

Part I Statement of annual audited standalone financial results for the year ended on March 31, 2017

(Rs. in Lakhs)

| No | Particulars   | Quarter ended |           |           | Year ended |           |
|----|---|---------------|-----------|-----------|------------|-----------|
|    |   | 31-Mar-17     | 31-Dec-16 | 31-Mar-16 | 31-Mar-17  | 31-Mar-16 |
|    |   | Audited       | Unaudited | Audited   | Audited    | Audited   |
| 1  | Income from operations  |               |           |           |            |           |
|    | (a) Net Sales/Income from operations  | 148           | 164       | 492       | 7,432      | 8,712     |
|    | (b) Share in profit/(loss) of association of person(joint venture)                            | (1)           | (2)       | (3)       | (5)        | (78)      |
|    | Total Income from operations  | 147           | 162       | 489       | 7,427      | 8,634     |
| 2  | Expenditure   |               |           |           |            |           |
|    | (a) Land and construction cost  | 218           | 15        | 854       | 5,883      | 6,233     |
|    | (b) Employee benefit expense  | 354           | 310       | 274       | 1,296      | 945       |
|    | (c) Depreciation and amortization expense   | 20            | 18        | 55        | 69         | 132       |
|    | (d) Advertising and sales promotion expense   | 403           | 104       | 511       | 862        | 1,027     |
|    | (e) Other Expenditure   | 237           | 218       | 359       | 844        | 957       |
|    | Total Expenditure   | 1,232         | 665       | 2,053     | 8,954      | 9,294     |
| 3  | Profit/(Loss) from operations before Other Income, Finance Costs and Exceptional Items (1-2)  | (1,085)       | (503)     | (1,564)   | (1,527)    | (660)     |
| 4  | Other Income  | 6             | 5         | 213       | 26         | 271       |
| 5  | Profit/(Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)       | (1,079)       | (498)     | (1,351)   | (1,501)    | (389)     |
| 6  | Finance costs (net of inventorisation)  | 715           | 1,052     | 409       | 2,981      | 1,782     |
| 7  | Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6) | (1,794)       | (1,550)   | (1,760)   | (4,482)    | (2,171)   |
| 8  | Exceptional Items   | -             | -         | -         | -          | -         |
| 9  | Profit/(Loss) from Ordinary Activities before tax   | (1,794)       | (1,550)   | (1,760)   | (4,482)    | (2,171)   |
| 10 | Tax expense/(credit)  | (10)          | 3         | (19)      | (19)       | (34)      |
| 11 | Net Profit/(Loss) from Ordinary Activities after tax (9-10)                                   | (1,784)       | (1,553)   | (1,741)   | (4,463)    | (2,137)   |
| 12 | Extraordinary Items   | -             | -         | -         | -          | -         |
| 13 | Net Profit/ (Loss) for the period (11-12)   | (1,784)       | (1,553)   | (1,741)   | (4,463)    | (2,137)   |
| 14 | Paid-up equity share capital (Face value per equity share Rs.10)                              | 14,583        | 14,583    | 14,583    | 14,583     | 14,583    |
| 15 | Reserves excluding Revaluation reserves (as per balance sheet of previous accounting year)    | -             | -         | -         | -          | -         |
| 16 | Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.)                                    |               |           |           |            |           |
|    | (a) Basic EPS   | (1.22)        | (1.06)    | (1.19)    | (3.06)     | (1.47)    |
|    | (b) Diluted EPS   | (1.22)        | (1.06)    | (1.19)    | (3.06)     | (1.47)    |

*Ashwin Kumar*



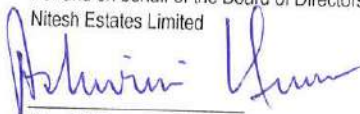
Part II Statement of assets and liabilities for year ended on March 31, 2017

| Particulars                      | As on         |               |
|----------------------------------|---------------|---------------|
|                                  | 31-Mar-17     | 31-Mar-16     |
|                                  | Audited       | Audited       |
| <b>A EQUITY AND LIABILITIES</b>  |               |               |
| <b>1 Shareholders' funds</b>     |               |               |
| Share capital                    | 14,583        | 14,583        |
| Reserves and surplus             | 24,218        | 28,683        |
|                                  | 38,801        | 43,266        |
| <b>2 Non-current liabilities</b> |               |               |
| Long-term provisions             | 130           | 134           |
| Other long-term liabilities      |               |               |
|                                  | 130           | 134           |
| <b>3 Current liabilities</b>     |               |               |
| Short-term borrowings            |               |               |
| Trade payables                   | 29,242        | 25,272        |
| Other current liabilities        | 12,691        | 9,222         |
| Short-term provisions            | 16,033        | 13,494        |
|                                  | 66            | 31            |
|                                  | 58,032        | 48,019        |
|                                  | <b>96,963</b> | <b>91,419</b> |
| <b>B ASSETS</b>                  |               |               |
| <b>1 Non-current assets</b>      |               |               |
| Fixed assets                     |               |               |
| - Tangible assets                | 101           | 102           |
| - Intangible assets              | 21            | 31            |
| Capital work-in-progress         | -             | -             |
|                                  | 122           | 133           |
| Non-current investments          |               |               |
| Deferred tax assets, net         | 47,239        | 49,321        |
| Long-term loans and advances     | 102           | 83            |
| Other non-current assets         | 4,031         | 3,681         |
|                                  | 70            | 70            |
|                                  | 51,442        | 53,155        |
| <b>2 Current assets</b>          |               |               |
| Inventories                      |               |               |
| Trade receivables                | 14,318        | 10,823        |
| Cash and bank balances           | 1,723         | 1,397         |
| Short-term loans and advances    | 199           | 1,855         |
| Other current assets             | 17,109        | 15,343        |
|                                  | 12,050        | 8,713         |
|                                  | 45,399        | 38,131        |
|                                  | <b>96,963</b> | <b>91,419</b> |

Notes to the financial results:

- (1) The above standalone results has 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. The statutory auditors have audited the Financial Results for the year ended March 31, 2017. These results are uploaded on the Company website i.e. [www.niteshestates.com](http://www.niteshestates.com) and on the Stock Exchanges where the shares of the Company are listed i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).
- (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. 803 Lakhs as finance cost towards interest for the year ended on March 31, 2017.

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

**Standalone Segment wise revenue, results and capital employed**

| No           | Particulars                           | Quarter ended        |                        |                      | Year ended           |                      |
|--------------|---------------------------------------|----------------------|------------------------|----------------------|----------------------|----------------------|
|              |                                       | 31-Mar-17<br>Audited | 31-Dec-16<br>Unaudited | 31-Mar-16<br>Audited | 31-Mar-17<br>Audited | 31-Mar-16<br>Audited |
| 1            | <b>Segment revenue</b>                |                      |                        |                      |                      |                      |
|              | (a) Residential                       | 147                  | 162                    | 489                  | 7,427                | 8,634                |
|              | (b) Retail                            | -                    | -                      | -                    | -                    | -                    |
|              | (c) Hospitality                       | -                    | -                      | -                    | -                    | -                    |
|              | <b>Total</b>                          | 147                  | 162                    | 489                  | 7,427                | 8,634                |
|              | Less: Inter-segment revenue           | -                    | -                      | -                    | -                    | -                    |
|              | <b>Net income from operations</b>     | 147                  | 162                    | 489                  | 7,427                | 8,634                |
| 2            | <b>Segment results</b>                |                      |                        |                      |                      |                      |
|              | Profit/(loss) before tax and interest |                      |                        |                      |                      |                      |
|              | (a) Residential                       | (1,085)              | (503)                  | (1,564)              | (1,527)              | (660)                |
|              | (b) Retail                            | -                    | -                      | -                    | -                    | -                    |
|              | (c) Hospitality                       | -                    | -                      | -                    | -                    | -                    |
| <b>Total</b> | (1,085)                               | (503)                | (1,564)                | (1,527)              | (660)                |                      |
|              | Add: Other income                     | 6                    | 5                      | 213                  | 26                   | 271                  |
|              | Less: Interest                        | (715)                | (1,052)                | (409)                | (2,981)              | (1,782)              |
|              | <b>Total profit/(loss) before tax</b> | (1,794)              | (1,550)                | (1,760)              | (4,482)              | (2,171)              |
| 3            | <b>Segment Assets</b>                 |                      |                        |                      |                      |                      |
|              | (a) Residential                       | 96,963               | 95,815                 | 91,419               | 96,963               | 91,419               |
|              | (b) Retail                            | -                    | -                      | -                    | -                    | -                    |
|              | (c) Hospitality                       | -                    | -                      | -                    | -                    | -                    |
|              | (d) Unallocated                       | -                    | -                      | -                    | -                    | -                    |
| <b>Total</b> | 96,963                                | 95,815               | 91,419                 | 96,963               | 91,419               |                      |
| 4            | <b>Segment Liabilities</b>            |                      |                        |                      |                      |                      |
|              | (a) Residential                       | 58,161               | 55,226                 | 48,152               | 58,161               | 48,152               |
|              | (b) Retail                            | -                    | -                      | -                    | -                    | -                    |
|              | (c) Hospitality*                      | -                    | -                      | -                    | -                    | -                    |
|              | (d) Unallocated                       | -                    | -                      | -                    | -                    | -                    |
| <b>Total</b> | 58,161                                | 55,226               | 48,152                 | 58,161               | 48,152               |                      |

**Independent Auditor's Report**  
**TO THE MEMBERS OF NITESH ESTATES LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying Standalone financial statements of **NITESH ESTATES LIMITED** ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles 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 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 Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

**Opinion**

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



**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016, ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said 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 purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with in this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone 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 as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, 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.
  - 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, in our opinion and to the best of our information and according to the explanations given to us:
    - I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note to the financial statements;
    - II. The Company has no material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - III. The Company is not required to transfer any amount to the Investor Education and Protection Fund.
    - IV. The Company had provided requisite disclosures in its 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 Company.

For and on behalf of  
**RAY & RAY**  
Chartered Accountants  
Firm Registration No. 301072E

*Mrinal Kanti Bandopadhyay*  
Mrinal Kanti Bandopadhyay  
Partner  
Membership No. 051472  
Bangalore  
27<sup>th</sup> May, 2017



ANNEXURE A TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of **NITESH ESTATES LIMITED** for the year ended March 31, 2017.

We report that:

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) According to the information and explanation given to us, most of the fixed assets have been physically verified by the Management during the year and no material discrepancies were noted 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) There are no immovable properties held in the name of the Company.
- (ii) The Company is in the business of real estate development and related services and holds inventories in the form of land, properties under development and constructed properties. In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the procedures of physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the 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 and rules framed under. Accordingly, the provisions of clause 3(v) of the said Order are not applicable.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 148 of the Companies Act, 2013 for the products of the Company. Accordingly, the provisions of clause 3(vi) of the said Order are not applicable.
- (vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

There are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues in arrears as at 31 March, 2017 for a period of more than six months from the date they became payable.



(b) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, or Duty of Customs or Duty of Excise or Value Added Tax or Cess which have not been deposited as on 31 March, 2017 on account of disputes are given below:

| Name of Statute      | Nature of Dues | Amount (Rs. in lakhs) | Period to which amount Pertains | Forum where Disputes is Pending |
|----------------------|----------------|-----------------------|---------------------------------|---------------------------------|
| Income Tax Act, 1961 | Income Tax     | 66.43                 | AY-2011-12                      | Asst Commissioner of Income Tax |
| Income Tax Act, 1961 | Income Tax     | 196.58                | AY 2009-10                      | CIT(A)                          |
| Income Tax Act, 1961 | Income Tax     | 8.81                  | AY-2011-12                      | CIT(A)                          |
| KVAT ACT             | VAT            | 247.05                | FY 2011-12                      | JCCT(A)                         |

- (viii) The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) The Company has not raised any 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 were raised.
- (x) 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 given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) Company is not a nidhi Company. Accordingly, the provisions of clause 3(xii) of the said order are not applicable.
- (xiii) 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 provisions of clause 3(xiv) of the said order are not applicable.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the said order are 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 provisions of clause 3(xvi) of the said order are not applicable to the Company.

For and on behalf of

**RAY & RAY**

Chartered Accountants

Firm Registration No. 301072E

*Mrinal Kanti Bandopadhyay*  
Mrinal Kanti Bandopadhyay

Partner

Membership No. 051472

Bangalore

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



We have audited the internal financial controls over financial reporting of **NITESH ESTATES LIMITED** ("the 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 Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 Institute of Chartered Accountants of India .

For and on behalf of

**RAY & RAY**

Chartered Accountants

Firm Registration No. 301072E

*Mrinal Kanti Bandopadhyay*  
Mrinal Kanti Bandopadhyay

Partner

Membership No. 051472

Bangalore

27th May, 2017

