

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Nitesh Property Management Private Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Nitesh Property Management Private Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 of the Ind AS financial statements 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 Ind AS financial statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position of the Company as at March 31, 2018 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matter

1. The comparative financial information of the Company for the year ended March 31, 2017 and the transition date of opening balance sheet as at April 1, 2016 included in Ind AS financial statements, are based on the previously



issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006, audited by us and predecessor auditor and on which we and predecessor auditor expressed an unmodified opinions in the reports for the year ended March 31, 2017 and March 31, 2016 dated May 25, 2017 and May 25, 2016 respectively, as adjusted for the differences in accounting principles adopted by the Company on transition to the Ind AS which have been audited by us.

2. We draw attention to Note 28 in the Ind AS financial statements, which indicates that the Company has accumulated losses and its net worth has been fully eroded as at March 31, 2018, leading to a material uncertainty about the Company's ability to continue as a "going concern". However, the financial statements of the Company have been prepared on a "going concern" basis for the reasons stated in the said note.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

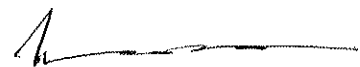
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the



directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**" and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For **RAY & RAY**
Chartered Accountants
Firm's Registration No. 301072E



Mrinal Kanti Banerjee
Partner
Membership No. 051472



Place: Bangalore
Date: May 30, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure A referred to in our report to the members of **NITESH PROPERTY MANAGEMENT PRIVATE LIMITED** under the heading '**Report on Other Legal and Regulatory Requirements**' of our report at even date.

We report that:

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
- b) According to the information and explanation given to us, some of the fixed assets have been physically verified by the Management during the year in a phased program and no material discrepancies were noticed on such verification. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and the nature of its assets.
- c) According to the information and explanation given to us no immovable properties are held in the name of the company.
- ii. The Company does not have any Inventory as on 31.03.2018
- iii. According to the information and explanation given to us, the Company has granted unsecured loans to companies, firms, or other parties as listed in the register maintained under section 189 of the Companies Act, 2013 (Refer to Note 23 to the financial statements). In our opinion and according to the information and explanations given to us, the terms and conditions of the loans are not prejudicial to the Company's interest.
- iv. According to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans and investments made.
- v. The Company has not accepted any deposits during the year and so the directives issued by the Reserve Bank of India and the provisions



of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 are not applicable.

- vi. To the best of our knowledge and according to the information and explanation given to us, the Central Government has not prescribed for the maintenance of the cost records under section 148(1) of the Companies Act, 2013 in respect of the products of the Company.
- vii. (a) According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Employees State Insurance, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Cess, Custom Duty, Goods and Services Tax (GST) and other statutory dues applicable to it.

There are no undisputed amounts payables in respect of provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities except TDS and Service tax of Rs. 189 thousands and Rs. 1211 thousands as at 31st March, 2018 respectively for a period more than six months from the date they became due. Income tax of Rs. 768 thousands relating to earlier year is payable as on March 31, 2018.

- (b) According to the information and explanations given to us, there are no disputed statutory dues which have not been deposited by the company as on March 31, 2018 except as mentioned in note number 27.
- viii. According to the information and explanations given to us, the company has not borrowed any amount from financial institution, bank, Government. The Company has not issued any debentures.
- ix. The company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.
- x. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year. Accordingly, the provisions of clause 3(x) of the said order are not applicable.



- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the applicable to the company.
- xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us by the management all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provision of clause 3(xiv) of the Order is not applicable.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provision of clause 3(xv) of the Order is not applicable.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provision of clause 3(xvi) of the Order is not applicable.

For **RAY & RAY**
Chartered Accountants
Firm's Registration No. 301072E



Mrinal Kanti Banerjee
Partner
Membership No. 051472

Place: Bangalore
Date: May 30, 2018

‘Annexure B’ to the Independent Auditors’ Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **NITESH PROPERTY MANAGEMENT PRIVATE LIMITED** (“the Company”) as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls.

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating



effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company generally has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls



over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India .

For **RAY & RAY**
Chartered Accountants
Firm's Registration No. 301072E



Place: Bangalore
Date: May 30, 2018

Mrinal Kanti Banerjee
Partner
Membership No. 051472

Nitesh Property Management Private Limited

Balance sheet as at March 31, 2018

(All amounts in Indian Rupees Thousands, except as otherwise stated)

	Notes	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Assets				
(1) Non-current assets				
(a) Property, Plant and Equipment	4	276	315	-
(b) Deferred tax assets (net)	8	707	707	726
		983	1,022	726
(2) Current assets				
(a) Financial assets				
(i) Trade receivables	5	32,413	43,997	29,286
(ii) Cash and cash equivalents	9 a	2,370	1,550	5,307
(iii) Bank balance other than cash and cash equivalents	9 b	-	1,800	-
(iv) Loans	6	728	728	428
(b) Other current assets	7	45,633	47,163	46,923
		81,144	95,238	81,947
Total assets		82,127	96,260	82,673
Equity and Liabilities				
Equity				
Equity share capital	10	3,000	3,000	3,900
Other equity	11	(61,374)	(30,239)	(6,154)
Total equity		(58,374)	(27,239)	(3,154)
Liabilities				
(1) Non-current liabilities				
(a) Provisions	12	1,252	1,355	1,910
(b) Other non-current liabilities	15	-	54,338	44,737
		1,252	55,693	46,647
(2) Current liabilities				
(a) Financial liabilities				
(i) Trade payables	14	49,328	37,212	11,542
(b) Other current liabilities	15	89,051	28,887	25,395
(c) Provisions	12	236	960	431
(d) Current Tax Liability (Net)	13	634	747	1,612
		1,39,249	67,806	39,180
Total liabilities		1,40,501	1,23,499	85,827
Total equity and liabilities		82,127	96,260	82,673

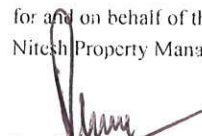
As per our report of even date attached
for Ray & Ray
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Firm registration number: 301072E

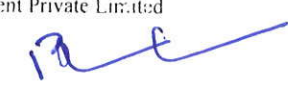

Mrinal Kanti Banerjee
Partner
Membership No. 051472

Bangalore
30th May 2018



for and on behalf of the Board of Directors of
Nitesh Property Management Private Limited


Pradeep Narayan
Director
DIN: 01605717


P C Ashok
Director
DIN: 05127304



Nitesh Property Management Private Limited
Statement of profit and loss for the year ended March 31, 2018
(All amounts in Indian Rupees Thousands, except as otherwise stated)

	Notes	31-Mar-18	31-Mar-17
Revenue from operations			
Other income	16	18,163	69,626
Total income	17	8	64
		18,171	69,690
Expenses			
Subcontracting Charges			
Employee benefits expense	18	29,344	56,083
Depreciation and amortization	19	9,004	20,129
Other expenses	20	249	278
Total expenses	21	10,998	17,266
		49,595	93,756
Profit/ (Loss) before tax		(31,424)	(24,066)
Tax expenses			
Current tax			
Deferred tax charge/ (credit)	22	-	19
Income tax expense		-	19
Profit/ (Loss) for the year		(31,424)	(24,085)
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plan	25	289	-
Income tax effect			
Other comprehensive income for the year, net of tax		289	-
Total comprehensive income for the year		(31,135)	(24,085)
Earnings/ (Loss) per equity share [nominal value of ₹ 10 (Previous year - ₹ 10)]			
Basic		-104.74	-80.28
Diluted		-104.74	-80.28

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



Mrinal Kanti Banerjee
Partner
Membership No. 051472

Bangalore
30th May 2018



for and on behalf of the Board of Directors of
Nitesh Property Management Private Limited


Pradeep Narayan
Director
DIN: 01605717


P C Ashok
Director
DIN: 05127304



Nitesh Property Management Private Limited
Statement of Changes in Equity for the year ended March 31, 2018
(All amounts in Indian Rupees Thousands, except as otherwise stated)
a. Equity share capital

	No of Shares	Amount in
Equity shares of ₹ 10 each issued, subscribed and fully paid		
At April 1, 2016		
At March 31, 2017	3,00,000	3,000
At March 31, 2018	3,00,000	3,000
	3,00,000	3,000

b. Other equity
For the year ended March 31, 2018

	Reserve & Surplus	Total
As at April 1, 2016		
Profit for the period	(6,154)	(6,154)
Other comprehensive income (Note 25) *	(24,085)	(24,085)
Total comprehensive income		
Less : Transferred during the year	(30,239)	(30,239)
Transfer from retained earnings		
At March 31, 2017	(30,239)	(30,239)
As at April 1, 2017		
Profit for the period	(30,239)	(30,239)
Other comprehensive income (Note 25) *	(31,424)	(31,424)
Total comprehensive income	289	289
At March 31, 2018	(61,374)	(61,374)
	(61,374)	(61,374)

* As required under Ind AS compliant Schedule III, the Company has recognised remeasurement gains/(losses) of defined benefit plans (net of tax) as part of retained earnings.

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



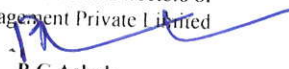
Mrinal Kanti Banerjee
Partner
Membership No. 051472

Bangalore
30th May 2018



for and on behalf of the Board of Directors of
Nitesh Property Management Private Limited


Pradeep Narayan
Director
DIN: 01605717


P C Ashok
Director
DIN: 05127304



Nitesh Property Management Private Limited
Statement of Cash Flows for the year ended March 31, 2018
(All amounts in Indian Rupees Thousands, except as otherwise stated)

Notes	31-Mar-18	31-Mar-17
Operating activities		
Profit/ (Loss) before tax	(31,424)	(24,066)
<i>Non-cash adjustment to reconcile profit before tax to net cash flows</i>		
<i>Adjustments to reconcile profit before tax to net cash flows</i>		
Depreciation of property, plant and equipment	249	278
<i>Working capital adjustments</i>		
(Increase)/ decrease in trade receivables	11,586	(14,707)
(Increase)/ decrease in other financial and non-financial assets	1,530	(540)
Increase/ (decrease) in trade payables and other financial liabilities	(42,222)	35,270
Increase/ (decrease) in provisions	(652)	(891)
Increase/ (decrease) in other non-financial liabilities	60,164	3,292
Income tax paid (net of refund)	(769)	(1,364)
Net cash flows from/ (used in) operating activities (A)	(769)	(1,364)
Investing activities		
Purchase of property, plant and equipment (including capital work-in-progress and capital advances)	(211)	(593)
(Investments in)/ redemption of bank deposits (having original maturity of more than three months) - net	1,800	(1,800)
Net cash flows from/ (used in) investing activities (B)	1,589	(2,393)
Financing activities		
Net cash flows from/ (used in) financing activities (C)	-	-
Net increase/ (decrease) in cash and cash equivalents	820	(3,757)
Cash and cash equivalents at the beginning of the year	9 a 1,550	5,307
Cash and cash equivalents at the end of the year	9 a 2,370	1,550
Components of cash and cash equivalents		
Cash on hand		
Balance with banks	105	191
- on current account		
Total cash and cash equivalents	2,265	1,359
	2,370	1,550

- (a) The above cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7- Statement of Cash Flow".
(b) Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (Rs Nil)

Reconciliation of liabilities arising from financing activities

Particulars	As at 1st April, 2017	Changes as per statement of cash flows	As at 31st March, 2018
Current borrowings	-	-	-
Non-Current borrowings	-	-	-
Total Liabilities from Financing Activity	-	-	-

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



Mrinal Kanti Banerjee
Partner
Membership No. 051472



Bangalore
20th May 2018

for and on behalf of the Board of Directors of
Nitesh Property Management Private Limited


Pradeep Narayan
Director
DIN: 01605717



P C Ashok
Director
DIN 05127304



1 Corporate Information

Nitesh Property Management Private Limited (the Company or 'NPMPL') was incorporated on December 03, 2010. The Company has become a wholly owned subsidiary of Nitesh Estates Limited ('NEL', or 'the holding company') with effect from February 3, 2011. The Company is engaged in business of the property management. The registered office of the company is located at Level 7, Nitesh Timesquare, #8, M.G Road, Banaglore-560001.
The Ind AS financial statements were authorised for issue in accordance with a resolution of the directors on May 30, 2018.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to note 35 for information on how the Company adopted Ind AS.

The financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are presented in INR and all values are rounded to the nearest Thousands, except when otherwise indicated.

2.2 Summary of significant accounting policies

a) Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and that revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue does not include sales tax/ value added tax (VAT)/ goods and service tax (GST) as the same is not received by the Company on its own account, rather, it is tax collected on the value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

i. Property Management Fees

Property Management fees has been accounted on accrual basis based on the agreements entered with the tenants.

ii. Interest income

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method. Interest on delayed payment by customers are accounted when reasonable certainty of collection is established.

iii. Dividend income

Revenue is recognised when the shareholders' or unit holders' right to receive payment is established which is generally when shareholders approve the dividend.

b) Property, plant and equipment

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., April 1 2016.

Property, plant & equipment 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.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

c) Depreciation on property, plant and equipment



Depreciation on Property, plant and equipment is provided on "Written Down Value Method" based on useful life as prescribed under Schedule II of Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Intangibles

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible 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.

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its intangible assets as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., April 1, 2016.

e) Investment Property

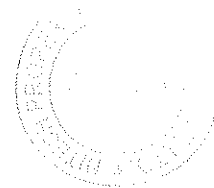
Ind AS 101 permits a first-time adopter to measure an item investment property and investment property under construction at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for non-current construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.



f) **Segment reporting**

Identification of segments - The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Unallocated items - Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment.

Segment accounting policies - The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

g) **Foreign currency translation**

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions and balances

i) **Initial recognition:** Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) **Conversion:** Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii) **Exchange difference:** The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

h) **Impairment of non financial assets**

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i) **Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.



i) **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current

A liability is current when

- It is expected to be settled in normal operating cycle
 - It is held primarily for the purpose of trading
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The real estate development projects undertaken by the Company generally run over a period ranging upto

5 years. Operating assets and liabilities relating to such projects are classified as current based on an operating cycle of upto 5 years. Borrowings in connection with such projects are classified as short-term (i.e. current) since they are payable over the term of the respective projects.

Assets and liabilities, other than those discussed above, are classified as current to the extent they are expected to be realised, are contractually repayable within 12 months from the Balance sheet date and as non-current, in other cases.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

k) **Fair value measurement**

The Company measures financial instruments, such as investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
 - ▶ In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

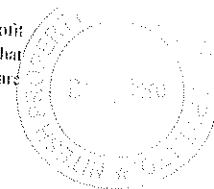
l) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.



Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- ▶ The rights to receive cash flows from the asset have expired, or
- ▶ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below.

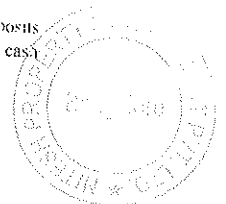
- m) **Financial liabilities at fair value through profit or loss**
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.
- n) **Borrowings**
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest method amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.
- o) **Borrowing costs**
Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs not eligible for inventorisation/ capitalisation are charged to statement of profit and loss.
- p) **Trade and other payables**
These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

q) **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 deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal usage.



r) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the provident fund are due. There are no other obligations other than the contribution payable to the government administered provident fund.

Provision towards gratuity, a defined benefit plan, is made for the difference between actuarial valuation by an independent actuary and the fund balance, as at the year-end. The cost of providing benefits under gratuity is determined on the basis of actuarial valuation using the projected unit credit method at each year end.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period for which the services are rendered by the employee.

s) **Provisions**

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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.

t) **Contingent liabilities**

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

u) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

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

v) **Taxes**

Tax expense comprises of current and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred income tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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



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

Minimum Alternative Tax (MAT) may become payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular corporate tax payable in subsequent years, as per the provisions of Income Tax Act. MAT paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

w) Land

Advances paid by the Company to the seller/ intermediary toward outright purchase of land is recognised as land advance under loans and advances during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories.

Land/ development rights received under joint development arrangements is measured at the fair value of the estimated construction service rendered to the land owner and the same is accounted on launch of the project. Further, non-refundable deposit amount paid by the Company under joint development arrangements is recognised as land advance under other assets and on the launch of the project, the non-refundable amount is transferred as land cost to work-in-progress. Further, the amount of refundable deposit paid by the Company under JDA is recognised as deposits under loans.

x) Leases

Where the Company is lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased asset, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are recognized as finance costs in the statement of profit and loss.

A leased asset is depreciated on a straight-line basis over the lower of the lease term or the estimated useful life of the asset unless there is reasonable certainty that the Company will obtain ownership, wherein such assets are depreciated over the estimated useful life of the asset.

Leases where the lessee effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as

Where the Company is lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

y) Inventories

Direct expenditure relating to real estate activity is accounted to inventories. Other expenditure (including borrowing costs) during construction period are accounted to inventories to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity.

i) Work-in-progress: Represents cost incurred in respect of unsold area (including land) of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.

ii) Finished goods - Stock of Flats: Valued at lower of cost and net realizable value.

iii) Raw materials, components and stores: Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis.

iv) Land stock: Valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.



3 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

i) 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.

ii) Classification of property

The Company determines whether a property is classified as investment property or inventory as below.

Investment property comprises land and buildings (principally office and retail properties) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

Inventory comprises property that is held for sale in the ordinary course of business. Principally, this is residential and commercial property that the Company develops and intends to sell before or during the course of construction or upon completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and market risk. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

ii) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.



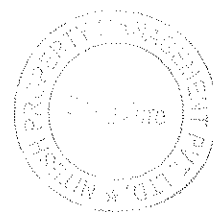
Nitesh Property Management Private Limited
Notes to the financial statements for the year ended March 31, 2018
(All amounts in Indian Rupees Thousands, except as otherwise stated)

4 Property, plant and equipment

	Office Equipment	Computer	Total
Deemed Cost *			
At 1 April 2016	-	-	-
Additions	-	-	-
Disposals	95	498	593
At 31 March 2017	-	-	-
Additions	95	498	593
Disposals	211	-	211
At 31 March 2018	306	498	804
Depreciation and impairment			
At 1 April 2016	-	-	-
Charge for the year	-	-	-
Disposals	30	248	278
Other adjustments	-	-	-
At 31 March 2017	30	248	278
Charge for the year	88	162	250
Disposals	-	-	-
Other adjustments	-	-	-
At 31 March 2018	118	410	528
Net Book value			
At 31 March 2018	188	88	276
At 31 March 2017	65	250	315
At 1 April 2016	-	-	-

Note:

* For property, plant and equipment existing as on the date of transition to Ind AS, i.e., April 1, 2016, the Company has used Indian GAAP carrying value as deemed costs.



Nitesh Property Management Private Limited
Notes to the financial statements for the year ended March 31, 2018
(All amounts in Indian Rupees, Thousands, except as otherwise stated)

5 Trade receivables

	Current			Non-current		
	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16
(a) Unsecured, considered good						
Trade Receivables						
- from related parties	1,870	1,151	557			
- from others	30,543	42,846	28,732			
(b) Unsecured, considered doubtful						
Trade Receivables	634	634	634			
Less: provision for doubtful debts	634	634	634			
Total Trade receivables	32,413	43,997	29,289			

6 Loans (Unsecured, considered good unless otherwise stated)

	Current			Non-current		
	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16
Security deposit						
Unsecured, considered good						
Security deposit - Others	728	728	428			
	728	728	428			

7 Other assets

	Current			Non-current		
	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16
Others						
Advances to related parties*	33,445	41,511	37,363			
Vendor advances	9,890	1,854	685			
Advances for supply of goods and rendering of services	41					
Balances with government authorities	2,253	3,794	8,875			
Interest accrued	4	4				
	45,633	47,163	46,923			

* The Company has granted unsecured loans and advances to related parties in the ordinary course of business towards furtherance of the business objectives of the Company. The interest charged on such loans and advances, wherever applicable, is not prejudicial to the interests of the Company.

8 Deferred tax asset(net)

	Current			Non-current		
	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16
Net deferred tax asset						
				707	707	726
				707	707	726

9 a Cash and cash equivalent

	Current			Non-current		
	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16
Balances with banks:						
- On current accounts	2,265	1,359	5,245			
Cash on hand	105	191	62			
	2,370	1,550	5,307			

9 b Bank balances other than cash and cash equivalent

	Current			Non-current		
	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16
Other bank balances						
- Deposits with maturity for more than 12 months		1,800				
		1,800				



Nitesh Property Management Private Limited
Notes to the financial statements for the year ended March 31, 2018
(All amounts in Indian Rupees Thousands, except as otherwise stated)

10 Equity Share Capital

	31-Mar-18 ₹	31-Mar-17 ₹	01-Apr-16 ₹
Authorised shares 500,000 (As at March 31, 2017 - 5,00,000, 2016- 5,00,000) Equity Shares Rs 10/- each			
Issued, subscribed and fully paid-up shares 300,000 (As at March 31, 2017 - 3,00,000, 2016- 3,00,000) Equity Shares Rs 10/- each	5,000	5,000	5,000
Total issued, subscribed and fully paid-up share capital	3,000	3,000	3,000
(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year	3,000	3,000	3,000

	31-Mar-18		31-Mar-17		01-Apr-16	
	No of Shares	₹	No of Shares	₹	No of Shares	₹
Equity shares						
At the beginning of the year						
Issued during the year	3,00,000	3,000	3,00,000	3,000	3,00,000	3,000
Bought back during the year	-	-	-	-	-	-
Outstanding at the end of the year	3,00,000	3,000	3,00,000	3,000	3,00,000	3,000

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 each. Each holder of equity shares is entitled to one vote per share. During the year ended March 31 2018, 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Nitesh Estates Limited 299,999 (Previous year - 2017- 299,999, 2016- 299,999) equity shares of ₹ 10 each fully paid up *	2,99,999	2,99,999	2,99,999

(d) Details of shareholders holding more than 5% shares in the Company

	31-Mar-18		31-Mar-17		01-Apr-16	
	No of Shares	Holding percentage	No of Shares	Holding percentage	No of Shares	Holding percentage
Equity shares of ₹ 10 each fully paid up Nitesh Estates Limited	2,99,999	99.99%	2,99,999	99.99%	2,99,999	99.99%

e) 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

* As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

11 Other equity

Retained earnings

RESERVES AND SURPLUS

	31-Mar-18 ₹	31-Mar-17 ₹	01-Apr-16 ₹
Retained Earnings	(61,374)	(30,239)	(6,154)
Retained Earnings Balance as per last financial statements	(61,374)	(30,239)	(6,154)
Profit/ (loss) for the year		(30,239)	(6,154)
Other comprehensive income		(31,424)	(24,085)
Total		289	-
Total other equity	(61,374)	(30,239)	(6,154)



Nitesh Property Management Private Limited
Notes to the financial statements for the year ended March 31, 2018
(All amounts in Indian Rupees Thousands, except as otherwise stated)

12 Provisions

	Current			Non-current		
	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16
Provision for employee benefits						
Provision for gratuity (refer note no 25)	113	421	-	833	860	1,049
Provision for leave benefits	123	539	431	419	495	861
	236	960	431	1,252	1,355	1,910

13 Current Tax Liability (Net)

	Current			Non-current		
	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16
Provision for income tax (net of Advance Tax and TDS Receivable)	634	747	1,612	-	-	-
	634	747	1,612			

14 Trade payables

	Current			Non-current		
	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16
Trade payables						
(a) Total outstanding dues of micro enterprises and small enterprises (refer note 29 for details of dues to micro and small enterprises)	-	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	49,328	37,212	11,542	-	-	-
	49,328	37,212	11,542			

15 Other liabilities

	Current			Non-current		
	31-Mar-18	31-Mar-17	01-Apr-16	31-Mar-18	31-Mar-17	01-Apr-16
Sinking Fund*	-	-	-	-	54,338	44,737
Advance from customers	84,211	20,477	15,930	-	-	-
Other statutory dues	2,145	6,653	8,559	-	-	-
Sundry Creditor - Employees	-	-	229	-	-	-
Other Liabilities	2,695	1,757	877	-	-	-
	89,051	28,887	25,595		54,338	44,737

* The company does not have any earmarked investment made against sinking fund



16 Revenue from operations

	31-Mar-18	31-Mar-17
Revenue from operations		
Building Maintenance income	18,163	69,626
	<u>18,163</u>	<u>69,626</u>

17 Other income

	31-Mar-18	31-Mar-17
Miscellaneous	8	64
	<u>8</u>	<u>64</u>

18 Subcontracting Charges

	31-Mar-18	31-Mar-17
Security Charges	9,921	25,743
Housekeeping expenses	2,237	6,439
Building maintenance expenses	7,853	18,215
Repairs & maintenance	9,333	5,686
	<u>29,344</u>	<u>56,083</u>

19 Employee benefits expense

	31-Mar-18	31-Mar-17
Salaries, wages and bonus	8,579	19,231
Contribution to provident and other fund	351	689
Staff welfare expenses	74	209
	<u>9,004</u>	<u>20,129</u>

20 Depreciation and amortization expense

	31-Mar-18	31-Mar-17
Depreciation of property, plant and equipment	249	278
	<u>249</u>	<u>278</u>

21 Other expenses

	31-Mar-18	31-Mar-17
Payments to auditors - Refer (i) note below		
Power and fuel	158	220
Lease rent-vehicles	8,350	13,378
Rates and taxes	50	100
Repairs and maintenance	1,155	438
Travelling and conveyance	93	635
Communication expenses	229	741
Printing and stationery	212	409
Professional and consultancy charges	32	156
Miscellaneous expenses	508	976
	<u>211</u>	<u>213</u>
	<u>10,998</u>	<u>17,266</u>

Note (i) - Payment to auditor

	31-Mar-18	31-Mar-17
As auditor		
Statutory Audit fee	75	125
Limited Review Fee	75	85
Reimbursement of Expenses	8	10
	<u>158</u>	<u>220</u>

(ii) Details of CSR expenditure:

The company has not provided for any Corporate Social Responsibility expenses, due to the absence of sufficient cash profits

22 Income tax

No income tax has been charged or provided for during the financial year, hence no reconciliation has been made.

Deferred tax

Reconciliation of deferred tax liabilities (net):

	31-Mar-18	31-Mar-17
Opening balance		
Deferred tax credit/(charge) during the year recognised in profit and loss	(707)	(726)
Deferred tax credit/(charge) during the year recognised in OCI		19
Closing balance	<u>(707)</u>	<u>(707)</u>



23 Related Party Disclosure

a List of related parties

in accordance with the requirements of Indian Accounting Standards (Ind AS)- 24 'Related Party Disclosure' the names of the related party where control exists - enable to exercise significant influence along with the aggregate transactions and year end balance with them in the ordinary course of business and on arms' length basis are given below

Key Management Personnel of the company and close member of Key Management Personnel of the company

Pradeep Narayan (Director)
 P C Ashok (Director)
 Ganapathy Joshi (upto September 7, 2016)
 Anantha Sreevivaasa Sharma (upto October 27, 2017)

Holding Company
 Nitesh Estates Limited

Fellow Subsidiaries
 Nitesh Indiranagar Retail Private Limited
 Nitesh Housing Developers Private Limited
 Nitesh Urban Development Private Limited
 Nitesh Office Parks Private Limited (Formerly Kakanad Enterprises Private Limited)
 Courtyard Constructions Private Limited
 Nitesh Pune Mall Private Limited

Associates of Holding Company
 Nitesh Estates - Whitefield

Enterprises in which Key Management Personnel and close member of Key Management Personnel have Joint Control or Significant Influence with whom transactions have taken place during the year

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
 Push rock Environment Private Limited

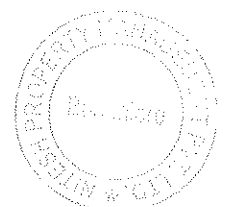
Enterprises which are post employment benefit plan for the benefit of employees
 Nitesh Property Management Private Limited Employees' Gratuity Fund Trust

b. Related party transactions

Particulars	31-Mar-18	31-Mar-17
Maintenance charges received		
Nitesh Estates Limited		
Nitesh Shetty	(7,435)	1,161
Nitesh Infrastructure & construction	108	460
Nitesh Urban development Private Ltd.	(158)	1,248
Nitesh Housing Development Private Limited	155	495
	199	438
Gratuity Refund		
Nitesh Property Management Private Limited Employees' Gratuity Fund Trust	191	58

c. Amount outstanding at the balance sheet date

Particulars	31-Mar-18	31-Mar-17	1-Apr-16
Loans and advances received/ (repaid)			
Nitesh Estates Ltd	(4,899)	2,968	-
Nitesh Housing Developers Private Limited	(10)	189	627
Nitesh Estates - Whitefield	38,355	38,355	36,736
Trade Receivables			
Nitesh Infrastructure & construction	415	528	433
Nitesh Shetty	131	23	35
Nitesh Urban development Private Ltd	1,324	600	89



The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Carrying amount	Amortised Amount	Carrying amount	Amortised Amount	Carrying amount	Amortised Amount
Financial assets						
<i>Measured at cost, amortised cost</i>						
Security deposits	-	728	-	728	-	428
Trade Receivables	-	32,413	-	43,997	-	29,289
Cash and Cash Equivalents	-	2,370	-	1,550	-	5,307
Bank balance other than cash and cash equivalents	-	-	-	1,800	-	-
		35,511		48,075		35,024
Financial liabilities						
<i>Measured at amortised cost</i>						
Trade payables	-	49,328	-	37,212	-	11,542
		49,328		37,212		11,542

Notes:

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

Financial assets and liabilities measured at fair value

At each reporting date, the company does not have any financial asset/ liability which is measured at fair value

Valuation Technique used to determine fair value.

Not Applicable

Fair Value of financial assets and liabilities measured at amortized cost

The carrying value of all assets and liabilities measured at amortized cost is representative of their respective fair values



Notes to the financial statements for the year ended March 31, 2018
 An abstract is being prepared by the company, except as otherwise stated.

25. Gratuity and other post-employment benefit plans

Particulars	Current		Non-current	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
Defined Benefit Plan				
Gratuity - Funded	211	221	835	807
Leave Encashment	214	339	212	195
	425	560	1,047	1,002

a) Gratuity - Funded

The Company operates defined gratuity plan for its employees. Under the plan, every employee who has completed at least five years of service gets a gratuity on departure of 15 days of last drawn salary. The maximum period of year of service is limited with an insurance company in the form of qualifying insurance policy.

b) As per the policy of the company, Cost of non-current benefits by way of accumulating compensated absence arising during the tenure of service is calculated taking into account the pattern of contribution of leave. The present value of obligations towards retirement under such non-current benefit is determined based on actual valuation carried out by an independent actuary using Projected Unit Credit Method as at the year end.

c) It is an unfunded plan.

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

i) Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2018

Particulars	Gratuity cost charged to profit or loss				Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement gains/(losses) in other comprehensive income			Contributions by employer	31-Mar-18
	01-Apr-17	Service cost	Net interest expense	Sub-total included in profit or loss			Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments		
Defined benefit obligation	1,277	(143)	112	(33)	(191)		(1)	(290)	(294)		962
Fair Value at Plan Assets	196		15	15	(191)	14			14		17
Benefit liability	1,081	(143)	97	(48)			(1)	(276)	(262)		945

ii) Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2017

Particulars	Gratuity cost charged to profit or loss				Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement gains/(losses) in other comprehensive income			Contributions by employer	31-Mar-17
	01-Apr-16	Service cost	Net interest expense	Sub-total included in profit or loss			Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments		
Defined benefit obligation	1,285	258	110	368	(58)			(118)	(486)		1,477
Fair Value at Plan Assets	236				(58)	20		(2)	18		17
Benefit liability	1,049	258	110	368		(20)		(116)	(468)		1,460

iii) The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	March 31, 2017 (INR)	March 31, 2018 (INR)
Fund Managed by Investor		

iv) The principal assumptions used for determining gratuity and post-employment medical benefit obligations for the Group's plans are shown below:

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Discount rate	7.50%	7.45%	7.60%
Future salary increases	5.00%	6.00%	6.90%
Expected rate of return of assets			
Mortality	Indian assured lives mortality 2006 ultimate 1%+2%	Indian assured lives mortality 2006 (modified 08) ultimate 1%+2%	Indian assured lives mortality 2006 (modified 08) ultimate 1%+2%
Withdrawal rate			

v) A quantitative sensitivity analysis for significant assumption as at March 31, 2018 is as shown below:

Assumptions	31-Mar-18				31-Mar-17			
	Discount Rate Increase	Discount Rate Decrease	Salary Growth Rate Increase	Salary Growth Rate Decrease	Discount Rate Increase	Discount Rate Decrease	Salary Growth Rate Increase	Salary Growth Rate Decrease
Sensitivity Level								
Impact on defined benefit obligation - Gratuity	50 basis point	50 basis point	50 basis point	50 basis point	50 basis point	50 basis point	50 basis point	50 basis point
	1.11%	1.62%	1.66%	1.47%				

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

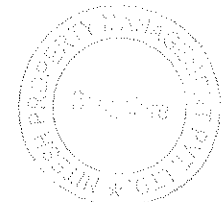
vi) The following payments are expected contributions to the defined benefit plan in future years:

Particulars	31-Mar-18
Year 1	25
Year 2	265
Year 3	102
Year 4	17
Year 5	191
Year 6 to 10	230
Total expected payments	
Risk Exposure	847

The defined benefit obligations have the credit risk associated with equities.

Interest rate risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase. Higher than expected increases in salary will increase the defined benefit obligation.



Nitesh Property Management Private Limited

Notes to the financial statements for the year ended March 31, 2018

(All amounts in Indian Rupees Thousands, except as otherwise stated)

26 Earnings per share ['EPS']

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares, if any, into Equity Shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31-Mar-18	31-Mar-17
Profit after tax attributable to shareholders (Amount in `)	(31,424)	(24,085)
Weighted average number of Equity Shares outstanding during the year	3,00,000	3,00,000
Effect of dilution		
Weighted average number of Equity Shares	3,00,000	3,00,000

27 Contingent Liabilities

The Company had not filed its return of earlier year and had not paid income tax liability amounting to Rs. 768 thousands. The applicable interest liability on the above tax liability from the due date of return filing till the date of balance sheet is yet to quantify.

28 The Company has incurred losses in the current year and previous years and its net worth has been fully eroded by the accumulated losses of the past periods. The Company is facing liquidity issues and is able to operate uninterruptedly with continued support from its holding company. Accordingly, the management believes that the Company will continue as a going concern and thereby realize its assets and discharge its liabilities in the normal course of its business and hence the accounts of the Company have been continued to be prepared on the basis of going concern.

29 Disclosure as required under Micro Small and Medium Enterprises Act, 2006

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
a. Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-	-
b. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-	-
c. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
d. The amount of interest due and payable for the year	-	-	-
e. The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
f. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-	-

Note : The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 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 'Micro, Small and Medium Enterprises Development Act, 2006 ('the Act')'. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2018 has been made in the financial statements based on information received and available with the Company. Further, in view of Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the date of balance sheet.



30 Financial instruments- accounting classification and fair value measurement.

The carrying values of trade and other receivables, other assets, cash and short term deposits, trade and other payables, based on their notional amounts, reasonably approximate their fair values because these are mostly current in nature or are re-priced frequently.

Company's assets and liabilities which are measured at amortised cost

	31st March 2018		31st March 2017		1st April 2016	
	Carrying Value	Amortised cost	Carrying Value	Amortised cost	Carrying Value	Amortised cost
Financial assets at amortized cost:						
Security deposits	728	728	728	728	428	428
Trade receivables	32,413	32,413	43,997	43,997	29,289	29,289
Cash and cash equivalent	2,370	2,370	3,350	3,350	5,307	5,307
	35,511	35,511	48,075	48,075	35,024	35,024
Financial liabilities carried at amortized cost:						
Trade payables	49,328	49,328	37,212	37,212	11,542	11,542
	49,328	49,328	37,212	37,212	11,542	11,542

31 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the acquisition and Company's real estate operations. The Company's principal financial assets include cash and cash equivalents, loans and that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings. The sensitivity analyses in the following sections relate to the position as at March 31, 2018 and March 31, 2017. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt. The analyses exclude the impact of movement in market variables on the carrying values of gratuity and other postretirement obligations, provisions, and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017.

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's non-current debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

iii. Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Financial Instrument and Cash Deposit

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and loans are given only within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at March 31, 2018 and March 31, 2017 is the carrying amounts.

iv. Liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

	On demand	Less than 1 year	1 to 2 years	2 - 3 years	> 3 years	Total
Year ended 31/03/2018						
Trade and other payables		49,328				49,328
Year ended 31/03/2017						
Trade and other payables		37,212				37,212
As at 1 April 2016						
Trade and other payables	-	11,542				11,542



32 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio minimal. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations. Further, advances received from customers pursuant to agreements, wherein the Company has committed prescribed return to customers contingent on exercise of the option given to such customers on expiry of the prescribed time period including the amount of such return accrued by the company using effective interest method has been considered as part of net debt by the Company.

	31-Mar-18	31-Mar-17	01-Apr-16
Trade payables	49,328	37,212	11,542
Other Liabilities	89,051	83,225	70,331
	1,38,379	1,20,437	81,873
Less: Cash and cash equivalents	2,370	1,550	5,307
Net debt	1,36,009	1,18,887	76,566
Equity Share Capital	3,000	3,000	3,000
Other Equity	-61,374	-30,239	-6,154
Equity	-58,374	-27,239	-3,154
Capital and net debt	77,635	91,648	73,412
Gearing ratio	175%	130%	104%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. **There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017



33 Standards issued but not yet effective

The standards issued, but not yet effective up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards when they become effective.

Ind AS 115 Revenue from Contracts with Customers

Introduction of Ind AS 115, Revenue from Contracts with Customers

Ministry of Corporate Affairs has notified Ind AS 115 'Revenue from Contracts with Customers', which is effective from April 1, 2018, early adoption of which is not permitted. The new standard outlines the principle that revenue should be recognised when an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled. The Company will adopt Ind AS 115 effective from April 01, 2018. As at the date of issuance of the Company's financial statements, the Company is in the process of evaluating the requirements of the said standard and the impact on its financial statements in the period of initial application.

Amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company's operation primarily relate to operations in India. The directors of the Company do not anticipate that the application of the new standard in future will have significant impact on the financial statement.

Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate) without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after April 01, 2018.

Transfers of Investment Property --- Amendments to Ind AS 40

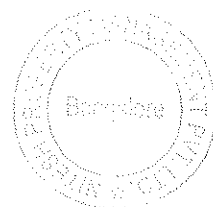
The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

These amendments are effective for annual periods beginning on or after 1 April 2018.

34 Segment Reporting

There are no reportable segments other than Property Management as per Ind As 108, "Operating Segment".
The company does not have transactions of more than 10% of the total revenue with any single external customer.



35 First-time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS

The accounting policies set out in note have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS Balance Sheet as at April 1, 2016 (the Company's date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or India GAAP)

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

Ind AS optional exemptions

a) Deemed Cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment's covered by Ind AS 16 *Property, plant and equipment's* as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible assets

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value, which has been considered as deemed cost

b) Fair value as deemed cost

Ind AS 101 permits a first-time adopter to measure an item investment properties under construction, at the date of transition to Ind AS at its fair value and use that fair value as its deemed cost at that date.

c) Ind AS 101 permits a first-time adopter to measure its investments in subsidiaries, joint ventures and associates at deemed cost, which should be either:

- (i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or
- (ii) previous GAAP carrying amount at that date

The Company has elected to measure its investments in subsidiaries, associates and joint ventures using deemed cost at the Previous GAAP carrying amount at the date of transition to Ind AS.

Ind AS Mandatory Exemptions

a) Estimates

Ind AS 101 requires an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. The Company's estimates as at April 01, 2016 are consistent with the estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Previous GAAP:

- Investment carried at Fair Value through Profit & Loss (FVPL) or Fair Value through Other Comprehensive Income (FVOCI); and
- Impairment of financial assets based on expected credit loss model.

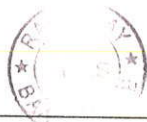
b) An entity estimates in accordance with Ind AS at the date of transaction to Ind AS shall be consistent with estimate made for the same date in accordance with previous GAAP, unless there is objective evidence that those estimates were in error.

c) Classification and measurement of financial assets

Ind AS 101 requires that an entity should assess the classification of its financial assets on the basis of facts and circumstances exist on the date of transition. Accordingly, in its Opening Ind AS Balance Sheet, the company has classified all the financial assets on basis of facts and circumstances that existed on the date of transition. i.e. April 1, 2016.

36 Reconciliation of total equity between previous GAAP and Ind AS

	Notes	31-Mar-17	01-Apr-16	(Rs.)
Equity under previous GAAP		(30,239)	(6,154)	
Adjustments (net of tax):				
Deferred tax impact				
Equity as per Ind AS		(30,239)	(6,154)	



Total comprehensive income reconciliation for the year ended March 31, 2017

	Notes	Year ended 31-Mar-17
Profit for the year after tax as per previous GAAP		(24,085)
Total Adjustments		
Profit after tax as per Ind AS		(24,085)
Other comprehensive income (Net of Tax)		
Total comprehensive income as per Ind AS		(24,085)

Impact of Ind AS adoption on cash flow statement for the year ended March 31, 2017

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(11,239)	(9,875)	(1,364)
Net cash flow from investing activities	7,482	9,875	(2,393)
Net cash flow from financing activities	-	-	-
Net increase/(decrease) in cash and cash equivalents	(3,757)	0	(3,757)
Cash and cash equivalents as at April 1, 2016	5,307	0	5,307
Cash and cash equivalents as at March 31, 2017	1,550	0	1,550

Notes to reconciliations between previous GAAP and Ind AS

1 Deferred tax

Indian GAAP required deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. In addition, the various transitional adjustments lead to different temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

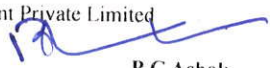
37 Prior year comparatives

The figures of the previous years' have been regrouped/reclassified, wherever necessary, to conform with the current year's classification.

Bangalore
30th May 2018

for and on behalf of the Board of Directors of
Nitesh Property Management Private Limited


Pradeep Sarayan
Director
DIN: 01605717


P C Ashok
Director
DIN: 05127304

