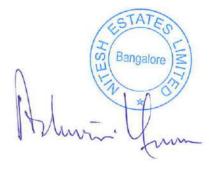
# Nitesh Estates Limited Regd. Office: Nitesh Timesquare , 7th Floor , No. 8, M.G Road, Bengaluru 560 001 CIN: L07010KA2004PLC033412, website - www.niteshestates.com

200	Statement of annual audited consolidated financial results for th		Quarter ended		14.724	(Rs. in Lakhs)
N	0 Particulars	31-Mar-17	31-Dec-16	31-Mar-16	Year e	
		Audited	Unaudited	Audited	31-Mar-17 Audited	31-Mar-16
1	- Political Special State Stat			riddica	Addited	Audited
	(a) Net Sales/Income from operations	1,432	1,463	2.000		
	Total Income from operations	1,432	1,463	3,866	19,313	25,35
2	La residue	1,102	1,400	3,866	19,313	25,35
	(a) Land and construction cost	1,911	1,178	2.055	100.00000000000000000000000000000000000	
	(b) Employee benefit expense		000000	3,255	14,254	17,18
	(c) Depreciation and amortization expense	873	856	812	3,363	3,02
	(d) Advertising and sales promotion expense	353	356	443	1,414	1,41
	(e) Other Expenditure	604	377	1,088	1,783	1,978
_	1000 100 100 100 100 100 100 100 100 10	714	428	801	2,184	2,586
	Total Expenditure	4,455	3,195	6,399	22,998	26 402
	Profit/(Loss) from operations before Other Income,			7,000	22,550	26,193
3	Finance Costs and Exceptional Items (1-2)	(3,023)	(1,732)	(2.522)	(2.00.0)	
	The second checkfortal fields (1-2)	(0,020)	(1,752)	(2,533)	(3,685)	(842
4	Other Income	27				
		37	58	708	214	751
5	Profit/(Loss) from Ordinary Activities before Finance					
	Costs and Exceptional Items (3+4)	(2,986)	(1,674)	(1,825)	(3,471)	(91)
	F					, ,
6	Finance costs (net of inventorisation)	1,628	2.023	1,700	6,832	4,971
	Profit/(Loss) from Ordinary Activities after Finance				0,032	4,971
7	Costs but before Exceptional Items (5-6)					
	and publications (0-0)	(4,614)	(3,697)	(3,525)	(10,303)	(5,062)
}	Exceptional Items	1				
	200000	- 1	-	4.		-
3	Profit/(Loss) from Ordinary Activities before tax	(4,614)	(3,697)	(2.505)	// 0 000	- District Contract
	50 STORY 546.	(3,4,1)	(0,007)	(3,525)	(10,303)	(5,062)
)	Tax expense/(credit)	(9)	(105)	(171)	(4.4)	
. 1		157	(100)	(171)	(14)	(9)
	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	(4,605)	(3,592)	(3,354)	(10.200)	(5.050)
- 1			(4,002)	(0,004)	(10,289)	(5,053)
	Extraordinary Items	-				
-	(-) D. Cun	1		2.5	-	-
	(a) Profil/(Loss) transferred to minority interest		2	E	.	
1	(b) Share in loss of associate company	- 1	(931)	561	-	2,220
1	Net Profit/ (Loss) for the period (11-12-13)			UNEM		2,220
1	(=====) (of the period (+1-12-13)	(4,605)	(2,661)	(3,915)	(10,289)	(7,273)
F	Paid-up equity share capital (Face value per equity share Rs.10)	44.500				
1	the second per equity strate (45.10)	14,583	14,583	14,583	14,583	14.583
F	Reserves excluding Revaluation reserves					
(8	as per balance sheet of previous accounting year)	-	*	987		
	Walter and the second s		1			
E	arnings/(Loss) Per Share ("EPS") (of Rs. 10 each) - (Rs.)				1	
130	a) Basic EPS	(3.16)	(1.82)	(2.68)	(7.06)	(4.00)
(b	Diluted EPS	(3.16)	(1.82)	(2.68)	(7.06)	(4.99)
			1	(4.00)	(7.06)	(4.99)



Part II	Statement of	assets	and	liabilities	for	vear	ended	on	March	24	2047

	Particulars	As	on
	ratuculars	31-Mar-17	31-Mar-1
Α	EQUITY AND LIABILITIES	Audited	Audited
4			
1	Shareholders' funds		
	Share capital	14,583	
	Reserves and surplus	(4,753)	14,5
		9,830	9,1 23,6
2	Non-current liabilities		0.000
	Other long-term liabilities		
	Long-term borrowings	7,555	3.8
	Long-term provisions	23,500	58,5
	,	310	3
3	0	31,365	62.6
3	Current liabilities		
	Short-term borrowings	76,443	62.00
	Trade payables	26,196	62,02
	Other current liabilities	29,837	21,01
	Short-term provisions	801	24,32
		133,277	100 10
		174,472	108,18 194,54
	ASSETS	17-17-12	134,34
1	Non-current assets	1	
	Fixed assets	1	
	Capital work-in-progress	72 was	
	- Tangible assets	16,762	6,042
	- Intangible assets	24,066	25,187
		25	36
	<b>.</b>	40,853	31,265
	Goodwill on consolidation	1,317	1.004
	Non-current investments	8,866	1,691
- 1	Deferred tax assets, net	176	10,482
ļ	Long-term loans and advances	2,115	162
(	Other non-current assets	369	38,414
		12,843	369 51.118
2	Current assets	12,540	31,110
0	Current investments	1	
	nventories	5	3
	rade receivables	29,657	26.983
	ash and bank balances	3,624	4.653
S	hort-term loans and advances	612	3.906
0	ther current assets	60,059	61.091
		26,819	15,522
	6	120,776	112,157
	THURST THE TOTAL PROPERTY OF THE PARTY OF TH	174,472	194,540

Bangalore Management And Management

#### Notes to the financial results:

- (1) The above consolidated results have been reviewed by the Audit committee and on their recommendation have been approved by the Board of Directors at their meeting held on May 27, 2017. These results are uploaded on the Company website i.e. www.niteshestates.com and on the Stock Exchanges where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com. These results include the results of the following subsidiaries, joint ventures
  - Subsidiaries Nitesh Housing Developers Private Limited, Nitesh Urban Development Private Limited, Nitesh Indiranagar Retail Private Limited (Subsidiary: Nitesh Pune Mall Private Limited (formerly known as Anuttam Developers Private Limited), Nitesh Office Parks Private Limited (formerly known as Kakanad Enterprises Private Limited), Nitesh Property Management Private Limited
  - Joint ventures Nitesh Estates- Whitefield, Courtyard Constructions Private Limited.
- (2) The Company primarily operates in three business segments 'Residential', 'Retail' and 'Hospitality'. All operations are in India and hence there is no geographical segment.
- (3) Details of number of investor complaints for the quarter ended March 31, 2017. Beginning - Nil; Received - 3; Responded - 3; Pending - Nil.
- (4) The figures of the previous year/period have been regrouped/ reclassified, wherever necessary.
- (5) The Land and construction cost includes Rs. 2695 Lakhs as finance cost towards interest for the year ended on March 31, 2017.

(6) Figures for standalone financial results

No			Quarter ended		Year er	nded
140	Particulars	31-Mar-17	31-Dec-16	31-Mar-16	31-Mar-17	31-Mar-16
-	Production of the second secon	Audited	Unaudited	Audited	Audited	Audited
ik.	Income from operations (a) Net Sales/Income from operations		Market K			7100100
	(b) Chare in profit/least of accounts	148	164	492	7,432	8,712
	(b) Share in profit/(loss) of association of persons (Joint Venture)	(1)	(2)	(3)	(5)	(78
2	Total Income from operations	147	162	489	7,427	8,634
2	Profit/(Loss) before tax	(1,794)	(1,550)	(1,760)	(4,482)	(2,171
3	Profit/(Loss) after tax	(1,784)	(1,553)	(1,741)	(4,463)	(2.137

Bangalore

For and on behalf of the Board of Directors of

Nitesh Estates Limited

Ashwini Kumar

Executive Director & Chief Operating Officer

Place: Bangalore, India Date: May 27, 2017

Nitesh Estates Limited

Consolidated Segment wise revenue, results and capital employed

Nitesh

Regd. Office: Nitesh Timesquare, 7th Floor, No. 8, M.G Road, Bengaluru 560 001 CIN: L07010KA2004PLC033412, website - www.niteshestates.com

Segment revenue	Segment revenue   31-Mar-17   31-Dec-16   31-Mar-1     (a) Residential   1,075   1,266   3     (b) Retail   1,075   1,463   3     (c) Hospitality   1,0432   1,195   3     (c) Hospitality   1,04328   1,195   3     (c) Hospitality   1,04328   1,044,633   3,659   1,944,630     (c) Hospitality   1,044,633   1,044,630   1,044,630   1,044,630     (c) Hospitality   1,044,630   1,044,630   1,044,630   1,044,630     (c) Hospitality   1,044,630   1,0	No.	Particulare		Quarter ended		2	(KS In lakhs)
Segment revenue	Segment revenue		ממממ	31-Mar-17	31-Dec-16	34 Mar 40	Year ended	papu
(a) Residential (b) Retail (c) Hospitality (c) Hospitality (c) Hospitality (d) Retail (d) Hospitality (e) Residential (e) Hospitality (e) Retail (e) Hospitality (e) Hospit	(a) Residential (b) Retail (c) Hospitality Total Less: Inter-segment revenue (c) Hospitality Total (c) Hospitality (d) Unallocated (e) Retail (e) Retail (f) Hospitality (f)	Sern		Audited	Inaudited	01-Ivial-10	31-Mar-17	31-Mar-16
(c) Retail (d) Retail (e) Retail (e) Retail (f) Retail	(c) Retail (b) Retail (c) Hospitality *  Total Cass. Interest (a) Retail (b) Retail (c) Hospitality *  Total Cass. Interest (a) Residential (b) Retail (c) Hospitality *  Total Cass. Interest (a) Residential (b) Retail (c) Hospitality *  Total Cass. Interest (a) Residential (b) Retail (c) Hospitality *  Total Cass. Interest (a) Residential (b) Retail (c) Hospitality *  Total Profit/(loss) before tax and interest (a) Residential (b) Retail (c) Hospitality *  Total Profit/(loss) before tax (a) Residential (b) Retail (c) Retail (c) Retail (c) Retail (d) Residential (d) Retail (e)				DOUBLE	Audited	Audited	Audited
(c) Hospitality   (d) Last   (e) Hospitality   (e) Hospital	(a) Netail (b) Netail (c) Netail (c) Nestial (d) Unallocated (e) Nestial (d) Netail (e) Netail (e) Netail (e) Nestial (f) Nest	3 3	kesidel iliai	1 075				
Columbic	C) Hospitality   C) H	r (a)	etail	0.00	1,266	3,576	18 308	Č
Total	Total   Less. Inter-segment revenue   1,432   1,463   3     Net income from operations   1,432   1,463   3     Segment results   Profit/(loss) before tax and interest   (2,476)   (1,128)   (2,172)   (2,1732)	(O)	ospitality	795	197	290	10,000	24,889
Less: Inter-segment revenue   1,432   1,463   3,866     Segment results	1,432	Tota		1			con'i	462
Net income from operations         1,432         1,463         3,866           Proft/(loss) before tax and interest         (a) Residential         (2,476)         (1,128)         (377)           (b) Retail         (b) Retail         (c) Hospitality*         (3,023)         (1,732)         (2,156)           Add: Other income         37         58         708           Less: Interest         (1,628)         (2,023)         (1,700)           Segment Assets         (4,614)         (3,697)         (3,525)         (1           (c) Hospitality*         51,765         51,975         73,117         5           (d) Unallocated         2,094         2,434         1,887         2           Segment Liabilities         174,473         178,656         51,975         73,117         5           Abesidential         10 Residential         123,387         122,300         111,748         123           (a) Residential         (b) Retail         2,595         1,147         38,694         37,659         57,164         386           (a) Unallocated         2,595         1,342         1,342         1,342         1,342         1,342         1,342         1,342         1,342         1,342         1,342         1,	Net income from operations	Less	Inter-segment revenue	1,432	1,463	3 866	1007	234
Segment results         1,432         1,463         3,866           Profit/(loss) before tax and interest         (a) Residential         (b) Residential         (a) Unallocated         (b) Unallocated         (c) Unallocated <td< td=""><td>Segment results         1,463           Profit/(loss) before tax and interest (a) Residential (b) Retail (c) Hospitality*         (2,476) (1,128) (604) (1,732) (1,732) (1,732)           (a) Residential (b) Retail (c) Hospitality *         (3,023) (1,732) (1,732) (2,023) (1,732) (2,023)           Add: Other income Less: Interest         (1,628) (2,023) (2,</td><td>Net i</td><td>ncome from operations</td><td></td><td></td><td>5</td><td>5,5,5</td><td>25,351</td></td<>	Segment results         1,463           Profit/(loss) before tax and interest (a) Residential (b) Retail (c) Hospitality*         (2,476) (1,128) (604) (1,732) (1,732) (1,732)           (a) Residential (b) Retail (c) Hospitality *         (3,023) (1,732) (1,732) (2,023) (1,732) (2,023)           Add: Other income Less: Interest         (1,628) (2,023) (2,	Net i	ncome from operations			5	5,5,5	25,351
Profit(loss) before tax and interest	Profit/(loss) before tax and interest (2,476) (1,128) (1,128) (604) (1,732) (1,732) (1,732) (1,732) (1,732) (1,732) (1,732) (1,732) (1,732) (1,628) (2,023) (1,732) (2,023) (1,628) (2,023)			1,432	1,463	3 888	- 07	
Profit(loss) before tax and interest   (2,476)   (1,128)   (377)	Profit/(loss) before tax and interest   (2,476)   (1,128)     (a) Residential   (547)   (604)     (b) Retail   (547)   (1,532)     Total profit/(loss) before tax   (1,628)   (2,023)     Segment Assets   (4,614)   (3,697)     (b) Retail   (c) Hospitality * (d) Unallocated   (d) Unallocated   (e) Retail   (e) Retail   (f) Retail		nent results			00000	19,313	25,351
(a) Residential (b) Retail (c) Hospitality (c) Hospitality (d) Unallocated	(a) Residential (b) Retail (c) Hospitality *  Total  Add: Other income  Less: Interest  Total profit(loss) before tax  (a) Characterical (b) Retail (c) Hospitality *  Col. Hospitality *	Profit	(loss) before tax and interest					
(c) Hospitality * (5476) (1,128) (1,128) (3777) (604) (2,156) (1,128) (1,126) (1,128) (2,156) (2,156) (1,128) (1,128) (2,128) (1,120) (2,128) (1,120)	(b) Retail (c) Hospitality * (547) (1,128) (604)  Total Protail (b) Retail (c) Hospitality * (547) (604)  Total profil(loss) before tax (1,628) (2,023) (2,023)  Segment Assets (a) Residential (b) Retail (c) Hospitality * (a) Lessidential (b) Retail (c) Hospitality * (a) Lessidential (b) Retail (c) Hospitality * (a) Lessidential (c) Less	(a) Re	ssidential					
Other income	(c) Hospitality *  Total  Add: Other income  Add: Other income  Add: Other income  Add: Other income  37  Add: Other income  (1,628)  (2,023)  (2,023)  (2,023)  (3,697)  (4,614)  (3,697)  (4,614)  (3,697)  (4,614)  (3,697)  (4,614)  (3,697)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (2,023)  (2,023)  (3,697)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (4,614)  (1,732)  (2,033)  (1,732)  (2,034)  (2,134)  (2,134)  (3,614)  (4,614)  (4,614)  (4,614)  (4,614)  (1,732)  (2,037)  (1,732)  (1,732)  (2,037)  (1,732)  (1,732)  (2,037)  (1,732)  (2,037)  (1,732)  (2,037)  (1,732)  (1,732)  (2,037)  (1,732)  (1,732)  (2,037)  (1,732)  (1,732)  (2,037)  (2,037)  (1,732)  (2,037)  (2,037)  (2,037)  (2,037)  (3,04)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (4,614)  (3,697)  (4,614)  (4,614)  (4,614)  (3,697)  (4,614)  (4,61	(b) Re	stail	(2,476)	(1,128)	(377)	1000	
Total         (3,023)         (1,732)         (2,533)           Add: Other income         37         58         708           Less: Interest         (1,628)         (2,023)         (1,700)           Segment Assets         (4,614)         (3,697)         (3,525)         (1,700)           Segment Assets         (3,697)         (3,525)         (1,700)           Segment Assets         (3,697)         (3,525)         (1,700)           (a) Residential         (b) Retail         (c) Hospitality*         (d) Unallocated         1,887         (2,434)         1,887         (3,527)           Segment Liabilities         (a) Residential         (b) Retail         (c) Hospitality*         (d) Unallocated         11,748         123,387           (b) Retail         (c) Hospitality*         (d) Unallocated         2,391         2,596         1,942	Total   (3,023)   (1,732)   58   58   (1,628)   (2,023)   (2,023)   (2,023)   (3,697)   (4,614)   (3,697)   (4,614)   (3,697)   (4,614)   (2,023)   (4,614)   (2,023)   (4,614)   (2,023)   (4,614)   (2,023)   (4,614)   (2,023)   (4,614)   (5,623)   (6,614)   (6,614)   (6,623)   (7,765	(c) Ho	spitality *	(242)	(604)	(2.156)	(7,207)	1,314
Add: Other income  Less: Interest  Less: Interest  Total profit/(loss) before tax  (1,628)  Segment Assets  (a) Residential (b) Retail (c) Hospitality *  Segment Liabilities  (a) Residential (b) Retail (c) Hospitality *  (d) Unallocated  Total  (e) Hospitality *  (f) Hospitality *  (g) Unallocated (h) Retail (h) Retai	Add: Other income  Less: Interest  Total profit(loss) before tax  Segment Assets (a) Residential (b) Retail (c) Hospitality*  Segment Liabilities (d) Unallocated (b) Retail (b) Retail (c) Hospitality*  Segment Liabilities (d) Unallocated (e) Hospitality* (d) Unallocated (e) Hospitality* (d) Unallocated (e) Hospitality* (f) Hospitality* (g) Hospitality* (h) Retail (g) Hospitality* (h) Retail (g) Hospitality* (h) Retail (g) Hospitality* (h) Hospi	Total	w.			(00) (1)	(2,423)	(2,1
Total profit(loss) before tax   (1,628)   (2,023)   (1,700)	Total   Tota	V 22.		(3,023)	(1,732)	(2.533)	79.50	
Total line   Total line line line   Total line line line line line line line lin	Interest	YOU.	Jiner income	40	U III	(nonti-	(2,085)	(842)
profit(loss) before tax	profit/(loss) before tax	Less:	Interest	3/	28	708	214	ř
nent Assets     (3,697)     (3,525)     (7       desidential etail     120,614     124,228     119,537     12       ospitality *     51,765     51,975     73,117     5       nallocated     2,094     2,434     1,887     17       nent Liabilities     174,473     178,636     194,541     17       seidential stail     123,387     122,300     111,748     12       spitality *     38,864     37,659     57,164     38       spitality *     2,391     2,595     1,942	nent Assets     (4,014)     (3,697)       detail     120,614     124,228     11       etail     51,765     51,975     7       nallocated     2,094     2,434     19       nent Liabilities     174,473     178,636     19       ssidential     123,387     122,300     11       ssidential     38,864     37,659     57       tallocated     2,391     2,595     1       tallocated     2,391     2,595     1	Total	profit/(loss) before tax	(1,028)	(2,023)	(1,700)	(6 832)	16/
esidential etail sospitality *  nallocated  sidential  120,614  124,228  119,537  73,117  73,117  73,117  178,636  111,748  111,748  113,387  122,300  111,748  113,387  122,300  111,748  113,387  123,387  124,228  1,887  1,887  111,748  111,748  111,748  111,748  113,387  113,387  113,387  113,387  113,387  113,387  113,387  113,387  113,473	esidential etail ospitality *  nallocated  2,094  2,434  174,473  178,636  123,387  122,300  38,864  37,659  122,300  38,864  2,595  164,642	Seam	tosof a	(4,0,4)	(3,697)	(3,525)	(10.303)	(4,9/1)
etail ospitality * 120,614 124,228 119,537 73,117	etail ospitality *  nallocated  2,094  2,434  174,473  nallocated  2,094  2,434  174,473  178,636  spidential stail spitality *  123,387  122,300  38,864  37,659  122,300  38,864  37,659  122,300  38,864  37,659  146,642	(0)					Constitution	(200'C)
ospitality * 51,765 51,975 73,117	ospitality *  nallocated	(A)	Siderillal	120.614	124 220			
Ospitality*     2,094     2,434     1,887       nallocated     174,473     178,636     194,541       nent Liabilities     123,387     122,300     111,748       stail     38,864     37,659     57,164       solidocated     2,391     2,595     1,942	ospitality * nallocated	10 (a)		51 785	077,42	119,537	120,614	119 537
nallocated     2,094     2,434     1,887       nent Liabilities     174,473     178,636     194,541       nent Liabilities     123,387     122,300     111,748       stail     38,864     37,659     57,164       sopitality *     2,391     2,595     1,942	174,473   2,434   19	(c) H	spitality *		0/6/10	73,117	51,765	73 447
Liabilities     2,434     1,887       nent Liabilities     174,473     178,636     194,541       esidential     123,387     122,300     111,748       spitality *     38,864     37,659     57,164       rallocated     2,391     2,595     1,942	rent Liabilities 2,434 174,473 178,636 19 esidential stail 38,864 37,659 5 eallocated 2,391 2,595 164,642 164,642 167,17	(d) Ung	allocated		ı		. 1	- 6
rent Liabilities 178,636 194,541 194,541 193,387 122,300 111,748 37,659 57,164 1310cated 2,391 2,595 1,942	seidential 123,387 178,636 122,300 stail spitality * 2,391 2,595 164,442 164,642 178,636	Total		42,034	2,434	1,887	2 094	4 00
sidential 123,387 122,300 111,748 37,659 57,164 57,164 allocated 2,391 2,595 1,942	ssidential 123,387 122,300 38,864 37,659 37,659 spitality * 2,391 2,595 164,642 164,642 165,645	Seame	nt Liabilities	0/4'4/	178,636	194,541	174.473	100/1
123,387 122,300 111,748 spitality * 38,864 37,659 57,164 allocated 2,391 2,595 1.942	123,387 122,300 stail	(a) Res	idential					10,10
spitality * 37,659 57,164 allocated 2,391 2,595 1.942	spitality * 38,864 37,659 allocated 2,391 2,595	(b) Reta		123,387	122,300	111 748	100 007	
allocated 2,391 2,595 1.942	2,391 2,595	(c) Host	oitality *	38,864	37,659	57 164	123,387	111,748
2,391 2,595	2,391 2,595	(d) Unal	llocated			5	38,864	57,164
	164 642	Total		2,391	2,595	1 942		
170.054	102.554			164.642	182 551	710	2,391	1942



Website: www.raynray.net Email: ray\_ray@vsnl.net No. 824, 2nd Cross, 11th Main, HAL 2nd Stage, Indiranagar, Bangalore - 560 008. Telefax: +91-80-4122 1758.

#### Independent Auditor's Report

#### TO THE MEMBERS OF NITESH ESTATES LIMITED

# Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of NITESH ESTATES LIMITED("the Holding Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") which comprise the consolidated Balance Sheet as at 31st March, 2017, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

# Management's Responsibility for the Consolidated Financial Statements

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the





appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, and their profit / loss and their cash flows for the year ended on that date.

#### Other Matter

1. We did not audit the financial statements of one joint venture and one subsidiary, whose financial statement reflect total assets of Rs. 28,647 Lakhs as at 31<sup>st</sup> March, 2017, total revenues of Rs.1,048 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and in our opinion, so far as it relates to the amounts and disclosures included in respect of the subsidiary and jointly controlled entity, is based solely on the reports of the other auditors.

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

# Report on Other Legal and Regulatory Requirements

- 1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with in this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the Directors of the Holding Company as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors of the Holding Company, none of the Directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as director in terms of Section 164(2) of the Act.
  - Mith respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and





- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements Refer Note to the consolidated financial statements;
  - II. The Group has no material foreseeable losses, if any, on long-term contracts including derivative contracts.
- III. The Group is not required to transfer any amount to the Investor Education and Protection Fund.
- IV. The Group had provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November. 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Group.

For and on behalf of

RAY & RAY

Chartered Accountants

Firm Registration No. 301072E

Mrinal Kanti Bandopadhyay

Partner

Membership No. 051472

Bangalore

27th May, 2017





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

We have audited the consolidated internal financial controls over financial reporting of NITESH ESTATES LIMITED ("the Holding company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

# Management's Responsibility for Internal Financial Controls

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

# Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

# Meaning of Internal Financial Controls over Financial Reporting

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





# Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

# Opinion

In our opinion, the Holding Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For and on behalf of

RAY & RAY

Chartered Accountants Firm Registration No. 301072E

Memal Kanh. Bandyepandyay Mrinal Kanti Bandopadhyay

Partner

Membership No. 051472

Bangalore 27<sup>th</sup> May, 2017

