,125,922
	1,677,105	2,125,922

Notes to the Financial Statements (Contd.)

36. On 24 September 2009, NEL invested a sum of Rs.49,999,000 in the equity shares (99.9%) of Nitesh Housing Developers Private Limited ('NHDPL'), a subsidiary of NEL. Subsequently, on 25 September 2009, NEL sold 10.1% of its investment in NHDPL to another party ('the Buyer'). As at 31 March 2013, NEL holds 89.9% of the equity share capital of NHDPL. On 25 September 2009, NEL, NHDPL, the Buyer and Mr. Nitesh Shetty have entered into an agreement whereby NHDPL would issue and allot to the Buyer, 6,200,000 Debentures of Rs.100 each aggregating to Rs.620,000,000. The Debentures and interest thereon are secured by way of pledge of the entire shareholding of NEL in NHDPL and a part of shareholding of Mr. Nitesh Shetty in NEL, equitable mortgage of project specific properties and hypothecation of receivables of such projects and further secured by corporate guarantee of NEL and personal guarantee of Mr. Nitesh Shetty. During the previous year, NHDPL has partially redeemed principal amounting to Rs 399,129,000. During the current year, NHDPL has redeemed the balance principal due and accordingly, the pledge of shares of NHDPL will be released on exercising the buy-back option by the Company.

Further, HDFC AMC has a put a option to require Mr.Nitesh Shetty to buy the 505,000 shares purchased from NEL under the terms of the agreement. NEL has given corporate guarantee in Sep 2013 in respect of the put option. The guarantee given by NEL in respect of put option is outstanding as on 31 March 2015.

37. Unsecured advance includes advance aggregating to Rs. 157,000,000 to a party for facilitating acquisition of land from number of land owners for the purpose of construction of project and joint development. This involves negotiation with multiple agencies under different authorities and statutes and as such the specific time limit has been set for 7 years for the completion of transfer of title and conveyancing.

38. During the year under review, the Company had revised its estimates of useful life of its fixed assets as prescribed in Part C of Schedule II of the Companies Act, 2013.

The carrying amount less residual value of the assets whose remaining useful life has become nil at the beginning of the period amounting to Rs 5,558,854/- has been adjusted in opening retained earnings as on 1st April, 2014.

39. In respect of debentures outstanding of Rs. 125 Crores, the transfer to Debenture Redemption Reserve to the tune of Rs. 31.25 Crores could not be made due to absence of adequate profit.

40. Previous years' figures have been regrouped/reclassified wherever necessary to conform to current years' presentation.

for **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

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

Mrinal Kanti Bandyopadhyay
Partner
Membership No. 051472

Nitesh Shetty
Managing Director

L.S. Vaidyanathan
Executive Director

Ashwini Kumar
Executive Director

Place: Bangalore
Date: 28 May 2015

Venkateshan M. A.
Chief Financial Officer

D. Srinivasan
Company Secretary

Place: Bangalore
Date: 28 May 2015

Consolidated Accounts

Independent Auditor's Report

To the Board of Directors of Nitesh Estates Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **NITESH ESTATES LIMITED** (the "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 31st March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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. 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 the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, 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 control relevant to the Company's preparation and presentation of the consolidated 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 the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements / financial information of the subsidiaries, jointly controlled entities and associates referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2015;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Auditor's Report (Contd.)

Other Matter:

1. We did not audit the financial statements of three subsidiaries and one joint venture, whose financial statements reflect total assets (net) of Rs. 17,941.29 Lakhs as at 31st March, 2015, total revenues of Rs. 659.70 Lacs and net cash flows amounting to Rs. (104.78 Lakhs) 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 31st March, 2015, 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. 2,858 Lakhs for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of an associate (Previous year ended 31st March, 2014: Rs. (1,847 Lakhs)), based on their unaudited financial statements as certified by the management. These statements reflect total assets (net) of Rs. 55,621 Lakhs as at 31st March, 2015 (As at 31st March, 2014: Rs. 54,008 Lakhs), total revenue of Rs. 8,113 Lakhs (Previous year ended 31st March, 2014: Rs. 3,206 Lakhs) and net cash flows amounting to Rs. 1,231.61 Lakhs (Previous year ended 31st March, 2014: Rs. 873.59 Lakhs) for the year ended on that date.

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

for **RAY & RAY**
Chartered Accountants
(Firm's registration number: 301072E)

Mrinal Kanti Bandyopadhyay
Partner
Membership No. 051572

Place: Bangalore
Date: 28 May 2015

CARO 2015 Report on the consolidated financial statement of Nitesh Estates Limited for the year ended March 31, 2015

We refer to our report on the consolidated financial statements of Nitesh Estates Limited (Holding Company) for the year ended March 31, 2015 issued on May 28th 2015.

Our reporting on the CARO 2015 includes 4 subsidiary companies and one joint venture , to which CARO 2015 is applicable, which have been audited by other auditors and our report in respect of these entities is based solely on the reports of the other auditors, to the extent considered applicable for reporting under CARO 2015 in the case of the consolidated financial statements.

- (i) In respect of the fixed assets of the Holding Company , subsidiary companies & the joint venture company:
 - (a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a phased periodical programme of verification which, in our opinion and the opinion of the other auditors, is reasonable. According to the information and explanation given to us and the other auditors, no material discrepancies were noticed on such verification.
- (ii) In respect of the inventories of the Holding Company , subsidiary companies & the joint venture company:
 - (a) As explained to us and the other auditors, The Company is in the business of real estate development and related services and holds inventories in the form of land, properties under development and constructed properties. In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the procedures of physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (iii) The Holding Company, subsidiary companies & the joint venture 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 .
- (iv) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, there is an adequate internal control system in the Holding Company ,subsidiary companies & the joint venture company, commensurate with the size of the respective entities and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods and services and during the course of our and the other auditors audit no continuing failure to correct major weaknesses in such internal control system has been observed.
- (v) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, neither the holding company , the subsidiary companies nor the joint venture company have accepted any deposit from the public during the year.
- (vi) According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the Holding Company, subsidiary companies & the joint venture company have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, wherever applicable. Neither we nor the other auditors have, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the records of the Company and the information and explanations given to us, in respect of statutory dues of the Holding Company, subsidiary companies & the joint venture company:
 - (a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities.

There are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues and other material statutory dues in arrears as at 31 March, 2015 for a period of more than six months from the date they became payable.

- (b) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, or Duty of Customs or Duty of Excise or Value Added Tax or Cess which have not been deposited as on 31st March, 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which amount Pertains	Forum where Disputes is Pending
Income Tax Act	Income Tax	994.14	AY 2011-13	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	311.56	FY 2007-08	CESTAT

- (c) In our opinion and according to the information and explanations given to us, there are no amounts which are required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- (viii) The Holding Company, subsidiary companies do not have consolidated accumulated losses at the end of the financial year nor have they incurred cash losses, except in case of Courtyard Constructions Pvt. Ltd., being a joint venture company, which has incurred a cash loss of Rs. 24,50,428 during the financial year and have incurred cash losses during the current year and the immediately preceding financial year & the accumulated losses of which exceed 50% of the Net Worth of the joint venture company.
- (ix) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company, subsidiary companies and the joint venture company have not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company and subsidiary companies had not given guarantees for loans, except in case of Courtyard Constructions Pvt. Ltd., being a joint venture company, where the company has given corporate guarantee to Canara Bank for an overdraft facility of Rs. 150,000,000/-.
- (xi) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied by the Holding Company, subsidiary companies and the joint venture company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xii) To the best of our knowledge and according to the information and explanations given to us and the other auditors, no fraud by the Holding Company, its subsidiary companies and the joint venture company and no material fraud on the Holding Company, its subsidiary companies and the joint venture company has been noticed or reported during the year.

for RAY & RAY
Chartered Accountants
(Firm's registration number: 301072E)

Mrinal Kanti Bandyopadhyay
Partner
Membership No. 051572

Place: Bangalore
Date: 28 May 2015

Consolidated Balance Sheet

	Note	As at 31 March 2015 Rs.	As at 31 March 2014 Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	1,458,321,000	1,458,321,000
Reserves and surplus	4	1,819,893,939	1,803,283,750
		3,278,214,939	3,261,604,750
Non-current liabilities			
Other long-term liabilities	5	147,965,752	38,945,204
Long-term borrowings	6	350,758,811	351,636,164
Long-term provisions	7	29,878,781	15,246,489
		528,603,344	405,827,857
Current liabilities			
Short-term borrowings	8	3,824,829,667	3,009,310,143
Trade payables	9	1,582,877,788	1,374,045,249
Other current liabilities	10	2,771,807,102	4,277,005,849
Short-term provisions	11	118,863,282	94,865,618
		8,298,377,839	8,755,226,859
		12,105,196,122	12,422,659,466
ASSETS			
Non-current assets			
Fixed assets	12		
- Capital work in progress		581,042,944	504,822,104
- Tangible assets		19,815,982	28,697,581
- Intangible assets		14,149,878	19,468,694
		615,008,804	552,988,379
Goodwill on consolidation		151,144,857	81,195,858
Non-current investments	13	1,121,540,939	1,252,259,540
Deferred tax assets, net	14	9,665,567	283,142
Long-term loans and advances	15	3,345,580,575	3,646,872,417
Other non-current assets	16	36,893,985	16,250,000
		4,513,681,066	4,915,665,099
Current assets			
Inventories	17	2,445,598,499	3,441,614,508
Trade receivables	18	535,945,331	531,314,966
Cash and bank balances	19	279,687,620	363,897,537
Short-term loans and advances	20	2,682,637,456	2,187,931,825
Other current assets	21	881,492,489	348,051,294
		6,825,361,395	6,872,810,130
		12,105,196,122	12,422,659,466

Significant accounting policies

Notes to financial statements

2 to 36

The notes referred to above form an integral part of the balance sheet

As per our report of even date attached

for **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

Mrinal Kanti Bandyopadhyay
Partner
Membership No. 051472

Place: Bangalore
Date: 28 May 2015

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

Nitesh Shetty
Managing Director

D. Srinivasan
Company Secretary

Place: Bangalore
Date: 28 May 2015

L.S. Vaidyanathan
Executive Director

Venkateshan M. A.
Chief Financial Officer

Ashwini Kumar
Executive Director

Statement of Consolidated Profit and Loss

	Note	For the year ended 31 March 2015 Rs.	For the year ended 31 March 2014 Rs.
Income			
Revenue from operations	22	2,875,968,379	2,975,685,658
Other income	23	29,828,929	33,910,575
		2,905,797,308	3,009,596,233
Expenses			
Cost of inventories sold		1,716,349,885	1,881,239,050
Employee benefits	24	221,788,732	176,498,805
Finance costs	25	284,181,710	297,167,123
Depreciation		13,256,762	17,137,507
Other expenses	26	280,613,519	344,013,650
		2,516,190,608	2,716,056,135
Profit / (loss) before tax		389,606,700	293,540,098
Tax expense:			
- current tax		89,657,913	59,205,920
- tax for previous years		-	(1,193,600)
- deferred tax (credit)/ charge		(9,382,425)	38,696
Profit / (loss) for the year after tax		309,331,212	235,489,082
Less: Share in loss of associate		285,738,601	182,994,101
Net profit / (loss) for the year		23,592,611	52,494,981
Earning/ (loss) per share (equity shares, par value of Rs. 10 each)			
- Basic and diluted	29	0.16	0.36

Significant accounting policies

Notes to financial statements

2 to 36

The notes referred to above form an integral part of the statement of profit and loss

As per our report of even date attached

for **Ray & Ray**

Chartered Accountants

Firm registration number: 301072E

For and on behalf of the Board of Directors of

Nitesh Estates Limited

Mrinal Kanti Bandyopadhyay

Partner

Membership No. 051472

Nitesh Shetty

Managing Director

L.S. Vaidyanathan

Executive Director

Ashwini Kumar

Executive Director

D. Srinivasan

Company Secretary

Venkateshan M. A.

Chief Financial Officer

Place: Bangalore

Date: 28 May 2015

Place: Bangalore

Date: 28 May 2015

Consolidated cash flow statement

	For the year ended 31 March 2015	For the year ended 31 March 2014
	Rs.	Rs.
Cash flow from operating activities		
Profit/(loss) before tax	389,606,700	293,540,098
Adjustments:		
Depreciation	13,256,762	17,137,507
Finance costs	284,181,710	297,167,123
Dividend income	(1,002,663)	(6,764)
Interest income	(20,556,530)	(6,703,114)
Operating profit / (loss) before working capital changes	665,485,979	601,134,850
Decrease / (increase) in inventories	996,016,010	(144,468,310)
Decrease / (increase) in trade receivables	(4,630,365)	140,899,814
Decrease / (increase) in other assets	(550,608,772)	(278,155,894)
Decrease / (increase) in loans and advances	(375,449,755)	(520,139,440)
Decrease/ (increase) in escrow accounts	85,865,565	(25,244,527)
(Decrease) / increase in liabilities	(1,186,764,392)	706,255,798
(Decrease) / increase in provisions	9,716,891	(1,745,823)
Cash generated from / (used in) operations	(360,368,840)	478,536,468
Income taxes paid	(13,456,024)	(17,612,755)
Net cash generated from / (used in) operating activities	(373,824,864)	460,923,713
Cash flow from investing activities		
Purchase of fixed assets	(80,836,041)	(2,089,733)
Sale / (purchase) of investments, net	(195,092,567)	(570,300,000)
Loans and inter corporate deposits (given) / received, net	89,709,692	90,590,128
Decrease / (increase) in fixed deposits accounts	(87,525,651)	(136,207,137)
Interest received	21,567,573	6,010,998
Dividends received	1,002,663	6,764
Net cash generated from / (used in) investing activities	(251,174,332)	(611,988,980)

Consolidated cash flow statement (Contd.)

	For the year ended 31 March 2015	For the year ended 31 March 2014
	Rs.	Rs.
Cash flow from financing activities		
Secured loans from banks and financial institutions received / (repaid)	123,978,271	913,772,540
Debentures received / (repaid)	690,000,000	(260,871,000)
Decrease / (increase) in fixed deposits accounts kept as escrow/ lien	9,250,000	1,672,188
Interest paid	(284,099,078)	(579,616,954)
Net cash provided by / (used in) financing activities	539,129,193	74,956,774
Net increase / (decrease) in cash and cash equivalents	(85,870,003)	(76,108,493)
Cash and cash equivalents at the beginning of the year	132,865,415	208,973,908
Cash and cash equivalents at the end of the year	46,995,412	132,865,415
	As at 31 March 2015	As at 31 March 2014
Components of cash and cash equivalents		
Cash on hand	1,841,751	17,437,769
Balances with banks		
- in current accounts	45,078,661	54,859,287
- in deposits with original maturity of less than three months	75,000	60,568,359
Total cash and cash equivalents (refer note 19)	46,995,412	132,865,415

As per our report of even date attached

for **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

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

Mrinal Kanti Bandyopadhyay
Partner
Membership No. 051472

Nitesh Shetty
Managing Director

L.S. Vaidyanathan
Executive Director

Ashwini Kumar
Executive Director

D. Srinivasan
Company Secretary

Venkateshan M. A.
Chief Financial Officer

Place: Bangalore
Date: 28 May 2015

Place: Bangalore
Date: 28 May 2015

Notes to consolidated financial statements

1 Company overview

Nitesh Estates Limited ('the Company' or 'NEL' or 'the holding company') was incorporated on February 20, 2004. NEL together with its subsidiaries, joint ventures and associate are hereinafter collectively referred to as 'the Group'. The Group is a real estate developer engaged in the business of development, sale, management and operation of all or any part of housing and hotel projects, commercial premises and other related activities.

2 Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.1 Basis of preparation of financial statements

The consolidated financial statements of the Group have been prepared and presented on accrual basis of accounting and comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The consolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year, except for the change in accounting policy explained below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

2.2 Principles of consolidation

- In accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements", the financial statements of the parent company and the subsidiaries have been consolidated, on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealised profits in full. Unrealised losses resulting from intra-group transactions have also been eliminated in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the subsidiaries.
- The proportionate share of Group's interest in Joint Ventures is combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group transactions and resulting unrealised profits, to the extent it pertains to the Group as per Accounting Standard (AS) 27 - "Financial Reporting of Interest in Joint Ventures".
- The difference between the cost of investment to the holding company, in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be. The holding company's portion of equity in such entities is determined on the basis of the book values of assets and liabilities as per the financial statements of such entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant transactions, up to the date of investment.
- The Company accounts for its share of post acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Profit and Loss Statement, to the extent such change is attributable to the associates' Profit and Loss Statement and through its reserves for the balance based on available information.
- Minority interest in the net assets of consolidated subsidiaries consists of: (a) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and (b) the minorities' share of movements in equity since the date the parent subsidiary relationship came into existence.
- 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.
- The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

Notes to consolidated financial statements (Contd.)**2.3 Going concern**

These financial statements have been prepared on a going concern basis notwithstanding accumulated losses as at the balance sheet date and a negative net current assets situation. These financial statements therefore do not include any adjustments relating to recoverability and classification of asset amounts or to classification of liabilities that may be necessary if the Company is unable to continue as a going concern.

2.4 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of income and expenditure during the year reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

2.5 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue from operations is net of sales tax/ value added tax and net of adjustments on account of cancellation/ returns.

(a) Recognition of revenue from contractual projects

If the outcome of the contractual contract can be reliably measured, revenue associated with the construction contract is recognized by reference to the stage of completion of the contract activity at year end. (Percentage of Completion method)

(b) Recognition of revenue from property development:

For projects commenced and revenue recognition started before 1 April 2012

Revenue from real estate development is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards. In such cases, the revenue is recognised on percentage of completion method. Revenue is recognised in proportion that the contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. Land costs are not included for the purpose of computing the percentage of completion.

For projects commenced on or after 1 April 2012 and also to projects which have already commenced but where revenue is being recognised for the first time on or after 1 April 2012

Revenue from real estate development is recognised upon transfer of all significant risks and rewards of ownership of such real estate/property, as per the terms of contract entered into with the buyers, which generally coincides with the firming of the sales contracts/agreements. Where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards, revenue in such cases is recognised by applying the percentage of completion method only if the following thresholds have been met:

- a) all critical approval necessary for the commencement of the project has been obtained
- b) the stage of completion of the project has reached a reasonable level of development, i.e., 25% or more of the construction and development cost related to project has been incurred,
- c) atleast 25% of the saleable project area is secured by sales contracts/ agreements with buyers,
- d) atleast 10% of the revenue as per each sales contracts/ agreements with buyers are realized at the balance sheet date

When the outcome of a real estate project can be estimated reliably and the conditions above are satisfied project revenue and project costs associated with the real estate project are recognised as revenue and expenses by reference to the stage of completion of the project activity at the reporting date arrived at with reference to the entire project costs incurred (including land costs).

Notes to consolidated financial statements (Contd.)

Contract costs include the estimated cost of construction, development and other directly attributable costs of the projects under construction. In cases where the total project cost is estimated to exceed the total estimated revenue from a project, the loss is recognised immediately.

The estimates for saleable area and contract costs are reviewed by the management periodically and the cumulative effect of changes in these estimates are recognised in the period in which these changes may be reliably measured.

Unbilled Receivables & Billed Receivables in excess of revenue

Unbilled receivables represents revenue recognized based on Percentage of Completion Method over and above the amount due as per the payment plans agreed with the customers.

Billing in excess of revenue represents the amount due as per the payment plans agreed with the customers over and above the revenue recognized based on Percentage of Completion Method.

(c) Share in profits/(loss) from investments in Association of Person ('AOP')

The Company's share in profits from AOP where the Company is a member, is recognized on the basis of such AOP's audited accounts, as per terms of the agreement.

(d) Income from Sale of Land & Plots

Sale of Land and plots (including development rights) is recognized in the financial year in which the agreement to sell is executed. Where the Company has any remaining substantial obligations as per the agreements, revenue is recognized on the percentage of completion method of accounting.

(e) Interest income

Interest income is recognized using the time-proportion method, based on the amount outstanding and the rate applicable.

2.6 Investments

Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments". Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried 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, if any, is made to recognize a decline other than temporary in the value of the investments.

2.7 Fixed assets and depreciation*Tangible fixed assets*

Fixed assets are carried at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes freight, duties, taxes and other incidental expenses related to the acquisition or construction of the respective assets.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are expensed as incurred.

Depreciation

Depreciation on Tangible Fixed assets is provided on the useful life computed as per Schedule II of Companies Act 2013.

Pro-rata depreciation is provided on all fixed assets purchased or sold during the year.

Intangible Fixed Assets

Computer software is amortised using straight line method over a period of 5 years, which is estimated by the management to be the useful life of the asset.

Notes to consolidated financial statements (Contd.)**2.8 Employee benefits***Defined benefit plan*

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the profit and loss account. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Other long term benefit

Cost of long term benefits by way of accumulating compensated absences arising during the tenure of service is calculated taking into account the pattern of availment of leave. The present value of obligations towards availment under such long term benefit is determined based on actuarial valuation carried out by an independent actuary using Projected Unit Credit Method as at the year end. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the profit and loss account. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

Defined contribution plan

Contributions to the recognized provident fund and approved superannuation schemes, which are defined contribution schemes, are charged to the profit and loss account.

2.9 Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower.

For operating leases, lease payments (excluding cost for services, such as insurance and maintenance) are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term. The lease term is the non-cancellable period for which the lessee has agreed to take on lease the asset together with any further periods for which the lessee has the option to continue the lease of the asset, with or without further payment, which option at the inception of the lease it is reasonably certain that the lessee will exercise.

2.10 Earnings / (loss) per share

The basic earnings / (loss) per share is computed by dividing the net profit / (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

2.11 Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of a past obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow is remote, no provision or disclosure is made.

Notes to consolidated financial statements (Contd.)

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

2.12 Impairment of assets

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

2.13 Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets/ liabilities are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

The Company offsets, the current tax assets and liabilities (on a year on year basis), where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

2.14 Recognition and measurement of advances paid and received*Advances paid towards jointly developable properties*

These advances represent monies paid to land owners and intermediaries, where the company proposes to jointly develop the property. Subsequent to a definitive agreement and on actual commencement of development activity, the Company acquires a right in the underlying land at which point, such advances are transferred to capital work in progress. Advances towards joint development rights are valued at cost. On transfer to capital work in progress, measurement is on the basis of cost, less impairment, if any, determined with reference to the discounted values of future anticipated cash flows.

Advance against property

These advances represent several intended purchases of parcels of land, which are in various stages of the acquisition process, which is typically long drawn and requires several regulatory compliances. The Company considers the purchase as complete only when all compliances are complete and the ownership right to the land is unfettered. Such advances, depending on the stage of the land acquisition process, are measured with reference to the value of the underlying, at the lower of cost or net realisable value, having regard to the protracted underlying process.

2.15 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost includes all applicable costs incurred in bringing the properties to their present location and condition. The method of determination of cost for various categories of inventories is as follows:

Land

Land is valued at cost of acquisition. Cost includes acquisition cost and related development charges. Finished stocks of constructed properties are valued at their cost of construction / acquisition.

Notes to consolidated financial statements (Contd.)

Properties under development

Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Real estate work-in-progress is valued at lower of cost and net realizable value.

The net realisable value of work in progress is determined with reference to the selling prices of related constructed property. Raw materials and other supplies held for use in construction of property are not written below cost except in cases where material prices have declined and it is estimated that the cost of constructed property will exceed their net realisable value.

2.16 Land held under joint development arrangements

In case of joint development with the land owner on space sharing arrangement, land is initially recorded at the estimated cost of construction for the portion of the building to be transferred to the land owner on completion of construction. Changes in the estimate/actual cost of construction from the estimated cost are adjusted in the cost of land in the year of such change/occurrence.

2.17 Foreign exchange transactions

Foreign exchange transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange difference arising on foreign exchange transactions settled during the year are recognised in the profit and loss account for the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date; the resultant exchange differences are recognised in the profit and loss account.

2.18 Borrowing Cost

Borrowing cost attributable to the acquisition of qualifying assets (ie. The assets that necessarily takes substantial period of time to get ready for the intended use) are added to the cost upto the date when such assets are ready for their intended use. Other borrowing costs are recognized as expenses in the period in which these are incurred. Interest has been apportioned over various projects on the basis of loan amount utilize for each.

2.19 Segment reporting

The Company's operating businesses are organized and managed separately according to the nature of business and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs. General corporate income and expense items are not allocated to any business segment.

2.20 Cash flow statement

Cash flows are prepared using indirect method, whereby net profits/(losses) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals of accruals of past or future cash receipt or payments. The cash flows from regular operating, investing and financing activities of the Company are segregated.

2.21 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

Notes to consolidated financial statements (Contd.)**3. Share capital**

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Authorised		
150,000,000 (previous year: 150,000,000) equity shares of Rs 10 each	2,507,250,000	1,500,000,000
5,000,000 (previous year: 5,000,000) 9% Non Cumulative Redeemable Preference Shares of Rs 10 each	50,000,000	-
	2,557,250,000	1,500,000,000
Issued, subscribed and fully paid up		
145,832,100 (Previous year : 145,832,100) Equity shares of Rs.10 each	1,416,821,000	1,458,321,000
4,150,000 (Previous year : Nil) 9% Non Cumulative Redeemable Preference Shares of Rs.10 each	41,500,000	-
	1,458,321,000	1,458,321,000

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period is as given below :

Particulars	31 March 2015		31 March 2014	
	No of shares	Amount	No of shares	Amount
Number of equity shares at the beginning of the year	145,832,100	1,458,321,000	145,832,100	1,458,321,000
Add: Equity shares issued during the year	-	-	-	-
Number of equity shares outstanding at the end of the year	145,832,100	1,458,321,000	145,832,100	1,458,321,000

(b) Equity shareholders holding more than 5% of equity shares along with the number of equity shares held at the beginning and at the end of the year is as given below :

Name of the Shareholder	As at 31 March 2015		As at 31 March 2014	
	No of shares	% holding	No of shares	% holding
Equity shares of Rs.10 each fully paid				
Nitesh Shetty, Managing Director	42,973,685	29%	42,933,685	29%
Nitesh Industries Private Limited	15,472,634	11%	15,188,134	10%
Nomura India Investment Fund Mother Fund	12,971,738	9%	12,971,738	9%
HSBC Bank (Mauritius) Limited	10,723,667	7%	11,666,062	8%

(c) Rights, preferences and restrictions 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.

(d) There have been no buy back of shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the balance sheet.

Notes to consolidated financial statements (Contd.)**4. Reserves and surplus**

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Security premium		
Opening balance - Security Premium	3,125,854,554	3,125,854,554
Add: addition during the period	-	-
Closing balance	3,125,854,554	3,125,854,554
Debenture Redemption Reserve	-	41,611,111
Surplus in statement of profit and loss		
Opening balance	(1,364,181,918)	(1,375,065,785)
Add: profit/(loss) for the period	23,592,611	52,494,981
Less: Appropriations		
Reversal of Goodwill on sale of 10 % in NHDPL	5,051,000	-
Depreciation effect	5,558,854	-
Debentures Redemption Reserve	(41,611,111)	41,611,111
Share of loss in AOP	(3,627,434)	-
Closing balance	(1,305,960,615)	(1,364,181,915)
	1,819,893,939	1,803,283,750

5. Other long term liabilities

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Security Deposit	2,043,500	30,020,204
Sinking fund	8,297,252	-
Others	137,625,000	8,925,000
	147,965,752	38,945,204

6. Long-term borrowings

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
<i>Secured:</i>		
- from banks	-	382,843
- from financial institutions	758,811	1,253,321
- 350 (Previous year: Nil) Zero Coupon Compulsorily Convertible Debentures of Rs 1,000,000 each	350,000,000	350,000,000
	350,758,811	351,636,164

- a) Vehicle loan from a financial institution [amounting to: Rs 1,236,483 (previous year: Rs 1,680,163) - including amounts disclosed as current maturities of long term debts amounting to Rs 477,672, (previous year: Rs 426,842)].

Vehicle loans from banks are secured by hypothecation of vehicles.

Repayment terms

The loans are repayable in 60 equal monthly installments of Rs 49,588 per month,

Notes to consolidated financial statements (Contd.)**b) Terms of Zero Coupon Compulsorily Convertible Debentures**

The debentures shall be converted into equity shares of the subsidiary company on earlier of the following dates:

- Mandatory conversion date i.e. date falling 8 years after the issue of debentures on 20 June 2012;
- Optional conversion date i.e.
 - (a) dates falling 48 months from the issue date;
 - (b) at the investors' option, upon the occurrence of an event of default;
 - (c) if the project is completed and all sale proceeds have been realised prior to expiry of 48 months from the closing date and if both the parties mutually agree.

The debentures are entitled for conversion to equity shares in the ratio of 1:27,800 on the conversion date.

7. Long-term provisions**Rs.**

Particulars	As at	As at
	31 March 2015	31 March 2014
Provision for gratuity (refer note 30)	11,314,039	8,272,298
Compensated absences	18,564,742	6,974,191
	29,878,781	15,246,489

8. Short-term borrowings**Rs.**

Particulars	As at	As at
	31 March 2015	31 March 2014
Other short term borrowings		
<i>Secured:</i>		
- from banks	1,940,577,706	1,898,401,023
- from financial institutions	378,163,135	298,162,442
- 18.5 % Non convertible, redeemable debentures	1,250,000,000	560,000,000
Cash credit	253,108,826	249,766,678
<i>Unsecured:</i>		
- from a director	100,000	100,000
- from others	2,880,000	2,880,000
	3,824,829,667	3,009,310,143

Details of security and terms of loans and debentures :**i) Short-term loans from banks are secured by:****Bank term loan amounting to: Rs 75,000,000 (previous year: Rs 75,000,000)**

- i. Equitable mortgage of vacant land situated at Mulavukkad Village, Kanaynnur Taluk district registered with Kakanad Enterprises Private Limited, a Subsidiary Company.
- ii. Developers share of 13,621 sq ft of commercial area on an undivided basis in the Project Nitesh Ceasers Palace situated at Bangalore South Taluk registered with the Company.
- iii. Simple and registered mortgage of a flat in the project Nitesh Camp David situated at Pulakeshi Nagar registered with the Company.
- iv. Personal Guarantee of Mr. Nitesh Shetty.
- v. Guarantee of Subsidiary Company - Kakanad Enterprises Private Limited.

Repayment terms	Interest rate
The amount is repayable in 42 monthly installments beginning 18 months from the date of first disbursement	4.10% above base rate

Notes to consolidated financial statements (Contd.)**ii) Short-Term loans from financial institutions are secured by:****a) Term Loan amounting to: Rs Nil (previous year: Rs 210,000,000)**

- i. Mortgage of the project Nitesh Logos to the extent of the developers share of units admeasuring 29,695 sq.ft (i.e. 6 apartments) along with the undivided share in land.
- ii. Mortgage of the project Nitesh Key Biscayne to the extent of the developers share 12 acres of land of Nitesh Key Biscayne project situated at Chikkasane village, Kasaba Hobli, Devanahalli taluk, Bangalore District.
- iii. Personal Guarantee of Mr. Nitesh Shetty.

Repayment and interest terms

Repayment terms	Interest rate
The amount is repayable in 12 monthly installments of Rs. 30 million beginning from the 19th month	Interest rate is based on the Corporate Prime Lending Rate (CPLR) plus / minus the spread that will be applicable from time to time on each disbursement. The banker's CPLR as on date of sanction was 17.50% per annum and the applicable rate for the said financial facility was 14.75% per annum.

b) Term Loan amounting to: Rs 30,560,662 (previous year: Rs Nil)

- i. Mortgage of two unsold units in Nitesh Central Park and three unsold units in Nitesh Flushing Meadows.
- ii. All future receivables of the project Nitesh Flushing Meadows.
- iii. Personal guarantee of Mr. Nitesh Shetty.

Repayment and interest terms

Repayment terms	Interest rate
Bullet repayment at the end of 6 months from the date of disbursement	Floating Reference Rate (FRR) plus 0.50%

c) Term Loan amounting to: Rs Nil (previous year: Rs 88,162,442)

- i. Mortgage of the project Nitesh Flushing Meadows to the extent of developers share of 19 apartments.
- ii. Escrow of receivables of the project Nitesh Flushing Meadows.
- iii. Personal guarantee of Mr. Nitesh Shetty.

Repayment and interest terms

Repayment terms	Interest rate
The loan is repayable in 16 equal monthly installments starting from June 2013 and to be settled by August 2014	Floating Reference Rate (FRR) minus 2%

d) General purpose Working Capital Loan amounting to: Rs 347,602,473 (previous year: Rs Nil)

- i. First and exclusive charge by way of a mortgage by deposit of title deeds of Nitesh Park Avenue project and Hypothecation of future receivables of the project Nitesh Park Avenue.
- ii. First and exclusive charge by way of a mortgage by deposit of title deeds of Land situated at Kochin, Kakanad, registered in the name of the Company.

Repayment and interest terms

Repayment terms	Interest rate
The loan is repayable in 30 Equated Monthly Installment starting from March 15, 2015 to Aug 15, 2017	Rate of Interest for the facility is 16.25%

e) Term loan amounting to: Rs 1,137,096,456 (previous year: Rs 1,252,401,023)

- i. Mortgage of the following projects to the extent of unsold area;
 - Nitesh Hyde Park
 - Nitesh Columbus Square

Notes to consolidated financial statements (Contd.)

- Nitesh Napa Valley and
- Nitesh Fisher Island
- ii. Charge on all the future receivables from the booked, sold and to be sold apartments in the above projects.
- iii. Mortgage of Company's share in the Project 'Nitesh Key Biscayne'
- iv. Personal guarantee of Mr. Nitesh Shetty.

Repayment and interest terms

Repayment terms	Interest rate
The amount is repayable in 17 monthly installments beginning 19 months from the date of first disbursement.	Interest rate is based on the Corporate Prime Lending Rate (CPLR) plus / minus the spread that will be applicable from time to time on each disbursement. The banker's CPLR as on date of sanction was 17.75% per annum and the applicable rate for the said financial facility was 15.00% per annum.

f) Term loan amounting to: Rs 540,508,805 (previous year: Rs 350,000,000)

- i. Mortgage of the following projects to the extent of unsold area;
 - Nitesh Hyde Park
 - Nitesh Columbus Square
 - Nitesh Napa Valley and
 - Nitesh Fisher Island
- ii. Charge on all the future receivables from the booked, sold and to be sold apartments in the above projects.
- iii. Mortgage of Company's share in the Project 'Nitesh Key Biscayne' and 'Nitesh Melbourne Park'
- iv. Personal guarantee of Mr. Nitesh Shetty.

Repayment and interest terms

Repayment terms	Interest rate
The loan has to be repaid in 5 monthly installments beginning from the 33rd month from the date of disbursement.	Interest rate is based on the Corporate Prime Lending Rate (CPLR) plus / minus the spread that will be applicable from time to time on each disbursement. The banker's CPLR as on date of sanction was 18.50% per annum and the applicable rate for the said financial facility was 14.50% per annum.

g) Term loan amounting to: Rs 187,972,445 (previous year: Rs Nil)

- i. Mortgage of the following projects to the extent of unsold area;
 - Nitesh Hyde Park
 - Nitesh Columbus Square
 - Nitesh Napa Valley and
 - Nitesh Fisher Island
- ii. Charge on all the future receivables from the booked, sold and to be sold apartments in the above projects.
- iii. Mortgage of Company's share in the Project 'Nitesh Key Biscayne' and 'Nitesh Melbourne Park'
- iv. Personal guarantee of Mr. Nitesh Shetty.

Repayment and interest terms

Repayment terms	Interest rate
Each Tranche of the loan has to be repaid in 12 equal monthly installments after first 6 months of moratorium from end of 1st month from the date of first disbursement of each tranche.	Interest rate is based on the Corporate Prime Lending Rate (CPLR) plus / minus the spread that will be applicable from time to time on each disbursement. The banker's CPLR as on date of sanction was 18.50% per annum and the applicable rate for the said financial facility was 14.50% per annum.

h) Bank term loan amounting to: Rs Nil (previous year: Rs 216,000,000)

- i. Equitable Mortgage of the Company's share of property situated at Varthur Hobli, Bangalore admeasuring 190,633 Sqft along with the proposed building thereon. (The Company is entitled for a share of 62% on available floor area ratio of the normal built up area plus 92% of additional built up area, if any, in the form of undivided share, right, title and interest in the proposed building thereon)
- ii. Hypothecation of receivables of the project 'Nitesh Cape Cod'

Notes to consolidated financial statements (Contd.)

- iii. Corporate guarantee of Nitesh Estates Limited
- iv. Personal guarantee of Mr. Nitesh Shetty.

Repayment and interest terms

Repayment terms	Interest rate
The loan is repayable in 12 equal monthly installments starting April 2014	4% above base rate

i) Bank term loan amounting to: Rs Nil (previous year: Rs 5,000,000)

- i) Term deposits held by the subsidiary company

Repayment and interest terms

Repayment terms	Interest rate
Repayable on demand	11.50%

(iii) Debentures**a) 18.5% Non-Convertible, Redeemable debentures from financial institution amounting to Rs.Nil (previous year: 560,000,000) are secured by:**

- i. First and exclusive charge by way of a mortgage by deposit of title deeds over the Hunter Valley Property, Caesar's Palace Property, Long Island Mortgage Property, Nitesh Park Avenue.
- ii. Escrow account in respect of the receivables from the projects Nitesh Hunter Valley, Nitesh Caesar's Palace, Nitesh Long Island Project, Nitesh Park Avenue.
- iii. First and exclusive charge by way of hypothecation on the receivables in the projects Nitesh Hunter Valley, Nitesh Caesar's Palace, Nitesh Long Island and Nitesh Park Avenue.
- iv. Guarantee in favour of the Debenture Trustee.
- v. Creation of a fixed deposit for an amount equivalent to Rs. 9,250,000 required for maintaining the minimum debt service amount of one months interest with a lien marked in favour of the Debenture Trustee and Security Cheques in respect of the entire value of the Debentures.

Repayment and interest terms

Repayment terms	Interest rate
The amount is repayable in 13 unequal quarterly installments starting from February 2014 and to be settled by February 2017	18.5% per annum

b) 18.5% Non-Convertible, Redeemable debentures from financial institution amounting to Rs.1,250,000,000 (previous year: Nil) are secured by:

- i. First and exclusive charge by way of a mortgage by deposit of title deeds over the Caesar's Palace, Logos, Long Island, British Columbia, Virgin Island & Chelsea.
- ii. Escrow account in respect of the receivables from the projects Caesar's Palace, Logos, Long Island, British Columbia, Virgin Island & Chelsea.
- iii. First and exclusive charge by way of hypothecation on the receivables in the projects Caesar's Palace, Logos, Long Island, British Columbia, Virgin Island & Chelsea. .
- iv. Personal Guarantee of Mr.Nitesh Shetty in favour of the Debenture Trustee.

Repayment and interest terms

Repayment terms	Interest rate
The amount is repayable in 21 equal monthly installments starting from July 15, 2016 to March 15, 2018	18.5% per annum

(iv) Cash credit from banks are secured by :**a) Cash credit amounting to: Rs 101,440,306 (previous year: Rs 99,949,218)**

- i. Lien on refundable deposits paid to land owners and which are not hypothecated to any Banks/ Institutions in respect of projects which are under pipeline and for which approvals have not yet been received.
- ii. Hypothecation of Receivables/ other current assets.
- iii. Personal Guarantee of Mr. Nitesh Shetty.

Notes to consolidated financial statements (Contd.)**Repayment and interest terms**

Repayment terms	Interest rate
Cash credit facility drawn on 23 July 2012 for a period of 12 months , extended for a period of 12 months from 28 December 2013	Base rate plus 3%

b) Cash credit amounting to: Rs 151,668,521 (previous year: Rs 149,817,460)

- Exclusive charge on the Property admeasuring 21,000 Sq ft situated at Sampangi Ramaswamy Temple Road registered with Courtyard Constructions Private Limited.
- Personal Guarantee of Mr. Nitesh Shetty.
- Corporate Guarantee of a Joint Venture with Courtyard Construction Private Limited (50% shareholding by Nitesh Urban Development Private Limited).

Repayment and interest terms

Repayment terms	Interest rate
Cash credit facility drawn on 25 October 2013 for a period of 12 months	Base rate plus 7%

9. Trade payables**Rs.**

Particulars	As at	As at
	31 March 2015	31 March 2014
- Dues to micro and small enterprises (refer note 32)	-	-
- Dues to other creditors	1,582,877,788	1,374,045,249
	1,582,877,788	1,374,045,249

10. Other current liabilities**Rs.**

Particulars	As at	As at
	31 March 2015	31 March 2014
Current maturities of long-term debt	477,672	1,141,572
Advance received from related parties	16,509,382	8,008,336
Advance received from customers for sale of properties	1,641,189,159	1,861,641,916
Payable to land owners	465,569,174	-
Billings in excess of revenue	324,866,015	964,487,428
Consideration under joint development agreement towards purchase of land*	99,821,663	1,369,659,187
Accrued salaries and benefits	5,216,585	23,917,072
Interest payable	93,349	10,717
Security Deposit	10,000	10,000
Other payables	57,370,965	-
- for expenses	6,985,314	7,127,412
- withholding and other taxes and duties payable	153,697,825	41002209
	2,771,807,102	4,277,005,849

- The Group has entered into a joint development agreement with the land owner whereby the Group, at its cost, will construct apartments/buildings on the land owned by the land owner, and the portion of building constructed will be exchanged for ownership in the land. Such portion of land to be acquired by the Group as per joint development agreement is initially recorded at the estimated cost of construction for the portion of the building to be transferred to the land owner on completion of construction. Changes in the estimate/ actual cost of construction from the originally estimated cost are adjusted in the cost of land in the year of such change/ occurrence.

11. Short-term provisions**Rs.**

Particulars	As at	As at
	31 March 2015	31 March 2014
Provision for gratuity (refer note 30)	966,139	667,131
Provision for compensated absences	8,690,462	13,904,871
Provision for income tax (net of Advance Tax and TDS Receivable)	109,206,681	80,293,616
	118,863,282	94,865,618

Notes to consolidated financial statements (Contd.)

12. Fixed assets	Gross block				Depreciation			Net block		Rs
	As at 1 April 2014	Additions during the period	Deletions during the period	As at 31 March 2015	As at 1 April 2014	Charge for the period	Deletions during the period	As at 31 March 2015	As at 31 March 2014	
Tangible assets										
Lease hold improvements	16,379,381	-	-	16,379,381	10,030,391	1,602,754	-	11,633,145	4,746,236	6,348,990
Office equipments	13,390,469	170,055	-	13,560,524	5,971,561	1,436,845	-	7,408,406	6,152,118	7,418,908
Computer equipments	22,112,639	156,140	-	22,268,779	18,568,740	1,101,002	-	19,669,742	2,599,037	3,543,899
Furniture and fixtures	10,227,068	24,915	-	10,251,983	5,993,963	746,791	-	6,740,754	3,511,229	4,233,105
Vehicles	23,055,572	3,813,694	3,348,015	23,374,251	15,902,893	1,814,257	2,709,114	15,008,036	8,366,215	7,152,679
	85,165,129	4,164,804	3,348,015	85,834,918	56,467,548	6,701,648	2,709,114	60,460,082	25,374,836	28,697,581
Intangible assets										
Computer software	47,201,431	1,089,298	-	48,142,380	27,732,737	6,259,765	-	33,992,502	14,149,878	19,468,694
Assets fully charged	47,201,431	1,089,298	-	48,142,380	27,732,737	6,259,765	-	33,992,502	14,149,878	19,468,694
				5,558,854					5,558,854	
Total	132,366,560	5,254,102	3,348,015	128,418,444	84,200,285	12,961,413	2,709,114	94,452,584	33,965,861	48,166,275
Previous year	128,856,823	2,125,922	-	130,982,745	66,023,404	15,833,744	-	81,857,148	49,125,597	

Notes to consolidated financial statements (Contd.)

13. Non-current investments	Rs.	
Particulars	As at 31 March 2015	As at 31 March 2014
At cost less provision for other than temporary diminution		
Trade investments		
Unquoted		
Associates		
Nitesh Residency Hotels Private Limited	1,121,483,739	1,472,405,790
Investments in Association of Persons (AOP)		
Nitesh Estates -Whitefield (refer note ii below)	-	(220,203,450)
Others		
<i>Investment in Government and trust securities (unquoted)</i>		
National Savings Certificate	57,200	57,200
	1,121,540,939	1,252,259,540
<hr/>		
14. Deferred tax assets (net)	Rs.	
Particulars	As at 31 March 2015	As at 31 March 2014
Deferred tax liability		
Excess of depreciation allowable under the income tax laws over depreciation provided for in the books	-	(2,984,236)
	-	(2,984,236)
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis	9,114,968	3,252,066
On account of timing differences in recognition of expenses	550,599	-
Effect of tax losses	-	15,312
	9,665,567	3,267,378.00
	9,665,567	283,142

Notes to consolidated financial statements (Contd.)

15. Long-term loans and advances		Rs.	
Particulars	As at 31 March 2015	As at 31 March 2014	
<i>Unsecured, considered good</i>			
Capital advances	1,000,000	1,000,000	
Security deposits	1,205,729,782	27,847,365	
Advance paid to related parties			
- for purchase of land	-	1,055,000,000	
- towards jointly developable properties	-	2,469,719,470	
- application money for allotment of optionally convertible redeemable debentures	-	31,300,000	
Other loans and advances			
- Advance against property	2,125,976,687	-	
- Advance tax, net of provision for tax	979,309	62,005,582	
- Others	11,894,798	-	
	3,345,580,576	3,646,872,417	
16. Other non current assets			
Particulars	As at 31 March 2015	As at 31 March 2014	Rs.
Fixed deposit accounts with banks (refer note below)	-	9,250,000	
Margin money deposits	-	-	
Land at cost	26,572,085	-	
Advance towards participation in real estate development project	3,321,900	-	
Minimum alternate tax credit entitlement	7,000,000	7,000,000	
	36,893,985	16,250,000	
17. Inventories			
Particulars	As at 31 March 2015	As at 31 March 2014	Rs.
Land	394,579,478	2,227,000,391	
Land held under joint development arrangements	791,408,666	-	
Properties under development	1,259,610,355	1,214,614,117	
	2,445,598,499	3,441,614,508	
18. Trade receivables			
Particulars	As at 31 March 2015	As at 31 March 2014	Rs.
<i>Unsecured, considered good</i>			
Debts due for a period exceeding Nine months			
- considered good	40,623	31,467,145	
- considered doubtful	-	-	
	40,623	31,467,145	
Other debts			
- considered good	535,904,707	499,847,821	
- considered doubtful	750,000	2,528,831	
	536,654,707	502,376,652	
Less: provision for doubtful debts	750,000	2,528,831	
	535,945,331	531,314,966	

Notes to consolidated financial statements (Contd.)

19. Cash and bank balances		Rs.	
Particulars	As at 31 March 2015	As at 31 March 2014	
Cash and cash equivalents			
Cash on hand	1,841,751	17,437,769	
Balances with banks			
- in current accounts	45,078,661	54,859,287	
- in fixed deposit accounts with banks	75,000	60,568,359	
Other bank balances			
-in fixed deposits with bank	232,500,000	144,974,349	
-in escrow accounts with banks	192,208	86,057,773	
	279,687,620	363,897,537	
20. Short-term loans and advances		Rs.	
Particulars	As at 31 March 2015	As at 31 March 2014	
Unsecured, considered good			
Security deposits	465,350	3,737,265	
Advance paid for purchase of properties	462,722,385	579,378,048	
Advances paid towards jointly developable properties	1,163,124,503	196,516,273	
Advance paid to related parties			
- loans and advances to subsidiaries and other related entities	10,888,903	100,598,594	
Advance for construction of inventory	168,109,633	193,590,179	
Advances for supply of goods and rendering of services	657,736,706	31,804,626	
Balances with government authorities	173,797,030	29,185,963	
Prepaid advances for advertisement expense	-	82,073,811	
Prepaid expenses	35,928,645	17,829,075	
Interest accrued	9,161,649	-	
Other advances	702,652	953,217,991	
	2,682,637,456	2,187,931,825	
21. Other current assets		Rs.	
Particulars	As at 31 March 2015	As at 31 March 2014	
Interest accrued but not due	-	1,011,043	
Unbilled revenue	867,755,039	347,040,251	
- Advance tax, net of provision for tax	13,737,450	-	
	881,492,488	348,051,294	
22. Revenue from operations		Rs.	
Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014	
Income from property development	2,643,804,808	2,636,261,607	
Income from contractual activities	169,169,748	290,306,673	
Building Maintenance income	61,752,562	49,117,378	
Other operating income	1,241,261	-	
	2,875,968,379	2,975,685,658	

Notes to consolidated financial statements (Contd.)

23. Other Income	Rs.	
Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Interest		
- from banks	20,433,975	6,703,114
- from others	122,555	-
Dividend from mutual funds	1,002,663	6,764
Provision no longer required	8,384,799	15,571,722
Share of profit from investment in AOP	(3,627,434)	-
Miscellaneous income	3,512,371	11,628,975
	29,828,929	33,910,575
	29,828,929	33,910,575
24. Employee benefits	Rs.	
Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Salaries and wages	178,644,109	136,703,989
Directors remuneration	33,801,475	32,993,720
Contribution to provident and other funds	5,619,576	3,837,393
Staff welfare	3,723,572	2,963,703
	221,788,732	176,498,805
	221,788,732	176,498,805
25. Finance costs	Rs.	
Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Interest and other charges		
- On bank loan	270,754,932	191,146,702
- On debentures	-	93,270,768
- Others	180,869	9,001,884
Processing fees and other bank charges	13,245,909	3,747,769
	284,181,710	297,167,123
	284,181,710	297,167,123
26. Other expenses	Rs.	
Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Power and fuel	10,684,162	9,160,909
Rent	30,498,082	28,135,895
Repairs and maintenance - others	16,577,463	13,004,037
Office maintenance expenses	4,826,120	3,703,058
Insurance charges	3,674,974	3,934,451
Rates and taxes	14,917,430	944,971
Professional and consultancy charges	38,006,162	43,961,965
Payment to Auditors	4,051,178	-
Advertising and sales promotion	101,092,503	200,937,499
Travelling and conveyance	19,618,475	13,619,542
Lease rent - vehicles	1,670,000	2,220,543
Provision for doubtful debts	-	1,778,831
Communication expenses	3,714,230	8,291,003
Printing, postage and stationery	1,621,619	-
Director Sitting fees	2,180,000	800,000
Housekeeping Charges	972,071	-
Hire Charges	2,274,888	-
Sales office expense	1,336,396	-
Security Charges	1,879,177	-
Bank charges	7,776,254	-
Interest and other charges	2,241,118	-
Foreign exchange loss (net)	38,802	179,791
Miscellaneous expenses	10,962,414	13,341,155
	280,613,519	344,013,650
	280,613,519	344,013,650

Notes to consolidated financial statements (Contd.)

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Contingent liabilities		
Claims against the company not acknowledged as debts in respect of		
- Income-tax	99,414,236	18,040,389
- Service tax	31,156,450	31,156,450
- Karnataka Value Added Tax	-	-
Commitments		
Estimated amount of contracts remaining to be executed on projects (net of advances) and not provided for	1,898,308,616	4,481,110,134

Notes :

- a. During the previous year, Nitesh Urban Developments Private Limited, a Subsidiary Company, issued compulsorily convertible debentures to an investor amounting to Rs 350,000,000. Pursuant to this, the Company and the investor have entered into a share sale right agreement whereby the investor has a right (but not obligation) to sell all the debentures to the Company on or after the end of 48 months from the closing date and the Company will be obliged to purchase these debentures at Rs 787,500,000 if such option is exercised by the investor.
- b. The Group has entered into various joint development agreements wherein, on completion of all obligations of the land owner and possession of land to the Group, the Group is required to construct and develop the entire property and hand over an agreed proportion of the built up area to the land owner as a consideration for the undivided share in land transferred to the Group.
- c. **Commitment towards purchase of equity shares of a subsidiary company**
The Company has provided a put option to the investor of Nitesh Housing Developers Private Limited (subsidiary company) whereby the investor has the right to sell the shares held in the subsidiary company at a price which will yield a post-tax internal rate of return of 26% p.a. on their cost of investment, either to the principal promoter (Mr. Nitesh Shetty) or the Company in the following events:
- In the event where the investor exercises the right to sell, the Principal Promoter shall have the obligation to purchase and/ or buy-back the share put securities at the share put price, on a spot delivery basis.
 - However, in the event where the Principal Promoter does not perform his obligation and/ or paying the amount to the investor of the Subsidiary Company, the Company shall have the obligation to perform and/ or pay to the investor the amounts payable by the Principal Promoter as if it were the primary obligor.

Particulars	Rs.	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Contract revenue recognized as revenue for the year	2,812,974,556	2,926,568,280
Aggregate amount of contract costs incurred and recognized profits (less recognized losses) up to the reporting date for all the contracts in progress	4,087,629,798	5,109,017,370
The amount of customer advances outstanding for contracts in progress as at the reporting date	1,625,100,100	1,861,641,916
The amount of retention due from customers for contracts in progress as at the reporting date	-	-

Notes to consolidated financial statements (Contd.)**29. Earnings / (Loss) per share**

The following table sets forth the computation of basic and diluted earnings per share:

(Figures in rupees except number of shares)

Particulars	For the year ended	For the year ended
	31 March 2015	31 March 2014
Net profit / (loss) for the year attributable to equity shareholders	23,592,611	52,494,981
Weighted average number of equity shares (face value of Rs 10 each) considered for calculation of basic earnings per share	145,832,100	145,832,100
Earnings / (Loss) per share, basic and diluted	0.16	0.36

The Company has no potentially dilutive equity shares.

30. Employee benefits

The following table sets out the status of the unfunded gratuity plan as required under revised AS 15 'Employee benefits'

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Obligations at beginning of the year	13,008,438	11,260,042
Service cost	3,210,005	3,278,898
Interest on defined benefit obligation	1,348,349	1,102,812
Benefits settled	(716,361)	(1,007,441)
Actuarial (gain) / loss	(1,444,358)	(1,620,343)
Liabilities settled on divestiture	-	(5,530)
Obligations at year end	15,406,073	13,008,438

Change in plan assets

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Plan assets at the beginning of the year, at fair value	3,845,447	-
Expected return on plan assets (estimated)	463,569	-
Actuarial gain / (loss)	(352,349)	200,431
Contributions	207,002	4,876,019
Benefits settled	(716,361)	(1,007,441)
Plan assets at year end, at fair value	3,447,308	4,069,009

Reconciliation of present value of the obligation and the fair value of the plan assets:

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Closing obligations	(15,308,848)	(13,008,438)
Closing fair value of plan assets	3,447,308	4,069,009
Asset / (liability) recognised in the balance sheet	(11,861,540)	(8,939,429)

Gratuity cost for the year

Particulars	For the year ended	For the year ended
	31 March 2015	31 March 2014
Service cost	3,210,005	3,278,898
Interest cost	1,348,349	1,102,812
Expected return on plan assets	(353,298)	-
Actuarial (gain)/loss	(1,222,688)	(1,820,774)
Past service cost	-	-
Net gratuity cost	2,982,368	2,560,936

Notes to consolidated financial statements (Contd.)**Assumptions**

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Discount rate	9.10%	9.10%
Estimated rate of return on plan assets	8.00%	8.00%
Salary increase	6.00%	6.00%
Attrition rate		
- 21-44 years	2.00%	2.00%
- 45-60 years	1.00%	1.00%
Retirement age	60 years	60 years

The estimate of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Information of plan assets, defined benefit obligation and experience adjustments:

Particulars	As at and for the year ended 31 March				
	2011	2012	2013	2014	2015
Present value of the defined benefit obligations	4,622,036	7,642,718	11,260,042	13,008,438	15,308,848
Fair value of plan assets	-	-	-	4,069,009	3,447,308
Surplus/ (Deficit)	(4,622,036)	(7,642,718)	(11,260,042)	(8,939,429)	(11,861,540)
Experience adjustment on plan assets	-	-	-	200,431	(352,349)
Experience adjustment on plan liabilities	(197,656)	(2,967,790)	(959,115)	(574,480)	675,311

31. Related parties**(i) The details of subsidiaries, joint ventures and associate companies consolidated in these financial statements are:**

Name of Company	Country of incorporation	Equity holding
Subsidiaries		
Nitesh Indiranagar Retail Private Limited	India	100%
Nitesh Housing Developers Private Limited	India	89.90%
Nitesh Urban Development Private Limited	India	100%
Kakanad Enterprises Private Limited	India	100%
Nitesh Property Management Private Limited	India	100%
Joint Venture		
Nitesh Estates – Whitefield [Association of Persons]	India	Refer Note below
Courtyard Construction Private Limited	India	50%
Associate		
Nitesh Residency Hotels Private Limited	India	22.22%

(ii) Related parties with whom transactions have taken place during the year

Associate company	Nitesh Residency Hotels Private Limited
Enterprises owned or significantly influenced by Key Managerial Person	Nisco Ventures Private Limited Southern Hills Developers Private Limited (formerly Nitesh Estates Projects Private Limited) Serve & Volley Signages Private Limited

Notes to consolidated financial statements (Contd.)

	Nitesh Infrastructure and Construction Nitesh Industries Private Limited Serve & Volley Outdoor Advertising Private Limited Grass Outdoor Media Private Limited Avni Financial & Real Estate Private Limited Birch Investment Private Limited HMG Estate & Housing Limited Khubchandani Interbuild Private Limited Pushrock Environment Private Limited
Joint venture	Nitesh Estates – Whitefield Courtyard Constructions Private Limited
Joint venturers	D. N. Budhrani H. N. Budhrani Khubchandani Joji Reddy Showrie Reddy
Key management personnel	Nitesh Shetty [Chairman and Managing Director] L.S.Vaidyanathan [Executive Director] Ashwini Kumar [Executive Director and Chief Operating Officer]

(iii) Related party transactions**Rs.**

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
<i>Loans and advances received/ (repaid)</i>		
Southern Hills Developers Private Limited	-	16,637
Joji Reddy and Showrie Reddy	-	93,284,300
<i>Share in Profit to Joint Venturer</i>		
Showrie Reddy	(6,348,009)	3,600,723
Joji Reddy	(5,138,864)	2,914,871
<i>Advances received from customers</i>		
Pushrock Environment Private Limited (Formerly known as Nitstone Environment Private Limited)	76,280,000	3,400,000
<i>Share Application money given/ (refunded)</i>		
Nitesh Residency Hotels Private Limited (refer note below)	198,720,000	570,400,000
<i>Allotment of shares out of share application money - in equity shares</i>		
Nitesh Residency Hotels Private Limited (refer note below)	230,020,000	671,600,000
<i>Provision for doubtful debts provided / (reversed) during the year</i>		
Nitesh Shetty	-	(741,879)
Nitesh Infrastructure and Construction	-	(1,317,370)
<i>Managerial remuneration</i>		
Nitesh Shetty	13,101,475	12,293,720
L.S.Vaidyanathan	11,700,000	11,700,000
Ashwini Kumar	9,000,000	9,000,000

Notes to consolidated financial statements (Contd.)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Advertising and sales promotion expenses		
Serve & Volley Outdoor Advertising Private Limited	6,515,000	7,471,667
Rent paid		
Nitesh Infrastructure and Construction	21,038,384	7,916,364
Nitesh Property Management Private Limited	915,397	723,036
Nitesh Industries Private Limited	4,800,000	4,600,000
Nitesh Residency Hotels Private Limited	3,708,966	1,128,348
Other expenses:		
Nitesh Infrastructure and Construction	1,416,505	1,443,421
Nitesh Property Management Private Limited	467,997	-
Income from contractual activities		
Nitesh Residency Hotels Private Limited	60,215,830	149,459,065
Nitesh Estates – Whitefield	140,199,843	124,133,309
Maintenance charges received from		
Nitesh Shetty	1,035,536	1,005,909
Nitesh Infrastructure and Constructions	284,540	879,958

(iv) Amount outstanding as at the balance sheet date

Particulars	As at 31 March 2015	As at 31 March 2014
Trade receivables		
Nitesh Estates – Whitefield	114,298,970	125,178,103
Nitesh Residency Hotels Private Limited	37,689,952	77,868,253
Nitesh Infrastructure and Constructions	5,283,394	5,531,926
Nitesh Shetty	519,824	134,222
Unsecured loan		
Nitesh Shetty	100,000	100,000
Loans and advances to subsidiaries and other related entities		
Southern Hills Developers Private Limited	4,120,672	4,120,672
Joji Reddy and Showrie Reddy	115,649,759	115,649,759
Nisco Ventures Private Limited	10,762,955	10,762,955
Avni Financial & Real Estate Private Limited	18,925,000	18,925,000
Birch Investment Private Limited	1,880,000	1,880,000
HMG Estate & Housing Limited	87,240	87,240
Khubchandani Interbuild Private Limited	1,100,000	1,100,000
Security Deposits		
Nitesh Infrastructure and Construction	17,690,475	17,690,475
Trade payables		
Nitesh Infrastructure and Construction	1,831,747	1,099,665
Serve & Volley Outdoor Advertising Private Limited	3,474,102	1,530,612
Grass Outdoor Media Private Limited	-	2,765,040
Nitesh Residency Hotels Private Limited	2,213,776	1,128,347

Notes to consolidated financial statements (Contd.)

Particulars	As at	
	31 March 2015	31 March 2014
Nitesh Property Management Private Limited	117,073	199,485
Trade Advances		
Nitesh Infrastructure and Construction	4,680,000	-
Courtyard Constructions Private Limited	25,000,000	-
Advance from customers		
Nitesh Residency Hotels Private Limited	40,000,000	40,000,000
Nitesh Shetty	274,597,694	274,597,694
Nitesh Property Management Private Limited	-	2,648,239
Pushrock Environment Private Limited (Formerly known as Nitstone Environment Private Limited)	79,680,000	3,400,000
Share application money pending allotment		
Nitesh Residency Hotels Private Limited	-	31,300,000

Notes :

- a) The Company has invested a sum of Rs. 1,627,425,790 (Previous year: Rs.1,472,405,790) towards 129,935,579 (Previous year: 117,340,579) Class A equity shares of Nitesh Residency Hotels Private Limited ('NRHPL'). The aforesaid investment has certain transfer restrictions (including consent of another investor) under the Shareholders' Agreement entered into with the other investors in NRHPL. As part of the loan arrangement entered into by NRHPL for funding the hotel project, the Company has provided an undertaking to lenders not to divest its shares in NRHPL. The aforesaid Class A shares have similar voting rights to the Class B shares held by another investor but have different dividend rights in terms of the shareholders agreement. Effective 30 October 2009, NRHPL became an associate of the Company.
32. The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). The Group has no dues to Micro and Small Enterprises as at 31 March 2015 and 31 March 2014 in the financial statements based on information received and available with the Company.
33. The Group primarily operates only in three business segments - Residential, Retail and Hospitality. All the operations are carried out in India and hence there is no geographical segment.

Accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments.

Assets, liabilities, revenues and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group, therefore, believes that it is not practicable to provide segment disclosures relating to such items, and accordingly such items are separately disclosed as unallocated.

Primary segment information:

Particulars	Rs.	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Segment revenue		
Residential	2,875,968,379	2,975,685,658
Retail	-	-
Hospitality	-	-
Total	2,875,968,379	2,975,685,658
Less : Inter segment revenue	-	-

Notes to consolidated financial statements (Contd.)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Net income from operations	2,875,968,379	2,975,685,658
Segment results		
Profit / (loss) before tax and interest		
Residential	674,786,465	578,675,091
Retail	(30,826,984)	(21,878,445)
Hospitality	(285,738,601)	-
Total	358,220,880	556,796,646
Add : Other income	29,828,929	33,910,575
Less : Interest	(284,181,710)	(297,167,123)
Profit/ (loss) before exceptional item and tax	103,868,099	293,540,098
Less: Exceptional item	-	-
Profit / (Loss) before tax and minority interest	103,868,099	293,540,098
Less: Tax expense	(80,275,488)	(58,051,016)
Profit / (loss) for the year after tax	23,592,611	235,489,082

Particulars	As at 31 March 2015	As at 31 March 2014
Carrying value of segment assets		
Residential	8,985,387,175	9,733,290,173
Retail	1,944,130,316	1,653,900,980
Hospitality	1,196,483,738	1,252,202,340
Less : Unallocated items and intra-group eliminations	(20,805,107)	(216,734,027)
	12,105,196,122	12,422,659,466

Segment liabilities		
Residential	8,832,581,638	9,103,018,017
Retail	157,269,640	402,338,989
Hospitality	-	-
Less : Unallocated items and intra-group eliminations	(162,870,095)	(344,302,290)
	8,826,981,183	9,161,054,716

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Depreciation		
Residential	-	-
Retail	-	-
Hospitality	-	-
Corporate – unallocated	13,256,762	17,137,507
	13,256,762	17,137,507
Capital expenditure		
Residential	-	-
Retail	-	-
Hospitality	-	-
Corporate – unallocated	-	3,509,737
	-	3,509,737

Notes to consolidated financial statements (Contd.)

34. The Company has taken on lease office facilities, vehicles and other facilities under cancellable operating lease agreements. The Company intends to renew such leases in the normal course of its business. Total expense under operating leases amounted to Rs 15,806,158 (previous year: Rs 2,859,690).

The Company has operating lease with the landowner towards relocation expenses. Rental expenses for such operating leases recognized in the financial statements for the year are Rs 1,033,350 (previous year Rs. 6,134,900).

The Company has taken certain office facilities on operating leases on non cancelable basis. The total minimum lease payments under the non cancellable operating leases as under:

Particulars	Rs.	
	As at 31 March 2015	As at 31 March 2014
Not later than one year	-	1,070,700
Later than one year not later than 5 years	2,699,346	554,700

35. Unsecured advance includes advance aggregating to Rs. 157,000,000 to a party for facilitating acquisition of land from number of land owners for the purpose of construction of project and joint development. This involves negotiation with multiple agencies under different authorities and statutes and as such the specific time limit has been set for 7 years for the completion of transfer of title and conveyancing.

36. Previous years' figures have been regrouped/ reclassified wherever necessary to conform to current year's presentation.

for **Ray & Ray**
Chartered Accountants
Firm registration number: 301072E

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

Mrinal Kanti Bandyopadhyay
Partner
Membership No.: 051472

Nitesh Shetty
Managing Director

L.S. Vaidyanathan
Executive Director

Ashwini Kumar
Executive Director

D. Srinivasan
Company Secretary

Venkateshan M. A.
Chief Financial Officer

Place: Bangalore
Date: 28 May 2015

Place: Bangalore
Date: 28 May 2015

Notes to consolidated financial statements (Contd.)

Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises				
Consolidated as Subsidiary / Associates / Joint Ventures				
Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (Rs. In lacs)	As % of consolidated profit or loss	Amount (Rs. In lacs)
1	2	3	4	5
Parent				
Nitesh Estates Limited	(7.74%)	(2537)	857.44%	2023
Subsidiaries				
Indian				
1 Nitesh Indiranagar Retail Private Limited	54.51%	17869	(130.66%)	(308)
2 Nitesh Housing Developers Private Limited	9.84%	3226	476.35%	1123
3 Nitesh Property Management Private Limited	0.23%	76	20.34%	48
4 Nitesh Urban Development Private Limited	5.34%	1749	47.52%	112
5 Kakanad Enterprises Private Limited	0.00%	(1)	(0.42%)	(1)
Minority interests in all the subsidiaries				
Nitesh Housing Developers Private Limited	1.11%	362	53.00%	126
Associates				
(Investment as per the equity method)	—	—	—	—
Joint Ventures				
(as per proportionate consolidation /investment as per equity method)				
Indian				
1 Nitesh Estates - whitefiled	2.55%	835	(12.13%)	(29)
2 Courtyard Construction Private Limited	(0.04%)	(12)	(0.30%)	(1)
Total	65.79%	21567	1311.14%	3093
Add:				
Investment in Associates:				
Nitesh Residency Hotels Privated Limited	34.21%	11215	(1211.14%)	(2857)
Grand Total	100.00%	32782	100.00%	236

for **Ray & Ray**

Chartered Accountants

Firm registration number: 301072E

For and on behalf of the Board of Directors of

Nitesh Estates Limited**Mrinal Kanti Bandyopadhyay**

Partner

Membership No. : 051472

Nitesh Shetty

Managing Director

L.S. Vaidyanathan

Executive Director

Ashwini Kumar

Executive Director

D. Srinivasan

Company Secretary

Venkateshan M. A.

Chief Financial Officer

Place: Bangalore

Date: 28 May 2015

Place: Bangalore

Date: 28 May 2015

Annexure
FORM NO. AOC.1
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Part "A": Subsidiaries

(Information in respect of each subsidiary presented with amounts in Rs.)														
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
SI. No.	Name of the subsidiary	1	2	3	4	5	6	7	8	9	10	11	12	13
		Nitesh Housing Developers Pvt. Ltd.	Nitesh Urban Development Pvt. Ltd.	Nitesh Indiranagar Retail Pvt. Ltd.	Nitesh Property Management Pvt. Ltd.	Kakanad Enterprises Pvt. Ltd.								
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA								NA
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA	NA	NA								NA
5	Share capital	91,500,000	65,820,000	699,100,000	3,000,000	500,000								
6	Reserves & surplus	267,341,866	109,095,226	1,087,760,676	4,620,172	(571,355)								
7	Total assets	3,851,281,409	1,309,764,594	1,944,130,316	46,159,029	26,546,345								
8	Total Liabilities	3,851,281,409	1,309,764,594	1,944,130,316	46,159,029	26,546,345								
9	Investments	-	80,200,000	-	-	-								
10	Turnover	1,308,099,478	249,316,545	-	62,993,823	-								
11	Profit before taxation	153,153,531	13,529,622	(30,826,984)	7,030,553	(98,248)								
12	Provision for taxation	28,266,329	2,317,645	-	2,232,543	-								
13	Profit after taxation	124,887,202	11,211,977	(30,826,984)	4,798,010	(98,248)								
14	Proposed Dividend	-	-	-	-	-								
15	% of shareholding	89.90	100	100	100	100								

1 Names of subsidiaries which are yet to commence operations.:

Kakanad Enterprises Pvt. Ltd.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures				
	Name of Associates/Joint Ventures	Nitesh Estates- Whitefield	Courtyard Constructions Pvt. Ltd.	Nitesh Residency Hotels Pvt. Ltd.
	1. Latest audited Balance Sheet Date	31.03.2015	31.03.2015	31.03.2015
	2. Shares of Associate/Joint Ventures held by the company on the year end			
	No.		5,490	129,935,579
	Amount of Investment in Associates/Joint Venture	111,375,745	80,200,000	1,702,425,790
	Extend of Holding %	24.00	50.00	22.22
	3. Description of how there is significant influence	24% of stakeholding	50% of stakeholding	22.22% of stakeholding
	4. Reason why the associate/joint venture is not consolidated	NA	NA	NA
	5. Networth attributable to Shareholding as per latest audited Balance Sheet	83,469,915	(1,163,417)	-
	6. Profit / Loss for the year			
	i. Considered in Consolidation	(3,627,434)	(71,955)	(285,738,601)
	ii. Not Considered in Consolidation	-	-	-

- 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
Nitesh Estates Limited

Nitesh Shetty
Managing Director

L.S. Vaidyanathan
Executive Director

Ashwini Kumar
Executive Director

D. Srinivasan
Company Secretary

Venkateshan M. A.
Chief Financial Officer

Place: Bangalore
Date: 28 May 2015

Nitesh Estates Limited

CIN : L07010KA2004PLC033412

Regd. Office: Level 7, Nitesh Timesquare, # 8, M. G. Road, Bangalore-560 001, India

Ph. +91-80-4017 4000 Fax: +91-80-2555 0825,

Website: www.niteshestates.com, e-mail : investor@niteshestates.com

ATTENDANCE SLIP

Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the **11th Annual General Meeting** of the Company held on Monday the 28th Sept. 2015 at 2.00 P. M. at **“Dr. B. R. Ambedkar Memorial Trust” (Ambedkar Bhavana), Miller’s Road, Vasanthnagar, Bangalore – 560 052.**



Full name of the Member (in block letters)

Signature

Folio No •

DP ID No.* Client ID No.*

No. of Shares:

*Applicable for member holding shares in electronic form

Full name of the Proxy (in block letters)

Signature

PROXY FORM - MGT-11

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

Name of the Company: NITESH ESTATES LIMITED (CIN No. L07010KA2004PLC033412)

Registered Office : 'NITESH TIME SQUARE', 7th Floor, No. 8, M.G. Road, Bangalore 560001.

Name of the Member (s) : _____

Registered address: _____

E-mail Id: _____ DP ID No.* _____ Client ID No.* _____

I / We, being the member(s) of _____ Equity Shares of Nitesh Estates Limited hereby appoint

1. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her

2. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her

3. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 11th Annual General Meeting of the Company, to be held on **Monday, September 28, 2015 at 2.00 p.m. at "Dr. B. R. Ambedkar Memorial Trust" (Ambedkar Bhavana), Miller's Road, Vasanthnagar, Bangalore – 560 052** and at any adjournment thereof, in respect of such resolutions set out in the Notice convening the meeting as are indicated below:



List of Resolutions :

Resolution No.	Resolution	Vote (Optional) (please refer Note No. 3)		
		For/ Assent	Against/ Descent	Abstain
ORDINARY BUSINESS - ORDINARY RESOLUTION				
1.	option of Audited Financial Statements of the Company for the Financial Year ended 31st March 2015 together with the Directors' Report and Auditors' Report thereon.			
2.	Appointment of a Director in place of Mr. Sudhakar Rao who retires by rotation and being eligible, offers himself for reappointment			
3.	To ratify the appointment of M/s. Ray & Ray, Chartered Accountants, as the Statutory Auditors of the Company for the FY 2015-16 and to authorize the Board to fix their remuneration.			
SPECIAL BUSINESS - ORDINARY RESOLUTION				
4.	Appointment of Mrs. Dipali Khanna, as Director of the Company			

Affix Re. 1
Revenue
Stamp

Signed this _____ day of _____, 2015

Signature of Shareholder (s)

Signature of Proxy Holder (s)

Note:

- (1) **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 commencement of the Meeting.**
- (2) **For detailed resolutions and explanatory statements please refer to the notice of 11th Annual General Meeting of the Company.**
- (3) **It is optional to indicate your preference, if you leave the 'For / Assent', 'Against / Descent' or 'Abstain' column blank against any or all resolutions, your Proxy will be at the option to vote in the manner as he/she may deem appropriate.**

*** Applicable for member holding shares in electronic form.**





Nitesh Estates Limited

CIN: L07010KA2004PLC033412

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CAUTIONARY STATEMENT: Statements in this Annual report describing the company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the company's operations include a downtrend in the real estate sector, significant changes in political and economic environment in India or key financial markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs.