

Part I Statement of audited standalone financial results for the year ended on March 31, 2014

(Rs. in Lakhs)

No	Particulars	Quarter Ended			Year Ended	Year Ended
		31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Income from operations					
	(a) Net Sales/Income from operations	2,750	1,561	340	11,205	4,679
	(b) Share in profit/(loss) of association of person (joint venture)	53	23	(27)	66	9
	Total Income from operations	2,803	1,583	313	11,291	4,688
2	Expenditure					
	(a) Land and construction cost	1,625	1,289	1,055	6,985	4,800
	(b) Employee benefit expense	276	210	271	926	1,080
	(c) Depreciation and amortization expense	38	40	45	158	171
	(d) Advertising and sales promotion expense	301	163	108	1,009	575
	(e) Other Expenditure	206	140	98	719	798
	Total Expenditure	2,446	1,842	1,577	9,797	7,424
3	Profit/(Loss) from operations before Other Income, Finance Costs and Exceptional Items (1-2)	357	(259)	(1,264)	1,494	(2,736)
4	Other Income	90	68	229	189	255
5	Profit/(Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	447	(191)	(1,035)	1,683	(2,481)
6	Finance costs (net of inventorisation)	243	211	239	801	369
7	Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	204	(402)	(1,274)	882	(2,850)
8	Exceptional Items	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before tax	204	(402)	(1,274)	882	(2,850)
10	Tax expense/(credit)	31	(68)	-	112	388
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	173	(333)	(1,274)	770	(3,238)
12	Extraordinary Items	-	-	-	-	-
13	Net Profit/ (Loss) for the period (11-12)	173	(333)	(1,274)	770	(3,238)
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)	-	-	-	28,869	28,099
16	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.)					
	(a) Basic EPS	0.12	(0.23)	(0.87)	0.53	(2.22)
	(b) Diluted EPS	0.12	(0.23)	(0.87)	0.53	(2.22)



Part II Select Information for the year ended March 31, 2014

No	Particulars	Quarter Ended			Year Ended	
		31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
A	Particulars of Shareholding					
1	Public shareholding					
	- Number of equity shares	78,446,245	78,686,207	80,419,214	78,446,245	80,419,214
	- Percentage of shareholding	53.79%	53.96%	55.15%	53.79%	55.15%
2	Promoters and Promoter group shareholding					
	(a) Pledged/Encumbered					
	- Number of shares	10,437,459	10,437,459	24,553,593	10,437,459	24,553,593
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	15.49%	15.54%	37.54%	15.49%	37.54%
	- Percentage of shares (as a % of the total share capital of the company)	7.16%	7.16%	16.84%	7.16%	16.84%
	(b) Non-encumbered					
	- Number of shares	56,948,396	56,708,434	40,859,293	56,948,396	40,859,293
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	84.51%	84.46%	62.46%	84.51%	62.46%
	- Percentage of shares (as a % of the total share capital of the company)	39.05%	38.89%	28.02%	39.05%	28.02%

Part III Statement of assets and liabilities for year ended on March 31, 2014

Particulars	Year Ended	
	31-Mar-14	31-Mar-13
	Audited	Audited
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
Share capital	14,583	14,583
Reserves and surplus	28,869	28,099
	43,452	42,682
<b>Non-current liabilities</b>		
Long-term borrowings	4	11
Long-term provisions	47	49
	51	60
<b>Current liabilities</b>		
Short-term borrowings	11,829	10,844
Trade payables	6,279	3,123
Other current liabilities	16,921	16,379
Short-term provisions	108	110
	35,137	30,456
	<b>78,640</b>	<b>73,198</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b>Fixed assets</b>		
- Tangible assets	238	288
- Intangible assets	190	277
	428	565
Non-current investments	40,232	33,430
Long-term loans and advances	5,126	7,779
Other non-current assets	163	179
	45,521	41,388
<b>Current assets</b>		
Inventories	12,985	13,641
Trade receivables	3,959	3,006
Cash and bank balances	510	946
Short-term loans and advances	12,277	12,874
Other current assets	2,960	778
	32,691	31,245
	<b>78,640</b>	<b>73,198</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 28 May 2014. The statutory auditors have audited the financial results for the year ended 31 March 2014.
- (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, 2014:  
Beginning - Nil; Received - Nil; Responded - Nil; Pending - Nil.
- (4) The Company has advanced an amount aggregating Rs 1,570 lakhs as at 31 March 2014, to various parties for purchase/joint development of land/ properties. Considering the timeline of these advances, the same should have been converted into acquired land / joint development agreements or these amounts should have been recovered. Management continues to believe that these advances have been made to parties with which a joint development agreements / acquisition of land will be consummated and in the event that it does not consummate, these advances can be recovered. However, in the absence of sufficient documentation to justify the timing around when these advances are capable of being converted into joint development agreements / acquisition of land and considering that they are not secured, the auditors have qualified their opinion in relation to the recoverability of these advances and the consequential effect, if any, on the financial results for the year ended 31 March 2014.
- (5) Figures for the 3 months ended 31 March 2014 and 31 March 2013 are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the respective financial year. Also, the figures upto the period ended 31 December 2013 and 31 December 2012 were only reviewed and were not subjected to audit.
- (6) The figures of the previous year/period have been regrouped/ reclassified, wherever necessary.

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

Nitesh Shetty  
Chairman and Managing Director

Place: Bangalore, India  
Date: May 28, 2014



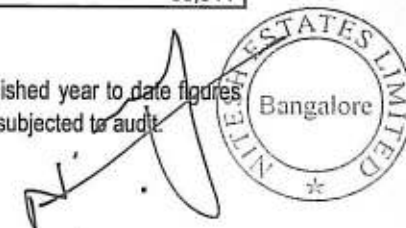
**Standalone Segment wise revenue, results and capital employed**

(Rs in lakhs)

No	Particulars	Quarter Ended			Year Ended	Year Ended
		31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
		Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1</b>	<b>Segment revenue</b>					
	(a) Residential	2,803	1,583	313	11,291	4,688
	(b) Retail	-	-	-	-	-
	(c) Hospitality	-	-	-	-	-
	<b>Total</b>	<b>2,803</b>	<b>1,583</b>	<b>313</b>	<b>11,291</b>	<b>4,688</b>
	Less: Inter-segment revenue	-	-	-	-	-
	<b>Net income from operations</b>	<b>2,803</b>	<b>1,583</b>	<b>313</b>	<b>11,291</b>	<b>4,688</b>
<b>2</b>	<b>Segment results</b>					
	Profit/(loss) before tax and interest					
	(a) Residential	357	(259)	(1,264)	1,494	(2,736)
	(b) Retail	-	-	-	-	-
	(c) Hospitality	-	-	-	-	-
	<b>Total</b>	<b>357</b>	<b>(259)</b>	<b>(1,264)</b>	<b>1,494</b>	<b>(2,736)</b>
	Add: Other income	90	68	229	189	255
	Less: Interest	243	211	239	801	369
	<b>Total profit/(loss) before tax</b>	<b>204</b>	<b>(402)</b>	<b>(1,274)</b>	<b>882</b>	<b>(2,850)</b>
<b>3</b>	<b>Capital employed</b>					
	(a) Residential	22,736	24,911	27,096	22,736	27,096
	(b) Retail	17,092	16,938	16,550	17,092	16,550
	(c) Hospitality	15,037	13,989	9,333	15,037	9,333
	(d) Unallocated	428	451	565	428	565
	<b>Total</b>	<b>55,293</b>	<b>56,289</b>	<b>53,544</b>	<b>55,293</b>	<b>53,544</b>

**Notes :**

1 Figures for the 3 months ended 31 March 2014 and 31 March 2013 are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the respective financial year. Also, the figures upto the period ended 31 December 2013 and 31 December 2012 were only reviewed and not subjected to audit.



Part I Statement of audited consolidated financial results for the year ended on March 31, 2014

(Rs. in Lakhs)

No	Particulars	Quarter Ended			Year Ended	Year Ended
		31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Income from operations					
	(a) Net Sales/Income from operations	4,887	6,560	701	29,757	8,287
	Total Income from operations	4,887	6,560	701	29,757	8,287
2	Expenditure					
	(a) Land and construction cost	2,861	4,111	1,911	18,812	7,803
	(b) Employee benefit expense	504	392	543	1,765	1,955
	(c) Depreciation and amortization expense	42	43	49	171	179
	(d) Advertising and sales promotion expense	462	646	679	2,009	2,107
	(e) Other Expenditure	343	308	279	1,430	1,321
	Total Expenditure	4,212	5,500	3,461	24,187	13,265
3	Profit/(Loss) from operations before Other Income, Finance Costs and Exceptional Items (1-2)	675	1,050	(2,760)	5,570	(4,978)
4	Other Income	125	81	253	339	530
5	Profit/(Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	800	1,141	(2,507)	5,909	(4,448)
6	Finance costs (net of inventorisation)	779	763	924	2,972	7,736
7	Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	21	378	(3,431)	2,937	(12,184)
8	Exceptional Items	-	-	1,504	-	1,504
9	Profit/(Loss) from Ordinary Activities before tax	21	378	(4,935)	2,937	(13,688)
10	Tax expense/(credit)	19	105	11	581	574
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	2	273	(4,946)	2,356	(14,262)
12	Extraordinary Items	-	-	-	-	-
13	(a) Profit/(Loss) transferred to minority interest	-	-	(2)	-	(256)
	(b) Share in profit/(loss) of associate company	(772)	(741)	(189)	(1,830)	(200)
14	Net Profit/ (Loss) for the period ( 11-12-13(a)+13(b) )	(770)	(468)	(5,133)	526	(14,206)
15	Paid-up equity share capital (Face value per equity share Rs.10)	14,583	14,583	14,583	14,583	14,583
16	Reserves excluding Revaluation reserves (as per balance sheet of previous accounting year)	-	-	-	18,034	17,508
17	Earnings/(Loss) Per Share ('EPS') (of Rs. 10 each) - (Rs.)					
	(a) Basic EPS	(0.53)	(0.32)	(3.52)	0.36	(9.74)
	(b) Diluted EPS	(0.53)	(0.32)	(3.52)	0.36	(9.74)



Part II Select Information for the year ended March 31, 2014

No	Particulars	Quarter Ended			Year Ended	
		31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
A	Particulars of Shareholding					
1	Public shareholding					
	- Number of equity shares	78,446,245	78,686,207	80,419,214	78,446,245	80,419,214
	- Percentage of shareholding	53.79%	53.96%	55.15%	53.79%	55.15%
2	Promoters and Promoter group shareholding					
	(a) Pledged/Encumbered					
	- Number of shares	10,437,459	10,437,459	24,553,593	10,437,459	24,553,593
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	15.49%	15.54%	37.54%	15.49%	37.54%
	- Percentage of shares (as a % of the total share capital of the company)	7.16%	7.16%	16.84%	7.16%	16.84%
	(b) Non-encumbered					
	- Number of shares	56,948,396	56,708,434	40,859,293	56,948,396	40,859,293
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	84.51%	84.46%	62.46%	84.51%	62.46%
	- Percentage of shares (as a % of the total share capital of the company)	39.05%	38.89%	28.02%	39.05%	28.02%

Part III Statement of assets and liabilities for year ended on March 31, 2014

Particulars	Year Ended	
	31-Mar-14	31-Mar-13
	Audited	Audited
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
Share capital	14,583	14,583
Reserves and surplus	18,034	17,508
	32,617	32,091
Minority Interest	-	-
<b>Non-current liabilities</b>		
Long-term borrowings	3,516	3,528
Long-term provisions	152	158
Other long-term liabilities	264	438
	3,933	4,124
<b>Current liabilities</b>		
Short-term borrowings	30,093	21,345
Trade payables	13,740	6,214
Other current liabilities	42,771	48,343
Short-term provisions	949	613
	87,553	76,515
	<b>124,103</b>	<b>112,730</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed assets		
- Tangible assets	287	337
- Intangible assets	195	281
Capital work-in-progress	5,048	5,062
	5,530	5,680
Goodwill on consolidation	812	812
Non-current investments	12,524	7,637
Deferred tax assets, net	3	3
Long-term loans and advances	36,156	37,095
Other non-current assets	163	179
	49,658	45,726
<b>Current assets</b>		
Current investments	-	1
Inventories	34,416	32,971
Trade receivables	5,313	6,722
Cash and bank balances	3,639	2,786
Short-term loans and advances	21,980	18,064
Other current assets	3,568	781
	68,916	61,324
	<b>124,103</b>	<b>112,730</b>




Notes to the financial results:

- (1) The above consolidated results were taken on record by the Board of Directors at their meeting held on 28 May 2014. These results include the results of the following subsidiaries, joint venture and associate companies:
- Subsidiaries - Nitesh Housing Developers Private Limited, Nitesh Urban Development Private Limited, Nitesh Indiranagar Retail Private Limited, Kakanad Enterprises Private Limited, Nitesh Property Management Private Limited.
  - Joint venture - Nitesh Estates- Whitefield, Courtyard Constructions Private Limited
  - Associate - Nitesh Residency Hotels Private Limited
- (2) The Company primarily operates in three business segments - 'Residential', 'Retail' and 'Hospitality'. All operations are in India and hence there is no geographical segment.
- (3) Details of number of investor complaints for the quarter ended March 31, 2014:  
Beginning - Nil; Received - Nil; Responded - Nil; Pending - Nil.
- (4) The Group has advanced an amount aggregating Rs 15,834 lakhs as at 31 March 2014, to various parties for purchase/joint development of land/ properties, purchase of transferable development rights as well as construction services. Considering the timeline of these advances, the same should have been converted into acquired land / joint development agreements or these amounts should have been recovered. Management continues to believe that these advances have been made to parties with which a joint development / acquisition of land will get consummated and in the event that it does not consummate, these advances can be recovered. However, in the absence of sufficient documentation to justify the timing around when these advances are capable of being converted into joint development agreements/ acquisition of land and considering that they are not secured, the auditors have qualified their opinion in relation to the recoverability of these advances and the consequential effect, if any, on the consolidated financial results for the year ended 31 March 2014.
- (5) Figures for standalone financial results

No	Particulars	Quarter Ended			Year Ended	
		31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Income from operations					
	(a) Net Sales/Income from operations	2,750	1,561	340	11,205	4,679
	(b) Share in profit/(loss) of association of persons (Joint Venture)	53	23	(27)	86	9
	Total income from operations	2,803	1,584	313	11,291	4,688
2	Profit/(Loss) before tax	204	(402)	(1,274)	882	(2,850)
3	Profit/(Loss) after tax	173	(333)	(1,274)	770	(3,238)

- (6) Figures for the 3 months ended 31 March 2014 and 31 March 2013 are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the respective financial year. Also, the figures upto the period ended 31 December 2013 and 31 December 2012 were only reviewed and were not subjected to audit.
- (7) The figures of the previous year/period have been regrouped/ reclassified, wherever necessary.

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

  
Nitesh Shetty  
Chairman and Managing Director

Place: Bangalore, India  
Date: May 28, 2014





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

**EXPECT MORE**

(Rs in lakhs)

No	Particulars	Quarter Ended			Year Ended	Year Ended
		31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
		Unaudited	Unaudited	Unaudited	Audited	Audited
<b>1</b>	<b>Segment revenue</b>					
	(a) Residential	4,887	6,560	701	29,757	8,287
	(b) Retail	-	-	-	-	-
	(c) Hospitality	-	-	-	-	-
	<b>Total</b>	<b>4,887</b>	<b>6,560</b>	<b>701</b>	<b>29,757</b>	<b>8,287</b>
	Less: Inter-segment revenue	-	-	-	-	-
	<b>Net income from operations</b>	<b>4,887</b>	<b>6,560</b>	<b>701</b>	<b>29,757</b>	<b>8,287</b>
<b>2</b>	<b>Segment results</b>					
	Profit/(loss) before tax and interest					
	(a) Residential	753	1,105	(4,204)	5,789	(6,265)
	(b) Retail	(78)	(45)	(60)	(219)	(217)
	(c) Hospitality (refer note 2 below)	-	-	-	-	-
	<b>Total</b>	<b>675</b>	<b>1,060</b>	<b>(4,264)</b>	<b>5,570</b>	<b>(6,482)</b>
	Add: Other income	125	81	253	339	530
	Less: Interest	779	763	924	2,972	7,736
	<b>Total profit/(loss) before tax</b>	<b>21</b>	<b>378</b>	<b>(4,935)</b>	<b>2,937</b>	<b>(13,688)</b>
<b>3</b>	<b>Capital employed</b>					
	(a) Residential	34,356	33,899	33,175	34,356	33,175
	(b) Retail	16,363	16,287	16,057	16,363	16,057
	(c) Hospitality	15,037	13,989	9,333	15,037	9,333
	(d) Unallocated	482	502	618	482	618
	<b>Total</b>	<b>66,238</b>	<b>64,677</b>	<b>59,183</b>	<b>66,238</b>	<b>59,183</b>

**Notes :**

- Figures for the 3 months ended 31 March 2014 and 31 March 2013 are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the respective financial year. Also, the figures upto the period ended 31 December 2013 and 31 December 2012 were only reviewed and not subjected to audit.
- The Group holds a 22.79% stake in Nitesh Residency Hotels Private Limited which is primarily in the hospitality segment. Accordingly, results of Nitesh Residency Hotels Private Limited is reflected as Share in profit/(loss) of associate company in item 13(b) in the financial results. Share in profit/(loss) of associate company is (Rs.772 lakhs), (Rs. 741 lakhs), (Rs. 189 lakhs), (Rs. 1,830 lakhs) and (Rs. 200 lakhs) for the quarter ended 31 March 2014, quarter ended 31 December 2013, quarter ended 31 March 2013, year ended 31 March 2014 and year ended 31 March 2013 respectively.





# B S R & Co. LLP

Chartered Accountants

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Fax: + 91 80 3980 6999

## **Auditor's Report on the Annual Consolidated Financial Results of Nitesh Estates Limited pursuant to the Clause 41 of the Listing Agreement**

To  
Board of Directors of  
Nitesh Estates Limited

1. We have audited the accompanying annual consolidated financial results of Nitesh Estates Limited ('the Company') and its subsidiaries, joint venture and an associate as detailed in note 1 of the consolidated financial results (collectively referred to as 'the Nitesh Group') for the year ended 31 March 2014, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2014 and the corresponding quarter ended in the previous year as reported in these consolidated financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures upto the end of the third quarter of the respective financial years have only been subjected to a review and have not been subjected to audit.
2. These consolidated financial results have been prepared on the basis of the annual consolidated financial statements and reviewed quarterly consolidated financial results upto the end of the third quarter, which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the annual consolidated financial statement which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

B S R & Co. (a partnership firm with  
Registration No. BA61223) converted into  
B S R & Co. LLP (a Limited Liability Partnership  
with LLP Registration No. AAB-8181)  
with effect from October 14, 2013

**Registered Office:**  
1st Floor, Lodha Excelus  
Apollo Mills Compound  
N.M. Joshi Marg, Mahalakshmi  
Mumbai - 400 011

4. We did not audit the financial statements of three subsidiaries and two joint ventures included in the consolidated financial results, whose consolidated financial statements reflect total assets of Rs 18,998 lakhs as at 31 March 2014 as well as the total revenue and other income of Rs 1,212 lakhs for the year ended 31 March 2014. The financial information for these subsidiaries and joint ventures have been audited by other auditors whose audit reports have been furnished to us, and our opinion on the annual consolidated financial results is based solely on the audit reports of these other auditors.
5. *As stated in note 4 of the consolidated financial results, the Group has advanced an amount aggregating Rs 15,834 lakhs as at 31 March 2014, to various parties for purchase/joint development of land/ properties, purchase of transferable development rights as well as construction services. Considering the timeline of these advances, the same should have been converted into acquired land / joint development agreements or these amounts should have been recovered. Management continues to believe that these advances have been made to parties for which a joint development agreement/ acquisition of land will get consummated and in the event that it does not consummate, these advances can be recovered. However, in the absence of sufficient documentation to justify the timing around when these advances are capable of being converted into joint development agreements / acquisition of land and considering that they are not secured, we are unable to comment on the recoverability of these advances and the consequential effect, if any, on the consolidated financial results for the year ended 31 March 2014.*
6. *In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in paragraph 5 above, these consolidated financial results:*
  - (i) *are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and*
  - (ii) *give a true and fair view of the net profit and other financial information for the year ended 31 March 2014.*
7. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the Management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing Agreement and found the same to be correct.

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration Number: 101248W



**Sampad Guha Thakurta**

Partner

Membership Number: 060573

Place: Bangalore

Date: 28 May 2014



# B S R & Co. LLP

Chartered Accountants

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Bangalore 560 071 India

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## Auditor's Report on Annual Financial Results of Nitesh Estates Limited pursuant to the Clause 41 of the Listing Agreement

To  
Board of Directors of  
Nitesh Estates Limited

1. We have audited the accompanying annual financial results of Nitesh Estates Limited ('the Company') for the year ended 31 March 2014, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended 31 March 2014 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures upto the end of the third quarter of the respective financial years have only been subjected to a review and have not been subjected to audit.
2. These financial results have been prepared on the basis of the annual financial statements and reviewed quarterly financial results upto the end of the third quarter, which are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial results based on our audit of the annual financial results which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India and in compliance with Clause 41 of the Listing Agreement.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



4. As stated in note 4 of the financial results, the Company has advanced an amount aggregating Rs 1,570 lakhs as at 31 March 2014, to various parties for purchase/joint development of land/ properties. Considering the timeline of these advances, the same should have been converted into acquired land / joint development agreements or these amounts should have been recovered. Management continues to believe that these advances have been made to parties for which a joint development agreements / acquisition of land will be consummated and in the event that it does not consummate, these advances can be recovered. However, in the absence of sufficient documentation to justify the timing around when these advances are capable of being converted into joint development agreements / acquisition of land and considering that they are not secured, we are unable to comment on the recoverability of these advances and the consequential effect, if any, on the financial results for the year ended 31 March 2014.
5. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in paragraph 4 above, these financial results:
- (i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
  - (ii) give a true and fair view of the net profit and other financial information for the year ended 31 March 2014.
6. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the Management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing Agreement and found the same to be correct.

for **BSR & Co. LLP**

Chartered Accountants

Firm Registration Number: 101248W



**Sampad Guha Thakurta**

Partner

Membership Number: 060573

Place: Bangalore

Date: 28 May 2014